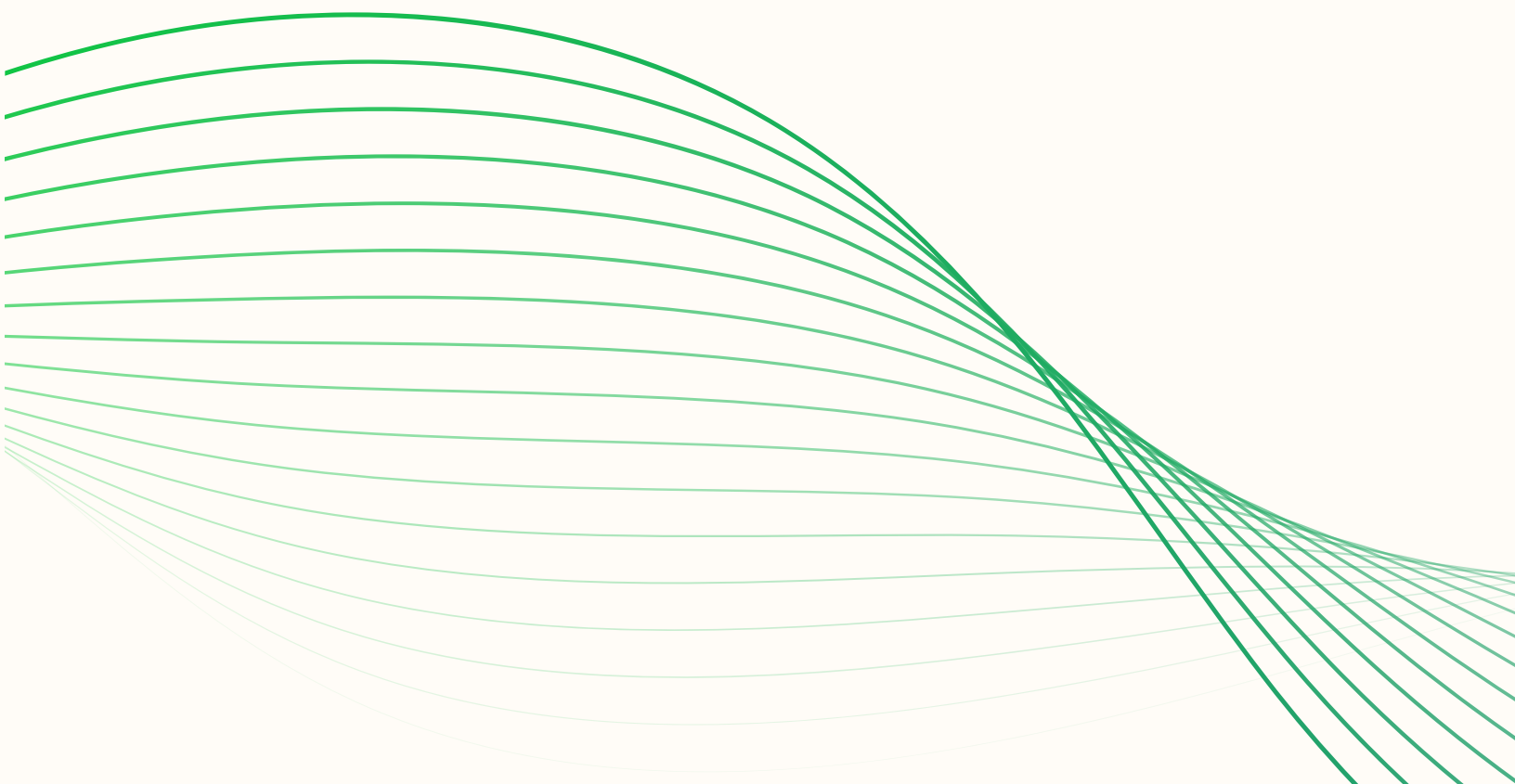




# Building a Sustainable and Efficient Energy Future

ANNUAL REPORT 2021-22





# I N D E X

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# Financial Year 2022 Exemplary.

IX is leading India's energy transformation, characterised by efficiency, competition, flexibility, and customer choice. The efforts have resulted in Power Exchanges now constituting 7.4% of India's total annual electricity consumption.

Record Breaking Yearly  
Trading Volume

102 BU

Revenue Growth

36.0%YoY

with revenue at ₹ 484.4 Cr

Total Volume Growth

36.5%YoY

Profit After Tax Growth

50.2%YoY

with PAT at ₹ 308.6 cr



With its transformative business model, the Indian Energy Exchange is creating tremendous value for its shareholders, year on year.

#### Revenue (in Crores) + 120.49

FY22	477.88
FY21	357.39
FY20	297.15
FY19	294.16
FY18	256.07

#### EBITDA (in Crores) + 118.20

FY22	417.91
FY21	299.71
FY20	244.59
FY19	242.90
FY18	210.50

#### Net Profit (in Crores) + 89.03

FY22	302.51
FY21	213.49
FY20	177.92
FY19	165.04
FY18	131.69

#### EPS\* + 1

FY22	3.38
FY21	2.38
FY20	1.99
FY19	1.82
FY18	1.49

#### EBITDA Margin + 3.59%

FY22	87.45%
FY21	83.86%
FY20	82.31%
FY19	82.58%
FY18	82.20%

#### Net Worth (in Crores) + 170.57

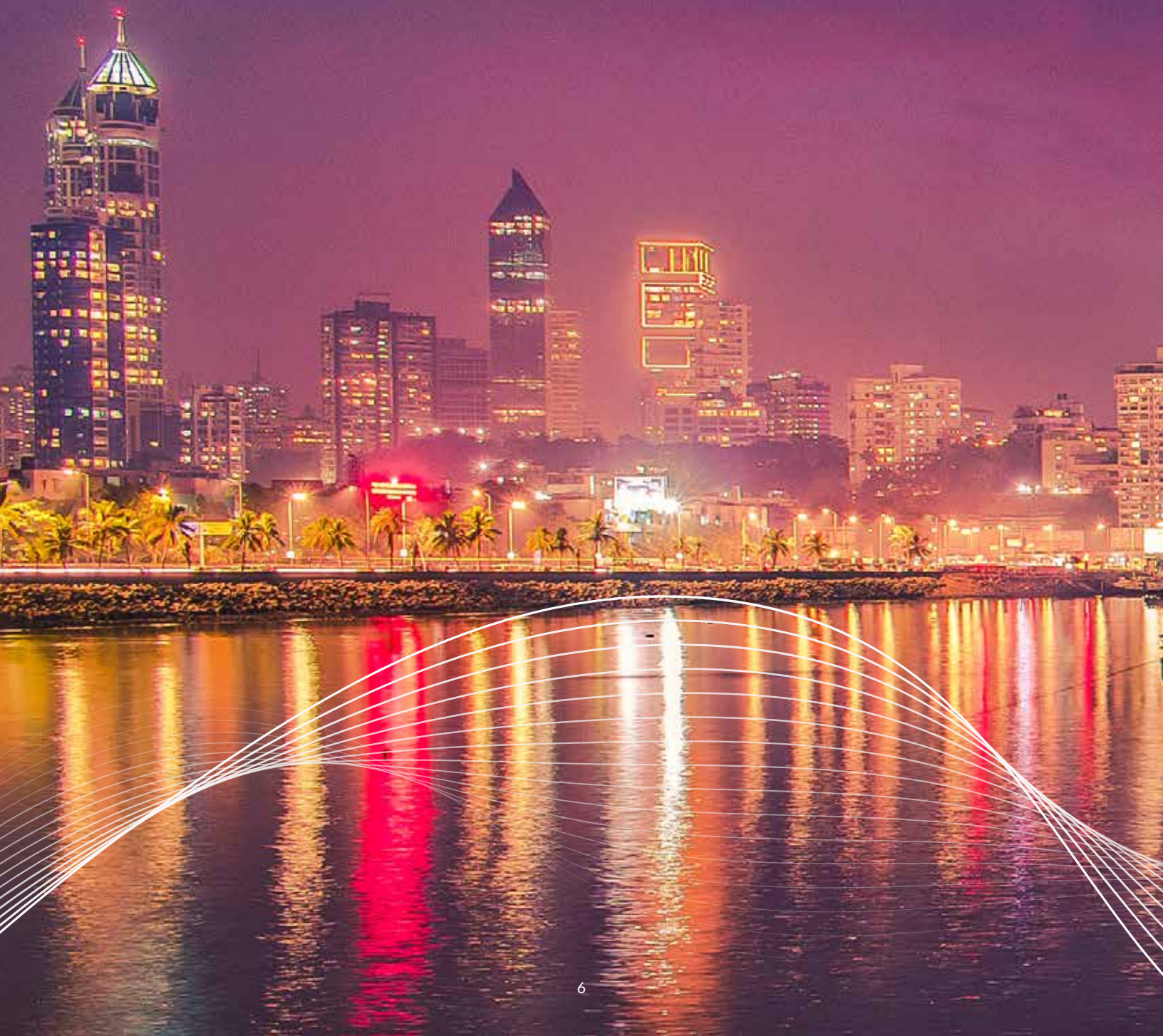
FY22	701.97
FY21	531.40
FY20	390.15
FY19	370.27
FY18	283.72

#### Market Capitalization (in Crores) + 10,223.86

FY22	20,193.10
FY21	9,969.24
FY20	3,832.83
FY19	5,004.22
FY18	4,861.38

\*EPS adjusted for previous years as per bonus issue of shares

# Corporate Overview





# Building a Sustainable and Efficient Energy Future

The Indian Energy Exchange has been playing a pivotal role in powering India's energy future based on efficiency and sustainability at its core by shaping and developing a market-based energy order.

Fulcrumed on technology, innovation, automation and partnerships, the energy markets are driving transformation in the sector promoting overall efficiency, competitiveness, flexibility and customer choice.



# | Energy Transition and Economic Growth





At the UN COP26 Conference held in November'21 at Glasgow, the Honourable Prime Minister Narendra Modi made strong commitments towards achieving climate-related targets for India. This includes announcement of the 'Panchamrit' - with key five goals, which are:



Increase non-fossil fuel-based energy capacity to 500 GW by 2030



Expand renewable energy component to 50% of total energy requirements by 2030



Bring down total projected carbon emissions by 1 billion tonnes, from now till 2030



Reduce carbon intensity of the economy to less than 45% by 2030



Become carbon-neutral and achieve net-zero emissions by 2070

The Union Budget 2022 was strategically aligned to the COP26 commitments and highlighted several key initiatives which are being targeted at furthering India's energy transition, such as the expansion of the Production-Linked Incentive (PLI) Scheme for solar cells and modules manufactured domestically, 'infrastructure' status to be granted to battery energy storage systems, use of Biomass pellets in thermal power generation, and Distributed Renewable Energy (DRE) systems in hard-to-reach border villages. Combined with these goals, the proposal to issue sovereign Green bonds collectively signals the government's determination in pursuing climate action on a country-wide scale.

## Renewables at the centre of energy transition

Renewables have strategically taken centre stage in aiding India's energy transition ambition. Overall, the country currently has the fourth largest installed renewable energy capacity in the world at 157 GW, which accounts to 39.2% of the Nation's cumulative total installed electricity capacity. In the last year, solar alone has been able to generate increased amounts of power generation capacity i.e from 40 GW to 54 GW.

The government has set a target of installing 500 GW of renewable energy capacity by 2030. Of this, 157 GW has already been achieved in financial year 2022, which includes 54 GW from Solar, 47 GW from Hydro, 40 GW from Wind, 11 GW from Bio-Power and 5 GW from small Hydro-Power Plants. According to the credit rating agency ICRA, about 63 GW of renewable energy capacity is currently in various stages of construction. India's annual renewable energy addition has been exceeding that of coal-based thermal power since 2017, according to Ministry of New and Renewable Energy (MNRE). Investments have supplemented this transition as well, with approximately \$70 billion have been invested in renewable energy projects across the country in the past seven years alone.

Early this year, the government also cleared an investment of ₹12,031 crore to set up infrastructure to transmit electricity from renewable energy projects. This move seeks to boost the output from States rich in renewables to the ones that aren't, and this will help meet 50% of the nation's energy requirement from Green energy by 2030.

Also, as per the World Economic Forum report, India's decarbonization journey represents a \$15 trillion economic opportunity by the year 2070 and expected to create about 50 million net new jobs. Moreover, four Indian firms have also made it to the CDP - A list for the first time in 2020. CDP Worldwide (formerly known as Carbon Disclosure Project) is an international UK based not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impact. This clearly reiterates India's commitment to sustainability and its unflinching support towards the government's vision for the country.



# Low-Carbon Roadmap on the Anvil



## Green Hydrogen

The Energy and Resources Institute's (TERI) report on 'Potential Role of Hydrogen in India' estimates that the demand for Hydrogen could increase 5-fold by 2050, with its growing industrial usage being the major driver. Hydrogen has been touted as the 'sunrise sector' by virtue of its vast and virtually unlimited potential. India has been grappling with high Carbon dioxide (CO<sub>2</sub>) emissions created through the combustion of fossil fuels as well as the use of grey hydrogen. Thus, the National Hydrogen Mission and the Green Hydrogen Policy are certainly steps in the right direction.

With the launch of the National Hydrogen Mission on 15 August 2021, several new technologies are anticipated to receive a boost in order to meet the goal of turning India into a Green Hydrogen manufacturing hub. To meet this objective, the Ministry of Power announced the Green Hydrogen Policy in February 2022. In accordance with this policy, India will target the production of 5 million metric tonnes of Green Hydrogen annually by the year 2030.

The demand side policy framework will also require equal attention towards promoting the use of Green Hydrogen / Green Ammonia in various industrial applications as energy carriers and chemical feedstock. This will mark a turning point in attaining energy security while also lowering carbon emissions. Solid oxide fuel cell technology generates 'clean' electricity and provides storage options for Green Ammonia that helps in decarbonising the energy-intensive sectors that are currently heavily reliant on fossil-fuels, such as the shipping industry.

## Electric Mobility, Global EV30@30 Campaign

As part of the Global EV30@30 campaign, India is looking at a 30% EV share in sales by the year 2030. To develop and strengthen the EV ecosystem, key initiatives by the government include the two-year extension and ₹ 10,000 crore financial support to Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME II) scheme (consumer side); ₹ 18,100 crore Production Linked Incentive (PLI) for Advanced Chemistry Cell (supplier side) and ₹ 25,938 crore PLI scheme for Auto and Automotive Components (manufacturer side). These initiatives

are also expected to give further impetus to penetrate renewable power through grid and off-grid support initiatives, while reducing dependence on battery imports. Further, with no licence required for charging infrastructure, the move to set up charging stations in cities with a population of over 1 million, and at least one e-charging kiosk at 69,000 petrol stations across the country, the EV sector is bound to witness an upward growth trajectory. The Ministry of Power has also issued guidelines for procurement and utilisation of Battery Energy Storage Systems (BESS) as part of generation, transmission, and distribution assets along with ancillary services.

## Electric Cooking & Go Electric Campaign

As per the International Energy Agency (IEA), despite recent success in expanding coverage of LPG in rural areas, 660 million Indians are yet to fully switch to modern, clean cooking fuels and technologies. The 'Go Electric' campaign launched by the government in 2021 also focuses on electric cooking. While there are no specific schemes yet, but there is a proposal to leverage rooftop solar power instead of fossil fuel for cooking and subsequently offer subsidies for electric cooking equipment. This will address, on one hand, reliance on coal and Biomass, while, on the other hand, ensure better health for women.

## Industry & Sustainability, RE100

The key drivers for the industry to make the switch towards sustainable energy have been regulatory pressure, economic advantages, and sustainability commitments. According to a CDP report titled 'Building Back Greener', leading Indian companies that have disclosed climate data assessed the total inherent financial impact of climate risks at ₹ 7,138 billion. The risk from climate-related opportunities was assessed at ₹ 2,787 billion. In addition, greater regulatory requirements and reputational risk are prompting more Indian businesses to wake up to the threat of climate change and commit to reducing their carbon footprint.

India has seen an enthusiastic participation in RE100, an initiative that brings together the world's most influential businesses which have committed to 100% renewable electricity. Several Indian organisations,

including Multinational companies that are headquartered in India such as Infosys, Dalmia Cement, Mahindra Holidays & Resorts and Tata Motors – as well as global companies with an Indian presence – have voluntarily adopted 100% renewable electricity consumption targets.

## Growing Demand and Energy Transition

The Finance Ministry's Economic Review states that the Indian economy is projected to have the fastest growth as compared to the league of other large nations in FY23. Despite three waves of COVID-19, the country's overall economic activity has remained resilient. This is reflected in the robust performance of several high-frequency indicators such as power demand and consumption, Manufacturing PMI (Purchasing Managers' Index), exports and e-way bill generation and rising GST collections. Favourable government policies and schemes to promote green technologies for driving energy transition, technology and automation creating next-generation operating models, and R&D innovation present several new opportunities despite the global headwinds.

Rapidly growing economy, young and ambitious population, rapid urbanisation, a booming services economy and growing industrialisation signifies that India's electricity demand is all set to increase expeditiously. As per the International Energy Agency's India Energy Outlook 2021, India's energy consumption is expected to grow double (approx.) to 2800 billion units per year as it expands to an estimated \$8.6 trillion by 2040, under the current National policy scenario.

Expanding the renewables capacity will help India meet its rising electricity demand while mitigating the impact of rising import costs, temporary fuel shortages and high carbon emissions. For instance, the decision to expand the existing Production Linked Incentive (PLI) scheme for solar equipment, from ₹ 4,500 crore to ₹ 24,000 crore, will translate into creating an additional manufacturing capacity of up to 45 GW in the country.

Decentralised Renewable Energy (DRE) sources like rooftop solar panels, micro or mini-grids and rechargeable batteries have shown promise in securing sustainable and equitable energy access. One great initiative is the Vibrant Villages Programme which envisions installing DRE closer to the site of consumption, with battery storage backing up for the variability of power production typical with renewable

energy sources. These will go a long way to build a resilient and sustainable energy landscape.

## Pivoting Energy as a Service

The new energy mix with steadily increasing renewable energy share will lead changes across the value chain – generation, transmission, distribution, consumption, as a shift across the policy and regulatory and the financing landscape. A greater infusion of technology and automation across the value chain is expected to take place. As an example, on the generation side, large centralised Ultra Mega Power Projects (UMPP) will make way for manageable renewable capacities. On the distribution side, technology adoption with modern control and automation systems, smart meters, and smart grids, along with a move to remove licensing requirements for private players will help drive change and deliver consumer choice pivoting energy as a service.

Further the decentralized, tech-enabled renewable energy system would help build a sustainable energy economy at the local level. On the finance side, while the high cost of debt is a hindrance, India is making significant strides in issuing Green Bonds to raise the \$ 10 trillion goal as it requires to attain Net-Zero by 2070.

## Role of Power Markets

The power markets have emerged as a key driver and enabler as India charts its transition to a carbon-neutral future.

Flexibility, efficiency, competitive prices, consumer choice, and tech driven smart management will be imperative in this new scenario.

Offering a spectrum of products, with value propositions such as flexibility, competitive prices, transparency, payment security, risk management and greater choices, power markets have an opportunity to accelerate the energy transition facilitating India towards achieving its energy and sustainability aspirations including the Nationally Determined Contributions announced at COP26.

The energy transition supported and facilitated through the markets represents a unique opportunity for India to meet climate goals while fuelling economic growth, in the most efficient manner.





# Message to Shareholders

**Satyanarayan Goel**

Chairman &  
Managing Director



**India** is well on its way to becoming the fastest growing major economy and is expected to be one of the top three economic powers in the world over the next 10-15 years. This economic growth has been backed by the government's thrust on infrastructure, electrification, boost in consumption, and supply side management. The Covid-19 induced slowdown seems behind us. The business activity has been showing robust growth. For the full fiscal 2021-22, Index of Industrial Production (IIP) grew 11.4 per cent as against an 8.4 per cent contraction in 2020-21. For the fiscal year 2023, India is expected to accomplish a robust GDP growth of about 8%. Even though the world is facing temporary headwinds due to global commodity price shocks, rapid economic recovery and easing of financial sector weakness will lead to minimal downside risks to India's growth.

Electricity is the main enabler for economic and industrial growth. It will play a dominant role in meeting the nation's ambitious target of becoming a \$5 trillion economy by the year 2026-27. We have already seen

that in FY 22 power demand and consumption soared to new highs of 1,374 BU, an increase of 8.1% year-on-year (YoY) after two years of slowdown. The months of April and May 2022, saw an all-time peak demand of 207GW, and a consumption rise of 18.6% YoY. An expanding economy, population, urbanization, and industrialization will further drive up the power demand and consumption. In fact, the increasing focus by the Government of India on electrification, from cooking, to railways, and to vehicles, will all contribute significantly to an increase in power consumption in the country. It is expected that the electricity sector will record a growth of around 8-10% annually for the next 10-15 years.

India is also undergoing an energy transition, driven by renewables. In context of the commitments made by the Honorable Prime Minister at the COP26 Summit last year in Glasgow, India will achieve a target of 500 GW of non-fossil fuel-based generation capacity by 2030. A net-zero emission aspiration by the year 2070 sets the tone for continued pursuit of sustainability



and renewable-led energy transition in the long-term. These aspirations require significant transformation in the power sector to support large-scale development of renewable energy sources.

The present renewable capacity at 157 GW (as on 31st March 2022), is approximately 40% of installed capacity of 399 GW. To reach 500 GW by 2030, India needs to adopt market models to facilitate capacity deployment. Globally, we have seen that countries with higher renewable share in their energy mix have leveraged energy markets. India is a large country with diverse electricity generation and demand. Power markets are key in managing the intermittencies by efficient integration with conventional power and enable the most efficient matching of demand and supply. Further, renewable capacity is going to be distributed all over the country and could range from KW to GW. An individual or an organization with renewable capacity could be a buyer or at times maybe a seller when there is less demand. Transactions with the participants who are scattered throughout the country will be possible only through a market approach.

## Policy and regulatory enablers to deepen power markets towards driving the energy transition

The policy and regulatory initiatives will play a critical role in enabling the fast-evolving energy transition. The Government has already undertaken several regulatory and policy initiatives towards facilitating energy transition through deepening energy markets.

The Government of India has proposed amendments to the National Electricity Policy 2021 with an endeavor to expand markets to represent 25% share by the year 2025. More recently, to address the challenge of unutilized capacity, the Ministry of Power issued new rules under which a distribution licensee shall intimate its schedule for requisitioning power on day ahead basis from generating company with which it has an agreement for purchase of power by 10am, failing which the generating company may sell the un-requisitioned power in the Power Exchange. This will increase supply side liquidity on the market. Additionally, green open access for consumers with contracted load of 100 KW and above, cap on

increasing the cross-subsidy surcharge as well as the removal of additional surcharge will not only incentivize the consumers to go green but also address the issues that have hindered the growth of open access in India. Amendments to DSM regulations linking deviations to the block-level prices discovered at the Exchange to maintain grid stability and safety is another significant initiative undertaken during the fiscal year 2022 which will increase market liquidity.

Similarly, on the regulatory front, several pro-market measures were initiated in the fiscal year 2022. Prominently at the central level, the CERC Ancillary Services Regulations 2022 would help create market based ancillary services and improving the grid safety and security. Implementation of National Open Access Registry (NOAR) will enable automation, increase efficiency and transparency in transmission allocation, thereby enabling greater efficiency in the power market. Similarly, the CERC Connectivity and General Network Access Regulations 2022 will simplify as well as rationalize transmission allocation, transmission pricing and support strengthening of the transmission network. Further, regulatory initiatives have also been undertaken to support commencement of new market products in fiscal year 2023 such as Gross Bidding Contracts, and Capacity Markets.

Your Company sees the evolving policy and regulatory landscape as conducive to its future growth and committed towards expanding the power markets.

## Green market towards facilitating India's sustainability aspirations

At IEX, we took the first step towards building a green market with the launch of the Green Term-Ahead Market in August 2020. The Exchange's Green market, which now comprises of Green Day-Ahead, Green Term-Ahead, and Renewable Energy Certificate segments is aligned to India's sustainability aspirations. In the 16 months since India's first exclusive Green Term-Ahead Market commenced, the green market has seen expansion and significant traction. In fiscal year 2022, this market achieved 4,945 MU volume, which is a 5X increase over the last year. Additionally, the real-time market which is supporting renewable energy integration alone traded 20 BU last year which is almost 20% of our total volume of 102 BU.

The green market offers immense benefits which could catalyze the creation of a pan-India green market and help achieve India's renewable energy targets. The markets will encourage renewable energy-rich states to develop capacity beyond their own obligations and offer it for sale in a pan-India market. The market will encourage green generators to adopt new part-market and part-power purchase agreement models or pure market models for future capacity addition. The payment security offered by the market mechanism helps in addressing the issue of non-payment of dues faced by renewable energy developers.

The government has announced measures to boost green markets, however, more needs to be done in an expeditious manner. Going ahead, we should aim to move towards larger capacity addition and transactions through market-based model to have a sustainable model for RE, similar to what is seen in other developed countries. Besides this, we must look at New Market-based models such as Contract for Differences (CfD) mechanism for renewable market-based capacity addition which can help in trading and scheduling of power at the Exchange at market prices with guaranteed revenue to the generator, and vREC/Virtual PPA model where the PPAs with corporates and other voluntary buyers like MNCs, data centres will ensure payment commitment at fixed prices to generators and offer green attributes to buyers. Your company is already working with Regulators to create such a market based sustainable model.

## Pioneering Gas Markets

With the aim to build India as a market-based gas economy, your Company started the Indian Gas Exchange in 2020. IGX has been operating successfully since inception and has built a transparent marketplace for gas sector participants, facilitating indigenous gas price discovery and investments across the value chain.

During the fiscal year 2022, the gas market saw significant traction. It traded 1.2 crores MMBTU and achieved financial breakeven. Prominent leaders in the petro-chemical sector such as BPCL, IOCL, IGL, ONGC, Indian Oil Adani Gas Private Limited among others, joined IGX as members during the year.

Recently, IGX received PNGRB approval to commence domestic gas trading. This approval will lead to new opportunity of domestic gas sales and price discovery through Exchange Market besides increasing the sell side liquidity.

With the Government of India's planned investments for creation of gas infrastructure, proposal to set up a gas Transport System Operator (TSO) for allocation of gas pipeline capacity to market participants in a transparent and non-discriminatory manner, plan to bring natural gas under GST to make its price cheaper and uniform across the country, the gas sector is expected to achieve a tremendous growth. This will lead to creation of a deep and vibrant gas market in India, aligned with Government of India's aim to increase the share of natural gas in India's energy basket from 6% at present to 15% by 2030.

## Business & Financial Performance

The fiscal year 2022 holds special significance for IEX since we accomplished an all-time high volume of 102 BU achieving 37% YoY growth across all market segments. The electricity market comprising DAM, RTM, TAM, GDAM and GTAM segments contributed 95.6 BU volume, and achieved 29% YoY growth while the Certificate segment constituting REC and ESCerts contributed 6.4 BU. The volume growth was largely driven by new products, besides the increasing demand for electricity from States.

With 20% CAGR growth over the last 5 years, the Exchange Market has been the fastest growing segment in the short-term electricity market. In fiscal year 2022, it constituted 7.4% of India's total electricity consumption as per the data from CERC Market Monitoring Reports. The recent commencement of longer duration contracts is expected to further reinforce our positioning in the India's short-term market.

Commencement of Cross-border Electricity Trade (CBET) has helped IEX expand India's power markets to the South Asia region, thus building the foundation of an integrated South Asian regional power market. The CBET segment already has Nepal and Bhutan participating pro-actively and shortly Bangladesh is expected to join.



The outstanding business achievements led to spectacular financial performance. Last year, the consolidated revenues of your company grew 36% YoY from Rs. 356.2 crore in fiscal year 2021 to Rs. 484.4 crore in fiscal year 2022 while the Profit after Tax increased from Rs 205.4 crore to Rs 308.6 crore, with growth of more than 50% YoY. For fiscal year 2022, the Board of the Directors of the Company announced total dividend payout of Rs 2/- per share which is 200% of the face value of equity share for the fiscal year 2022.

## Technology and Customer Centricity

Along with state-of-the-art technology, customer centricity is woven into our DNA. We undertook a plethora of customer centric initiatives during the fiscal year. Some significant initiatives include: enhanced customer experience across all the key touchpoints – Registration, Bidding, Physical Delivery, and Financial Settlement ; Web-based platform providing digital registration, anytime anywhere, easy and secure access to the trading platform, data insights and analytics; Application Programming Interface (API) for different market segments; Bid creation tool to the market participants to facilitate power procurement optimization helping in fast creation of bulk bid and quick upload on IEX trading platform; Smart Power Procurement tool to facilitate efficient power portfolio and cost optimization; System integration with the clearing banks to enable faster financial transactions with our customers; and Value-added services for the renewable generators to get generation forecasting services and solutions from the best-in-class empaneled service providers.

Going forward, we are working proactively to introduce API-based bidding for all market segments and introduction of Robotic Process Automation to eliminate human dependency in all Exchange processes.

I am delighted to share that CNBC recognized the outstanding leadership demonstrated by IEX during the challenging Covid times, as well as the positive and transformational effect we have been driving in the power sector. Honorable Finance Minister Smt. Nirmala Sitharaman recently conferred the 'Most Promising Company of The Year' to IEX at the 17th



Edition of India Business Leader Awards organised by CNBC TV18 held on 1 April at Mumbai.

Our prominent role in the energy ecosystem, robust digital and technology infrastructure, growing and diverse market segments and seamless market operation and services, have helped us deliver this success.

## Social Connect

As a socially responsible corporate citizen, your company's CSR initiatives are aimed at making a tangible contribution to the community we are a part of.

During this fiscal year, our partnership with IIT-Kanpur for the education and research interventions entered the fifth year. Over the last five years, Energy Analytics Lab (EAL) has successfully made immense contribution in power procurement optimization and savings accrued by DISCOMs. EAL works in partnership with Center for Energy Research on regulatory initiatives and has recently also implemented Regulatory Certification Programme for learning fundamentals and technical concepts besides an e-Master's program on Power Sector Regulation, Economics and Management.

We also collaborated with the Sabhyata Foundation for promoting and protecting India's culture, art, and heritage. As the first initiative, your Company has supported the Foundation in its initiative of restoration, preservation and promotion of national culture and heritage at the Red Fort Monument.

## Way Forward

The energy markets are driving the transformation and facilitating India in achieving its ambitious power sector and sustainability aspirations. An enormous opportunity lies ahead of the Exchange Markets as the nation moves towards greater adoption of renewables, and the energy sector undergoes rapid transformation. We regularly interact with Government and the Regulators to create an enabling policy landscape to further develop the energy and power markets which we believe have immense potential for growth. India is moving towards a system which will integrate distributed generation, supply chain automation, low carbon products and technologies, providing greater choice to consumers. In this journey, technology driven solutions which Exchange Markets will provide, underpinned by Artificial Intelligence, Machine Learning and Blockchain, innovative products and services such as Peer to Peer Trading, decentralized RE hybrid models for battery storage, and other emerging trends, will support acceleration of India's energy shift. There will be several new and significant opportunities in the core business as well on the periphery that we are and would continue to assess. We stand committed to facilitating the sustainable and efficient energy transformation in India while remaining optimistic about the opportunities and promises the future holds.







# IEX: Facilitating the Sustainability Imperative





Having already achieved about 160 GW renewable energy capacity, India needs to install another 340 GW of green capacity in this decade, requiring 45 GW of additional green capacity installation on a yearly basis, say for the next 8 years, to meet the 500 GW ambition by 2030. Renewables are thus at the core of India's ambitious sustainability aspirations.

## Power Markets

Globally, greater penetration of renewables has been led and driven by power markets. European countries such as Norway, Germany, Sweden, and Finland have higher shares of renewable energy as part of their total energy mix, and the green energy in these countries is routed through exchange markets, thus driving overall flexibility, efficiency and competitiveness. The electricity markets around the world also have an integrated market for renewable and conventional energy sources, which has greatly eased access to energy, driven down energy prices, thereby supporting greater renewable deployment and integration.

Government of India has already initiated policy measures to accelerate energy transition and renewable capacity development. A few key significant policy enablers include initiatives such as the waiver of inter-state transmission charges for electricity generated or supplied from Solar, Wind, Hydro-Pumped storage, and Battery-Based Energy Storage Systems; ambitious RPO trajectories; REC and Energy Savings Certificates (ESCerts) based market mechanisms soon expected to make way for carbon market; and increased focus on local renewable energy manufacturing and commencement of Green Market as well as the ecosystem. Although these initiatives are commendable, much more will be required as India redefines its energy mix and works toward achieving energy transition. Time is also appropriate to accelerate further development of Green Markets and introduction of market-oriented policy framework as well as new and futuristic green market products.

As a leading energy marketplace pioneering development of the energy markets over the last 14 years, the IEX is well aligned with India's strategic sustainability aspirations and facilitating towards building a sustainable energy order. Working

towards this objective, in the last three years IEX has undertaken several initiatives such as integration with National Open Access Registry operated and hosted by POSOCO besides successful commencement of market segments such as Green Markets, Real-Time Markets and now working towards forthcoming commencement of other new segments such as the longer duration contracts and Ancillary market towards supporting greater capacity deployment and facilitating the market participants in meeting their requirements in the fast-paced energy shift underway.

## Green Market

As per the Central Electricity Authority (CEA), India's apex power sector planning body, the country's power requirement will likely touch 817 GW by 2030, with clean energy accounting for over half of this.

Until August 2020, the Exchange-based power markets only offered trade in Renewable Energy Certificates (RECs). Entities on the demand side were procuring renewable energy mainly through long-term PPA contracts to fulfil their Renewable Purchase Obligations, mandated as per the Indian Electricity Act, 2003. This changed in August 2020, when the Central Electricity Regulatory Commission approved trading in renewable energy with Term-Ahead contracts on the power exchanges, paving way for the establishment of a first-of-its-kind "Green Market" in India. The Real-Time market commenced in June 2020, the Green Term-Ahead Market commenced in August 2020 while the Green Day-Ahead Market commenced in October 2021. Together these three market-segments offer demand-supply-imbalance management through various delivery-based contracts ranging from half hourly auctions (RTM) to trade on a Day-Ahead (GDAM) as well as Term-Ahead contracts that extend up to 11 days (GTAM).

Green market has received an excellent response from the stakeholders. In financial year 2022, market saw significant volumes due to the capture of the entire high wind season and increased liquidity with participation from renewable generators and buyers.

**Sell-side liquidity** - Karnataka and Telangana contributed immensely since they can manage their renewable energy surplus based on their portfolio

	G-DAM			G-TAM		
	Non-solar	Solar	Total	Non-solar	Solar	Total
Sell (MU)	264	1420	1684	2598	2930	5528
Buy (MU)	277	1653	1930	2907	3360	6267
Cleared (MU)	231	554	928	2447	1614	4018
Avg Price (₹/kWh)	4.03	3.64	3.80	4.63	3.77	4.20
DAM RTC Price (₹/kWh)	2.81	2.81	2.81	4.40	4.40	4.40

Top 5 Buyers		Top 5 Sellers	
Non-solar	Solar	Non-solar	Solar
Vedanta Limited	Haryana distribution utilities	Karnataka distribution utilities (PCKL)	Telangana distribution utilities
Calcutta Electric Supply Corporation (CESC)	Calcutta Electric Supply Corporation (CESC)	Choudhary Power (Hydro)	Karnataka distribution utilities (PCKL)
DNH Distribution Utilities	Vedanta Limited	MRN Sugar	ReNew Power
Steel Authority of India Limited (SAIL)	DNH distribution utilities	Bhilangana Hydro	Azure Power
Jindal Stainless Limited (JSL)	Bihar distribution utilities	Shamanur Sugar	Adani Power

and prevailing supply-demand scenario of the respective states. Moreover, 50+ generators are now participating in the green market.

**RPO and voluntary targets** taken by certain customer segments acted as the buy side drivers. Apart from distribution utilities such as Bihar, Haryana, CESC, TPDDL, BRPL, and DNH, who look for optimal price points, significant open access volumes came from the State of Odisha which offered a waiver of cross-subsidy surcharge as well as applicability of only 20% intra-state transmission and wheeling charges for purchase of green power.

**Price trends** of DAM, RTM, Solar and Non-solar GTAM prices indicate the synchronism and convergence of all these markets and the premium commanded by renewable power. The RTC availability of renewable power is on account of the major sellers of non-solar power such as Karnataka. The distribution utilities having surplus RE offer green RTC power basis its

portfolio of non-solar assets Wind, Small Hydro and Biomass etc which better suits the requirements of buyers. Further, a couple of small-hydro and seasonal cogeneration plants also offer higher daily PLF vis-à-vis solar power.

## Real-Time Market

The Real-Time Market launched in June 2020 allows the distribution company to continuously balance their power demand supply requirements towards facilitating efficient renewable energy integration. The market segment features collective auction every 30 minutes with 48 auction sessions in a day. The technology architecture allows seamless and highly automated power auctions and highest availability since inception. In financial year 2022, the market constituted 20 BU volumes representing 20% of the total volume of 102 BU.



## Gas Markets

Established in June 2020, the Indian Gas Exchange (IGX) has been playing a key role in developing the Gas markets and discovering indigenous and competitive Gas price benchmarks spurring the Gas market development and attracting greater investments in the Gas value chain. IGX is India's first automated, nationwide, and delivery-based Gas exchange aligned to the Government's stated ambition to increase the share of Gas from at 6% to 15% by the year 2030 supported by the several policy and regulatory enablers. In this endeavour, IGX has been working in collaboration with various stakeholders towards shaping a holistic and conducive policy framework for building competitive Gas markets in the country.

## Way Forward

The introduction of Green Markets, Real-Time Market, other new products in the power market and their successful performance indeed paves the way for achieving the target of 25% share from spot markets as mentioned in the draft National Electricity Policy 2021. Going forward, increased role for markets would be critical to ensure maximum green energy penetration in energy mix. Countries like Denmark with renewable share of 48%, Finland with green share at 45%, Sweden with green share at 58% and Germany with green share at 41% in their energy mix, channel all their green electricity through exchanges.

Further, markets act as a stepping- stone for newer models being envisaged - like Virtual PPAs, energy storage, and contract for difference - and has the potential to fast forward advances in renewable forecasting algorithms which will help address the key concern of buyers and grid operators in respect of integration and assimilation of green generation in the grid.

In the long term, significant renewable purchase compliance targets, coupled with voluntary green targets committed to by a whole host of industrial and commercial customers, will continue to act as a driver for green merchant capacity addition.

# Technology at the Core





Technology is a key differentiating factor in an Exchange business.

Right from the inception in the year 2008, the Indian Energy Exchange has believed in adopting the best-in-class technology, and it continues to be so even today.

Our technology vision is to architect next-generation technology and enterprise solutions that enable us to shape development of competitive, transparent, and robust energy markets in the country.

Innovation, and strong technology backbone have indeed enabled us to build continued trust with our robust ecosystem of almost 7,352 participants including 57 distribution utilities, 626 generators, 1810 renewable participants and 4645 Open Access consumers as well as provide them with the best-in-class seamless customer centric services.

We continually invest efforts and resources in technology to elevate its ease, reliability, security and provide the best-in-class experience. We have endeavoured to advance technology architecture both at Exchange as well as the Enterprise levels. Over the years, we have successfully transitioned from monolithic auction software to a more modular service-based architecture connected through open Application Programming Interface (API) connecting Exchange trading system with Members and National Load Despatch Centre (NLDC) in an efficient manner. Additionally, we also transitioned to more agile technology architecture having incorporated tools like JIRA, and CI/CD pipelines that allow us to adapt to the changes very swiftly. The technological transition has been aptly supported with cultural transformation, including implementation of a comprehensive training program on new technologies for the Exchange Technology team. Similarly, implementation of Mixed-Integer Linear Programming (MILP) based Exchange technology matching algorithm, at par with the global best solutions, has enabled us to introduce complex bids to support our market participants in meeting their requirements in a dynamically evolving renewable-centric scenario.

Our Exchange trading platform is now powered by state-of-the-art, secure, future-ready, and integrated suite of technologies designed to be highly intuitive, scalable, with 24x7 availability. This enables us to

meet user growth as well as initiate commencement of new market products and services in an expeditious manner.

On an ongoing basis, we also invest in enhancing the availability and security of our platform. In our close to 14 years of operations, we have never had an unplanned downtime or any security breach.

## Customer-centricity as the Pivot

Customer-centricity is pivotal to all we undertake.

Our relentless focus on customer centricity coupled with the best-in-class technology, a focused and dedicated team, and tech partnerships with local and global companies, indeed sets us apart.

A few customer-centric initiatives we have undertaken in the recent past to ensure that we are effective and agile in meeting the needs and aspirations of our market participants:

- Commencement of Web-based Platform, to provide digital registration, data insights and analytics to our customers offering greater efficiency in their exchange-based procurement.
- Enhancing the Customer Experience across all the key touchpoints – Registration, Bidding, Physical Delivery, and Financial Settlement that the Customers have with our platform.
- Providing seamless bidding experience and minimizing manual interventions, we have launched automated bidding through Application Programming Interface (API) for the Real-Time Market.
- IT tools for bid creation and power procurement optimization have made it very easy and fast for the market participants to create bulk bid details and upload to our platform.
- System integration with our Clearing Banks has been enabling faster financial transactions with our customers.

Going forward, we plan to adopt API based solutions for all market segments as well as adopt new technologies such as Robotic Process Automation (RPA) to eliminate human dependency in market operation processes. We also plan to advance the web platform to the next level and introduce the

web-based bidding to provide Anytime, Anywhere, Easy and Secure bidding experience to our market participants.

During the challenging two years of the COVID-19 crisis, the IEX platform provided uninterrupted 24x7 services and support to the market participants. In fact, during this period, we successfully commenced new market segments like the Real-Time market and the Green Market. Our ability to run 24x7 business operations for the market participants and launch multiple new products during the COVID-19 crisis is a testament to our commitment to enriching customer experience.

### High Availability – 100% uptime

To ensure high availability and 100% uptime, the IEX trading system involves three layers of redundancy on the network layer to allow for more flexible communication with NLDC. The Exchange system is built on a virtualised environment with hardware redundancy at the machine level for high availability, and further redundancy built into the software even at the task level. Backup systems are also at hand to automatically take over – in a matter of seconds – in the case of a failure in any of the RTM processes. Our systems are built with an auto-healing concept based on extensive monitoring which ensures that in case of failure, the system recognizes the problem and automatically triggers a fallback process with minimal manual intervention, thus minimising downtime.

### Embracing Futuristic Technology Innovations

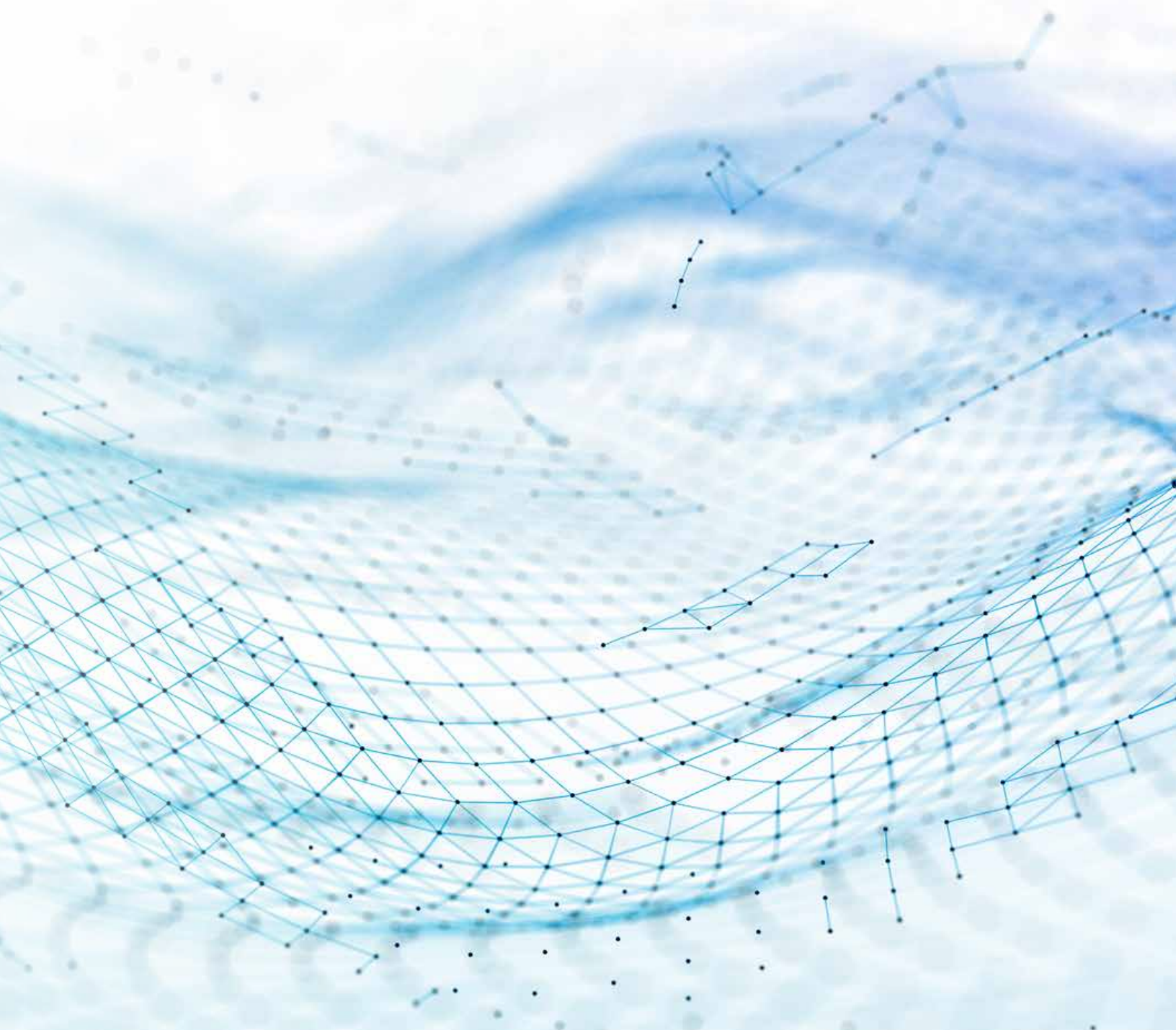
Increasing decarbonisation and digitalization have been and will continue to bring various new technologies and opportunities to the fore.

Technologies such as blockchain, peer-to-peer trade and local energy markets, smart metering, smart sensors, grid automation, digital networks, along with Internet of Things (IoT) devices supported by services such as forecasting, advanced analytics are expected to become the key drivers supporting evolution of future energy markets and shaping energy as a service.

Accelerated adoption of new technologies, Green Hydrogen, Electric Mobility, Battery Storage solutions and their integration with the new energy market products will provide transparent price signals, towards building innovative business models, empowering organisations and consumers, thereby building a sustainable and efficient energy future.

At IEX, we will be at the forefront of adopting these new technologies to provide an efficient electricity market and to facilitate the development of a sustainable and efficient energy future.







# | IGX: Spurring India's Gas Markets





Indian Gas Exchange Limited (IGX) is India's first authorised Gas exchange offering a nationwide automated trading platform for the physical delivery of Natural Gas.

Established in June 2020, IGX began operations as an authorised Gas Exchange in December 2020 and has been growing from strength to strength since its inception solidifying its performance by creating new records on the business front almost every month while enabling development of the Gas market.

IGX is poised to play an instrumental role in driving India's planned shift towards a market-based Gas economy and is very much aligned with the Government's vision of increasing the share of Natural Gas in the energy mix to 15% by the year 2030.

Operating successfully over the last two years, IGX has been creating a transparent Gas marketplace that will drive higher supply and demand growth, improve India's economic competitiveness, facilitating indigenous Gas price discovery besides spurring investments across the value chain.

IGX runs physical contracts for spot i.e. Day-Ahead and forward up to 3 months in addition to facilitating financial settlement and delivery for all contracts. It offers trade across five physical hubs at Hazira and Dahej in Gujarat, KG Basin in Andhra Pradesh, and Dabhol & Jaigarh in Maharashtra.

## Growth Momentum

Through a set of strategic divestments, such as the sale of 26% of equity holding to NSE and 5% each to GAIL, ONGC, Torrent Gas and Adani Total, and to IOCL, IGX co-opted key market leaders and stakeholders to build IGX as an institution and support the development of Gas markets in India.

IGX has a robust ecosystem of over 530+ registered clients and 26 members, which includes prominent industry players such as GAIL, GSPC, Petronet LNG Ltd., BPCL, IGL, MGL, Torrent Gas, AMNS, Manikaran Power, Adani Total, IGS, H Energy, Megha Engg., IOAGPL, etc.

As its base of members – both sellers and buyers – continue to grow steadily, the Company has been seeing the impact of greater liquidity of supply and demand boosting trade volumes.

The total traded volume for FY22 was at 1,21,51,150 MMBtu with a total of 443 trades.

## Regulatory and Infrastructure Updates

Several encouraging initiatives have already been undertaken by the Honourable Petroleum and Natural Gas Regulatory Board (PNGRB) and the Government of India that indeed helped the Exchange grow and further developed the country's Gas infrastructure. These include:

- Government's notification to allow domestic producers of Gas to sell higher of 10% of annual production or 500 MMSCM on Exchanges will certainly increase the volumes from the next financial year.
- Introduction of a draft Access Code for City or Local Natural Gas Distribution Network; determination of Transportation Rate for City Gas Distribution and Compressed Natural Gas.
- New tariff structure under the Unified Tariff Regime for 14 Natural Gas pipelines, which aims to reduce the cost of Natural Gas for users who are further away from the sources of Natural Gas and the LNG terminals.
- PNGRB notice to CGD companies, seeking inputs on declaring 50 Geographical Areas (GA) as common carrier or open access areas.
- PNGRB issued Letters of Intent granting licenses for 52 Geographical Areas for building CGD network. With the last II and IIA rounds of CGD bidding, now CGDs cover almost 95% population and 85% area in the country.

On the Gas infrastructure side, over 20,000 km of Gas pipelines are now operational, out of which more than 3,000 km of them became operational in 2021.

GAIL's JHBDPL has reached beyond Durgapur and KKMBPL has become operational from Kochi to Mangalore. GITL's Mehsana-Bhatinda pipeline has been constructed till Bhatinda. An additional approximately 15000 km of the pipeline is under construction, which will be commissioned in phases in the coming two years.

The Government has taken pragmatic steps for building and advancing Gas transportation infrastructure in terms of network capacity, LNG infrastructure, domestic Gas production on the supply side and expansion of Gas demand with a new CGD license covering almost 90% of the population.

## Growth Enablers

The Gas sector needs further focused reforms and changes essentially in the four broad areas, including infrastructure, legislative changes, markets, and pricing.

To develop well-functioning Gas markets, measures such as bringing Gas under GST and unified transmission tariff will reduce inefficient transactions and pancaking of taxes and transmission charges and create one common market for Natural Gas in India.

The creation of an Independent Transmission System Operator will also bring transparency and neutrality to the access and booking of transmission capacity.







# Corporate Social Responsibility





## Social Connect

### Corporate Social Responsibility

As a part of Corporate Social Responsibility, Indian industry has been working pro-actively and collaboratively to contribute to the various socio-economic challenges related to education, health care, livelihood, sanitation, gender discrimination, environmental degradation etc.

As a socially responsible company, the Indian Energy Exchange is committed to support and promote inclusive and sustainable growth of our nation, which is amongst the most promising and fastest growing economies in the world. Your Company's CSR efforts are aimed at making an impactful contribution to the lives of the community that we are a part of. Over the years, our numerous CSR interventions have positively affected the lives of thousands of children, youth, women, and the elderly in various ways, thereby significantly contributing to the betterment of society.

The CSR Policy of IEX spans culture and heritage, environmental sustainability, socio-economic empowerment of underprivileged communities, social development and equity across the society, education and research; besides supporting national disaster management, relief and rehabilitation as provided under the Schedule VII of the Companies Act 2013 as the potential impact areas.

During the financial year 2022, IEX partnered with the Sabhyata Foundation for promoting and protecting India's culture, art and heritage and with Indian Institute of Technology at Kanpur (IIT-Kanpur) for education and research initiatives. Through these partnerships with the academia and social sector organisations, we endeavoured to make meaningful contributions in a transparent and credible manner in the chosen impact areas.

### Initiatives

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

In March 2017, the Indian Energy Exchange and the Department of Industrial and Management Engineering at the Indian Institute of Technology, Kanpur entered into a five-year agreement to set up an Energy Analytics Lab (EAL).



#### NGO Partners

For Culture & Heritage  
Sabhyata Foundation – Red Fort, Delhi



#### Academia Partner

For Research  
Indian Institute of Technology, Kanpur  
– Energy Analytics Lab in partnership with Department of Industrial and Management Engineering

The EAL Platform <https://eal.iitk.ac.in/> was launched in September 2018 while the mobile application was launched on the android platform in the year 2020, for the benefit of all the stakeholders.

The portal hosts data insights and analytics on the energy sector, power markets through curated dashboards, learning and visualization tools, newsletters, and periodicals which enable easy comprehension and analysis of critical data towards helping the stakeholders in making informed decisions. The institution also offers Research opportunities, and Certification Programs to eligible and deserving candidates.

The EAL Portal features dashboards related to power demand-supply on the real-time basis at the National, Regional, and State levels. There are curated dashboards to monitor power generation, power flow on the inter-regional transmission corridors, availability of all India load data, coal, analysis of trade data on DEEP portal. With respect to the state level data visualisation, EAL has data insights and dashboards covering states such as: Uttar Pradesh, Rajasthan, Punjab, Uttarakhand, Madhya Pradesh, Maharashtra, Chhattisgarh, Odisha, Karnataka, Andhra Pradesh, and Tamil Nadu. Merit order despatch and Short-Term Market analytics across Day-Ahead, Real-Time & Term-Ahead Market segments.

The EAL has made significant contribution to the power procurement optimisation and savings accrued by the distribution utilities through their Security-Constrained Economic Despatch (SCED) model which has been well acknowledged and

appreciated by industry and policy makers alike. This has been helping decision making for procurement/ sale of power, and optimal utilisation of existing/ proposed generation assets both conventional as well as renewable. It has also facilitated merit order of Un-Requisitioned Surplus (URS), contributed to development of a vibrant power market in the country with design of the new products.

Working in collaboration with the Center for Energy Research (CER), a first of its kind dedicated centre at IIT-Kanpur, EAL has strengthened academia-utility-regulatory interactions. CER is supported by the Department for International Development (DFID), Government of United Kingdom (DFID-UK). Both EAL and CER have been supplementing each other's efforts to provide robust research inputs in the electricity policy and regulatory sphere.

To enable capacity development on regulatory aspects and power sector policy, EAL introduced the Regulatory Certification Programme for learning fundamentals and technical concepts of economics, finance, engineering, operations, and law, to supplement regulatory research and analyse key issues in the Indian power sector.

Apart from this, under the aegis of the Department of Industrial and Management Engineering, IIT Kanpur EAL also offers an eMasters program on Power Sector Regulation, Economics and Management.

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

IEX has been partnering with the Sabhyata Foundation over the last three years to contribute towards promoting and protecting India's cultural heritage and arts.

As the first initiative under this partnership, the Company has supported the Sabhyata Foundation in its initiative of restoration, preservation and promotion of national culture and heritage at the Red Fort Monument.

The Red Fort, located in the heart of Delhi, is an iconic symbol of India's unity and independence and our joint efforts are harnessing multiplier effects of sustainable tourism, along with facilitating employment generation and overall economic development.

In December 2021, the monument hosted Dances of India as the first major cultural programme. Further, the Foundation has been undertaking several activities, including live performances, theatre, music, dance performances, trails for children, works of art, promotion of traditional art and handicrafts etc.

On the occasion of our country's 75th Independence Day, the Foundation created the world record for the largest number of people singing the National Anthem together virtually during the live telecast. The mesmerizing sound score playing on the site got louder as more and more people joined in remotely and demonstrated the power of unity in diversity as a nation.

A few other initiatives include:

#### **Red Fort Centre:**

The new Visitor Centre offers a specially curated tour of India's rich culture and heritage. The Center also hosts various amenities such as the 360° immersive show, augmented reality shows, interactive photo-ops and a souvenir shop. Further, the Centre has world class facilities such as holograms, dynamic projection, scaled models, interactive exhibits, puzzles, virtual reality, short films as well as sensory delights. The Red Fort Center, along with the cultural initiatives, are aimed at positioning the Monument as India's first and most prominent cultural hub.

#### **Bharat Bhagya Vidhata – A Cultural Festival at Red Fort, 25 March to 3 April 2022:**

Under the aegis of Azadi Ka Amrit Mahotsav (AKAM), a 10-day cultural festival titled Bharat Bhagya Vidhata was held from 25 March until 3 April 2022 at the Red Fort. It was organised by the Sabhayata Foundation in



partnership with the Ministry of Culture, Dalmia Bharat who is a 'Monument Mitra' for the Red Fort Monument, along with an implementation partner. The festival brought alive the soul of India through mesmerizing dances and music performances, culinary explosion of all regional cuisines, beautiful handicrafts & artisans from every part of India along with immersive experiences and exhibitions - all under one roof. To celebrate India's glorious history and future, a projection mapping and drone show was also performed on the front façade of the Red Fort called 'Matrubhoomi' which showcased India's fascinating journey from one golden era to another.



### Jai Hind Sound and Light Show

A newly curated sound and light show named 'Jai Hind', with a voice over given by Mr Amitabh Bachchan, has been introduced at the venue. The show is at par with the best global experiences elsewhere in the world, bringing in the most authentic and rich cultural experience for the audience.



# | Board of Directors



**Mr. Satyanarayan Goel**

Chairman & Managing  
Director



**Ms. Sudha Pillai**

Independent Director



**Prof. K T Chacko**

Independent Director



**Mr. Tejpreet Singh Chopra**

Independent Director



**Mr. Gautam Dalmia**

Non-Executive Director



**Mr. Amit Garg**

Non-Executive Director



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

Chairman	Member	Committees
▶	●	Buyback Committee
▶	●	Divestment Committee
▶	●	Risk Assessment and Management Committee
▶	●	Market surveillance
▶	●	SGF Management
▶	●	Default Committee
▶	●	Disciplinary Action Committee
▶	●	Grievance Redressal Forum



# Deep Commitment to Governance



## Transparency

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



## Equity

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



## Accountability

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



## Integrity

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



## Social Duty

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

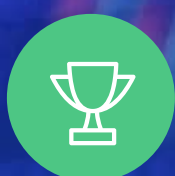
# | About IEX

## FAST FACTS



2008

Commenced  
operations



383<sub>MU</sub>

Record day volume:  
383 MU in August 2021



102<sub>BU</sub>

Units of volume traded  
across all market  
segments in financial  
year 2022



37%

YoY growth in IEX  
volumes in financial  
year 2022



11,650+

MW Average daily trade in  
financial year 2022



Listed

Publicly listed company  
at NSE and BSE



ISO

Accreditation

ISO 9001:2008 accreditation for quality management,  
ISO 27001:2013 accreditation for information security  
management and ISO 14001:2004 accreditation for  
environment management



Indian Energy Exchange (IEX) is India's premier energy marketplace, providing a nationwide automated trading platform for the physical delivery of electricity, renewables, and certificates. More recently, IEX pioneered Cross-border electricity trade expanding India's power market towards building an integrated South Asian Power Market. Powered by state-of-the-art, intuitive, secure and customer centric technology, IEX enables efficient price discovery and facilitates the ease of power trade.

The Exchange has a robust ecosystem of 7,352 participants including 57 distribution utilities, 626 generators, 1810 renewable participants and 4645 Open Access consumers representing industries such as metal, food processing, textile, cement, ceramic, chemicals, automobiles, information technology industries, institutional, housing, and real estate, and commercial entities.

IEX has ISO Certifications for quality management, Information security management and environmental management since August 2016.

The Exchange is approved and regulated by the Central Electricity Regulatory Commission and has been operating since 27 June 2008.

The Exchange is a publicly listed company with NSE and BSE since October 2017.

## Product offerings

### Day-Ahead Market

The market segment features 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.

### Green Day-Ahead Market

The market segment features anonymous and double-sided closed collective auction in renewable energy on a Day-Ahead basis. The market was commenced on 26 October 2021. The Exchange invites bids for conventional and renewable in an integrated way through separate bidding windows. The clearing takes place in a sequential manner –

first in the renewable segment having the must-run status, considering the availability of the transmission corridor, followed by the conventional segment. There are separate prices discovered for renewable and conventional power.

### Term-Ahead Market

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

### Real-Time-Market

Launched in June 2020, the Real-Time-Electricity Market features collective auction session every half an hour with power being delivered after four-time blocks, or an hour after gate closure of the auction. Each day, the Exchange holds 48 RTM auction sessions. The price and quantum of electricity trading is determined through a double-sided closed auction bidding process.

### Green Term-Ahead Market

A market segment for trading in delivery-based renewable energy. The market was commenced on 21 August 2020 following the CERC approval. The market segment features contracts such as Intra-day, Day-Ahead Contingency, Daily and Weekly, separate for solar and non-solar segments. The matching mechanism is continuous trading for Intra-day, Day-Ahead Contingency and Daily contracts, whereas double-sided open auction process for Weekly.

### Renewable Energy Certificates

Renewable Energy Certificates (REC) represents the green attributes of electricity generated from renewable resources. There are two categories in REC market – Solar and Non-solar. One certificate represents 1 MWh of renewable energy generated. REC is positioned as the key driver of renewable energy market because of its flexibility and the fact that they are not subject to the geographic and physical limitations of the underlying commodity, electricity. The obligated entities purchase REC to fulfil their Renewable Purchase Obligation.

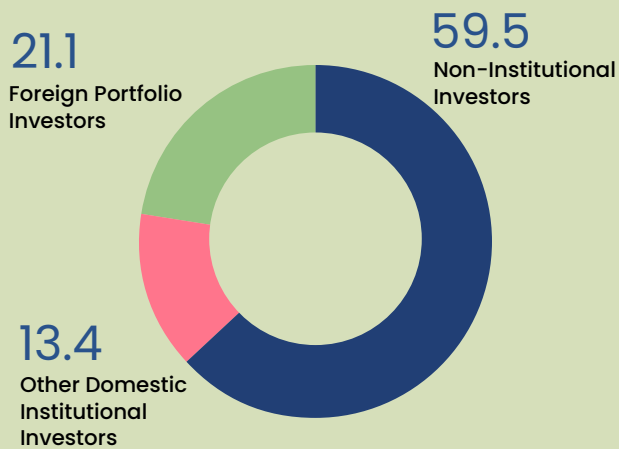
## Energy Saving Certificates

Energy Saving Certificates (ESCs) is a market-based instrument designed for the identified designated consumers in energy-intensive industries such as aluminium, cement, thermal Power plant, distribution utilities, refineries, railways, fertilizer, iron & steel, etc. The designated consumers are assigned specific energy consumption targets under the Perform Achieve Trade (PAT) cycle. ESCs are issued basis performance of the designated consumers against specified targets by Ministry of Power, Government of India and are traded on the Power Exchanges.

## Cross-Border Electricity Trade

IXE pioneered Cross-border Electricity Trade (CBET) with participation of Nepal in its Day-Ahead electricity market on 17 April 2021. The Cross-border in electricity is an endeavour towards building an integrated South Asian Power Market. To begin with, the grid-connected South Asian countries such as Nepal, Bhutan and Bangladesh will be able to participate in Day-Ahead Market and Term-Ahead Market on the Power Exchanges. Subsequently, as the grid connectivity extends to other south countries, the market will expand further.

### Shareholding %



\* As on 31 March 2022





## IEX Ecosystem

**7352**

Registered participants

**57**

Distribution companies

**626**

Electricity generators

**4645**

Industries

**1810**

RE Generators &amp; Obligated entities

**171**

ESCert Entities

## Active Industrial Participants in FY22



Textile

**405**


Automobile

**111**


Metal

**255**


Cement

**99**

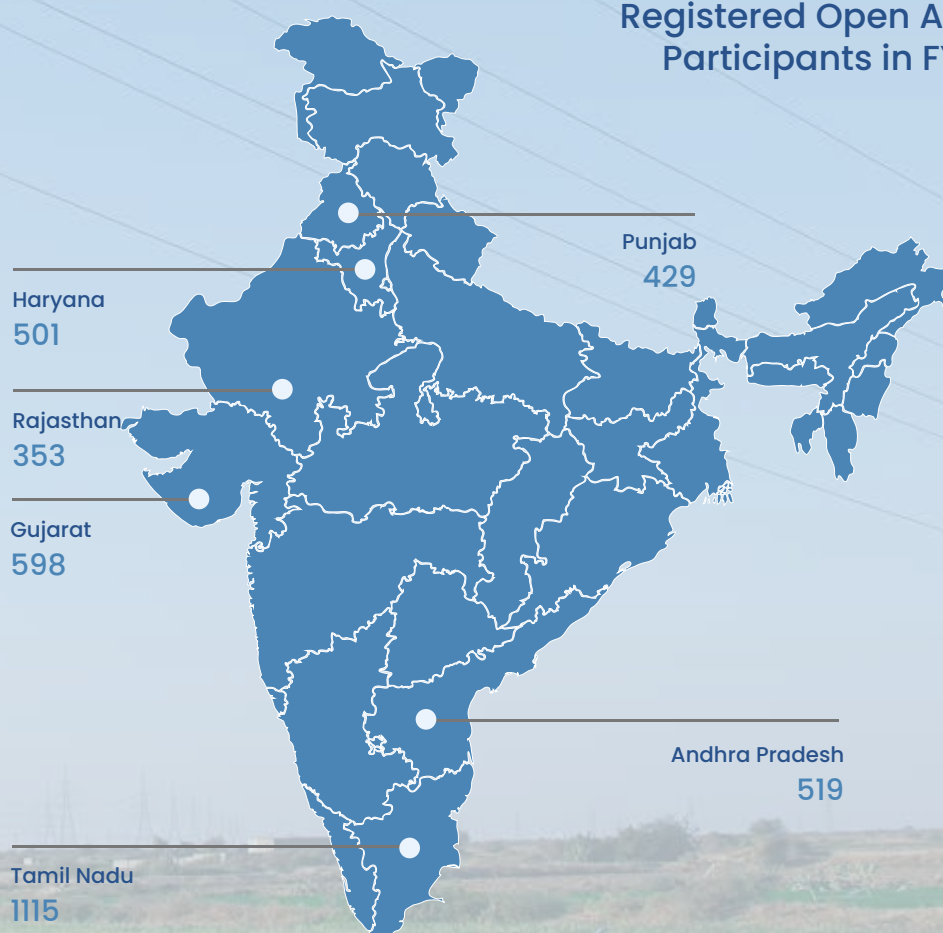

Chemical

**146**


Others

**273**

## Registered Open Access Participants in FY22



### Others

Arunachal Pradesh	6
Assam	16
Bihar	3
Dadra & Nagar Haveli	22
Daman & Diu	4
Delhi	35
Himachal Pradesh	24
Karnataka	276
Kerala	55
Madhya Pradesh	63
Maharashtra	54
Meghalaya	8
Odisha	51
Pondicherry	5
Telangana	232
Uttar Pradesh	136
Uttarakhand	136
West Bengal	2
WRLDC	2

# Milestones

## 2008

Launched Day-Ahead Market (DAM)  
Commenced Operations with 58 participants  
Daily cleared volume in DAM - 20 MU

## 2009

Registered first Open Access Consumer(OA)  
Introduced Term-Ahead Market (TAM)

## 2010

Registered participants in DAM crossed 500

## 2011

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

## 2012

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

## 2018

Signed MOU with JPEX (Japan)

## 2017

Launched Energy Saving Certificate  
Publicly listed its securities

## 2016

First Indian energy exchange to get ISO certification

## 2015

Launched round the clock TAM

## 2013

Signed MOU with EPEX SPOT (France)

## 2019

Highest DAM volumes in a day reached 306 MU

## 2020

Launched two new market segments – RTM and GTAM  
Signed MOU with Power Ledger, Australia  
Incorporated Indian Gas Exchange – first diversification initiative

## 2021

Launched Cross-border electricity trading with Nepal, and Bhutan  
Launched MILP based Trading Algorithm and Web-based Platform  
Highest single day volume of 383 MU across all market segments  
Launched a new market segment – Green Day-Ahead Market

## 2022

Launch of Hydro-power contracts in Green Term-Ahead market segment  
Highest yearly volume of 102 BU across all market segments  
Associate company IGX achieves financial breakeven



# | Leadership Team



**Satyanarayan Goel**  
Chairman & Managing Director



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



**Rohit Bajaj**  
Head-Business Development,  
Regulatory Affairs & Strategy



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



**Sangh Gautam**  
Chief Technology Officer



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



# Statutory Report





# Management Discussion and Analysis





## Indian Economic Review

India must grow at over 9% for years to come, to become a \$ 5 trillion economy by 2025 and \$ 10 trillion economy by the year 2030.

Initiatives such as Aatmanirbhar Bharat, based on the five pillars including economy, infrastructure, technology-driven system, vibrant demography, and demand, combined with the Government's economic measures and reforms will indeed bolster the country's economy and strengthen its manufacturing prowess.

Following the challenging times beginning March 2020 due to the COVID-19 pandemic, which led to a sharp slowdown in economic activity in financial year 2021, the Indian economy has significantly regained its economic and industrial growth momentum.

Factors such as robust demand, policy support, increasing investments, and favourable demographics are expected to drive India's economic growth.

The Reserve Bank of India has predicted a robust GDP growth at 7.8% in financial year 2023.

As per the Centre for Economics and Business Research (CEBR), India will regain its position as the fifth-largest economy in 2025 and emerge as the third largest by 2030 in dollar terms.

### GDP Growth

Quarter & Financial year 2022	Growth (%)
Q1	20.1
Q2	8.4
Q3	5.4
Q4	4.1
FY22	8.7

## India's Power Sector

India's power sector is transforming rapidly on all fronts in terms of generation, energy mix, demand growth, and transmission and distribution capacity.

As the world's third largest energy consumer, India's power system is one of the most diversified in the world with generation from a variety of conventional sources such as coal, lignite, Natural Gas, oil, hydel and nuclear as well as non-conventional sources

such as wind, solar, biomass, biogas etc. Renewable Electricity (RE) total generation growth is more than 15% CAGR over the last 5 financial years (FY17 to FY22) vis-à-vis a total generation growth of around 3.5%.

India now boasts of the 4th largest installed RE capacity of 157 GW comprising of 111 GW RE and 46 GW hydro. India has voluntarily set the target of achieving 500 GW of non-fossil fuel-based capacity by 2030, in addition to meeting 50% of its energy requirements from RE.

Owing to the intermittent nature of renewable sources, the government and corporates are also pursuing the adoption of variety of storage solutions like battery, hydrogen etc.

In terms of demand growth, electricity demand growth slowed down in financial year 2020 due to impact of COVID-19 and associated lockdowns. The demand growth however rebounded post the easing of restrictions. YOY growth of electricity consumption is 7.8% for financial year 2022.

During the COP26 summit, the Prime Minister of India presented a five-pronged strategy, called 'Panchamrit' (the five nectar elements), to deal with the climate change challenge. These strategies circulate primarily around higher generation and use of renewable energy sources for incremental energy needs, while simultaneously limiting and then reducing emissions from conventional sources of energy.

Few schemes like the Faster Adoption and Manufacturing of Hybrid and Electric vehicle (FAME) augmented the demand for electric vehicle. The storage and transmission for the green corridor saw a fresh allocation of ₹ 3 billion in the FY23 Union Budget. The Government announced an additional allocation of ₹ 195 billion to the Production-Linked Incentive (PLI) in manufacturing of solar PV modules. The total PLI now stands at ₹ 240 billion, which is approximately 4X higher than the current allocation. This will support incremental investment to augment integrated module manufacturing capacity by about 40 GW.

The Government has also tried to address the ongoing challenges faced by the renewable energy projects like storage capacity and financial stress at state-owned distribution utilities level.

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

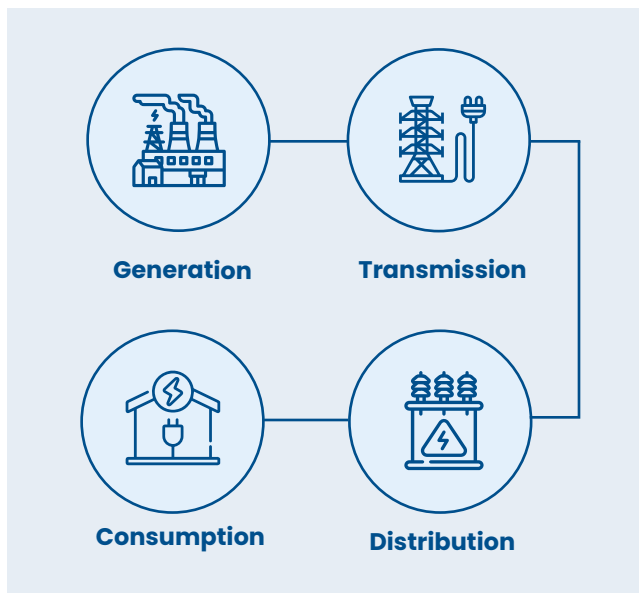
## Electricity Value Chain

Electricity consumption is one of the most important indices that decides the development level of a nation.

It is the key ingredient for accelerated economic growth and is considered vital for a nation's overall development. Providing reliable and quality power supply in an efficient manner is an immediate requirement of the day.

There is consistent growth in India's electricity demand due to increase in customer base, changes in lifestyle and consumption pattern which requires continual reinforcement and creation of new electricity infrastructure in generation, transmission and distribution sectors to meet the consumer expectations.

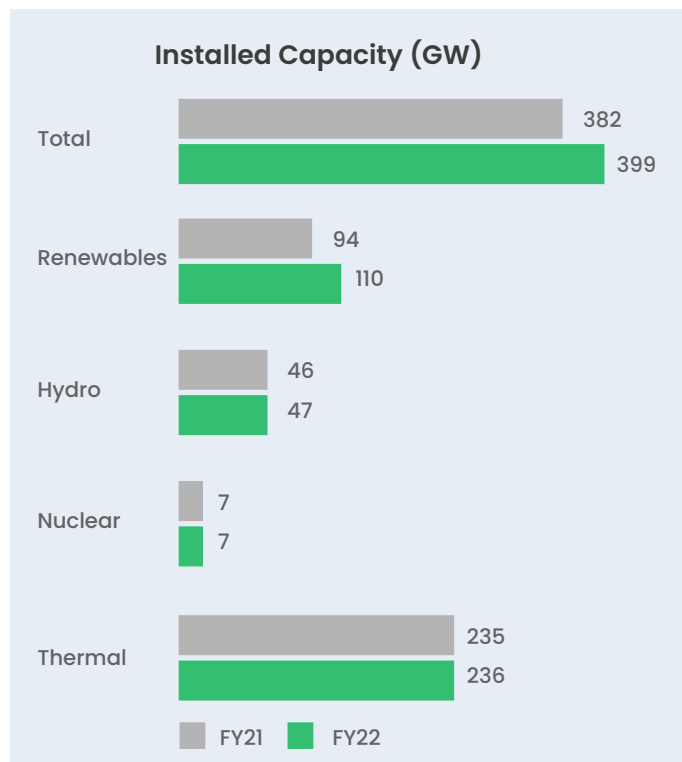
The Government of India envisions providing 24x7 electricity reliable and competitively priced power supply to all consumers through its 'Power for all' initiative.



## Generation

India is now a power sufficient country with the peak demand at 203 GW vis-a-vis an installed capacity of 399 GW as on 31 March 2022, with thermal capacity share at 59%. In line with India's commitment to the Paris Climate Agreement to increase the share of green energy in the overall energy mix, renewable capacity registered 16% YoY growth in financial year 2022 to 110 GW from 94 GW in March 2021. The expedited growth in renewable has been possible due to a favourable policy environment aided by technological innovations which have resulted in falling cost curves and renewables achieving / surpassing the grid parity.

India's total generation was 1483 billion units of electricity in financial year 2022 as per CEA data, out of which 75% was generated from thermal, 10% from hydro, 11% from renewables, and 3% from nuclear. The overall generation in the country increased by 8% over last year with conventional power generation recording a growth of 7% and renewable power generation clocking 15% growth. The Plant Load Factor of thermal power plants monitored by the Central Electricity Authority stood at 58.87% in financial year 2022, compared to 54.57% in financial year 2020.





## Transmission

All regional grids are synchronously connected for smooth flow of power resulting in “One Nation – One Grid – One Frequency”. At present, the inter-regional transmission capacity of the National Grid is more than 112 GW which has grown over 15% CAGR over the past 8 years. Also, planning and approval process of Inter-State Transmission System (ISTS) has been simplified as dual consultation for ISTS planning at regional level has been removed and power to approve ISTS system up to ₹ 500 crore has been delegated to Central Transmission Utility (CTU) and National Committee on Transmission. Further, CTU function has been separated from POWERGRID and Central Transmission Utility of India Ltd started function as CTU w.e.f. 1st April 2022.

## Distribution

In order to meet the growing demand of the electricity consumers, the distribution network also requires upgradation and augmentation on a continuous basis, which are being undertaken by the distribution companies. The Central Government is also assisting the States for creation/argumentation of distribution infrastructure through its various schemes including Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), and Integrated Power Development Scheme (IPDS) to enable them to achieve the objective of providing uninterrupted power supply to all consumers. The Government of India has also made several interventions to improve financial and operational efficiencies of the distribution utilities linked to reform measures including Liquidity Infusion Scheme (LIS); additional borrowing of 0.5% of GSDP to States linked to power sector reforms; introducing additional prudential norms for lending by Power Finance Corporation (PFC) Limited and REC Limited; and Revamped Distribution Sector Scheme (RDSS). The new scheme RDSS has an outlay of ₹3,03,785 crore and an estimated gross budgetary support of ₹97,631 crore from Central Government. RDSS aims at bringing down losses of distribution utilities.

## Factors Driving Growth in Electricity Consumption

### Industrial Growth

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

### Urbanization

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

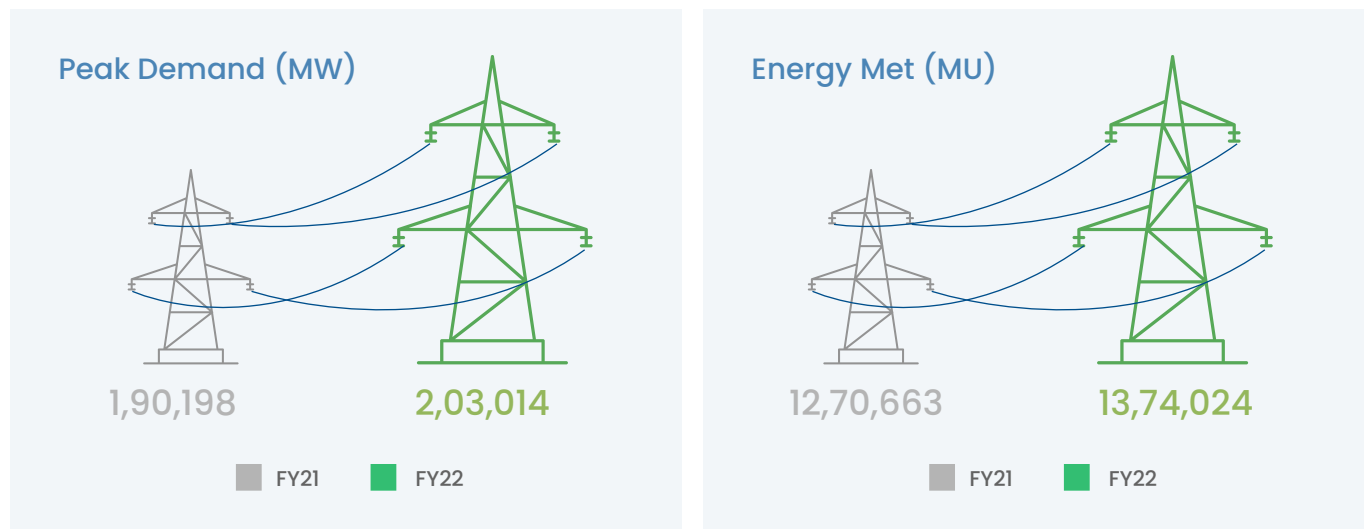
### Demand and Supply

According to the CEA data, all India peak demand reached 2,03,014 MW during financial year 2022 registering 6.7% YoY increase from 1,90,198 MW in financial year 2021.

Also, all India energy consumption reached 13,74,024 MU during financial year 2022 registering 8.1% YoY increase from 12,70,663 MU in during financial year 2021.

The Indian economy grew by 8.7 per cent in real terms in FY22, after a contraction of 6.6 per cent in FY21, 5.2 per cent above the pre-pandemic (FY20) level. This implies that overall economic activity has recovered past the pre-pandemic levels. Almost all indicators show that the economic impact of the “second wave” in Q1 was much milder than that experienced during the full lockdown phase in 2020–21. Also, in Q4 FY22, available high frequency indicators exhibit signs of recovery with the fast ebbing of the third wave. The industrial sector went through a sharp rebound from a contraction of 7 per cent in FY21 to an expansion of 11.8 per cent in this financial year.

The manufacturing, construction and mining sub-sectors went through the same swing. Economic recovery led to increase in FY22 electricity demand i.e., 7.85% YoY. In Q1, Q2, Q3 and Q4, energy demand increased by 16.43%, 9.38%, 3.31% and 3.05% YoY respectively.



A few States / UTs such as Odisha, DNH, Himachal Pradesh, Maharashtra, Jharkhand, Gujarat and Andhra Pradesh registered a growth of 10% and more in the demand for power in financial year 2022.

Comparison of energy met in the key states during financial year 2021 versus financial year 2022 is as hereunder:

### Energy Met (MU)

State	FY22	FY21	% change
Odisha	38,332	29,848	28.4%
Dadra & Nagar Haveli	6,839	5,497	24.4%
Arunachal Pradesh	874	714	22.4%
Himachal Pradesh	12,088	10,130	19.3%
Daman & Diu	2,594	2,223	16.7%
Maharashtra	1,72,809	1,50,663	14.7%
Meghalaya	2,243	2,005	11.9%
Uttarakhand	15,426	13,818	11.6%
Sikkim	609	546	11.5%
DVC	23,736	21,368	11.1%
Gujarat	1,23,666	1,11,622	10.8%
Assam	10,825	9,815	10.3%
Andhra Pradesh	68,219	62,076	9.9%
Jharkhand	10,590	9,675	9.5%
Puducherry	2,893	2,644	9.4%
<b>All India</b>	<b>13,74,024</b>	<b>12,70,663</b>	<b>8.1%</b>

Source: Central Electricity Authority



## Peak Demand (MW)

State	FY22	FY21	% change
Bihar	7,154	5,995	19.3%
Delhi	7,323	6,314	16.0%
Odisha	5,643	4,984	13.2%
Andhra Pradesh	12,551	11,193	12.1%
Haryana	12,120	10,982	10.4%
Maharashtra	28,075	25,576	9.8%
Rajasthan	15,784	14,441	9.3%
Chhattisgarh	5,019	4,682	7.2%
DVC	3,355	3,173	5.7%
Gujarat	19,451	18,528	5.0%
Uttar Pradesh	24,965	23,797	4.9%
Uttarakhand	2,468	2,372	4.0%
Tamil Nadu	16,891	16,263	3.9%
Telangana	14,163	13,688	3.5%
Karnataka	14,830	14,367	3.2%
<b>All India</b>	<b>2,03,014</b>	<b>1,90,198</b>	<b>6.7%</b>

Source: Central Electricity Authority

## Short-term electricity market

India's short-term power market increased by 40.74 BU from 146 BU in financial year 2021 to 187 BU in financial year 2022, accounting 13.6% of the energy met.

In the short-term market, bilateral transactions, both trader and direct, constituted 32% excluding volumes traded on the Exchange, followed by the power exchanges at 54%, and Deviation Settlement Mechanism (DSM) transactions at 14%.

During financial year 2022, the volume of electricity traded through bilateral transactions excluding volumes traded on exchanges increased to 60.02 BU from 43.5 BU registering a increase of 38%. The volumes transacted through power exchanges increased to 101.5 BU from 79.6 BU, registering a 27.5% increase. The DSM volume increased by 10%.

## Outlook

As per Economic Survey 2021-22, despite the COVID-19 pandemic related disruptions there has been trend of positive overall growth of Gross Value Addition (GVA) in manufacturing sector in FY22 which is a key

driver for electricity demand. The series of measures taken by the Government to improve the economic situation and convert the disruption caused by the pandemic into an opportunity for growth includes Atmanirbhar package, introduction of Production Linked Incentive (PLI) Scheme in various Ministries, National Infrastructure Pipeline (NIP), National Monetisation Pipeline (NMP), Public Sector Enterprise Policy, India Industrial Land Bank (IILB), Industrial Park Rating System (IPRS), soft launch of the National Single Window System (NSWS), etc.

The Economic Survey is quite optimistic that overall macro-economic stability indicators suggest that the Indian Economy is well placed to take on the challenges of FY23 and one of the reasons that the Indian Economy is in good position is its unique response strategy.

As per Reserve Bank of India, FY23 GDP growth is expected at 7.8%. There is a strong correlation between GDP growth and electricity demand. The electricity demand growth is thus expected to continue, more than 7% YoY growth.

# Business Review Financial Year 2022





## Electricity Segment

Your Company introduced a new market segment, Green Day-Ahead Market (GDAM) in October 2021 as part of its Integrated Day-Ahead Market (I-DAM) to meet the renewable energy needs of its buyers and sellers. This market segment, along with recent market segments- Real-Time Market (RTM) which began in June 2020, Green Term-Ahead Market (GTAM) in August 2020, enable the distribution companies, captive and open access buyers meet their short-term green commitments in a transparent, flexible, and competitive manner. With availability of one hour ahead to 11 days ahead products, your Company helps all the market participants, especially the distribution companies, in making most efficient buy and sell decisions in different time intervals. The financial year 2022 saw a 29% increase in electricity volume traded by your Company.

Out of the total volume of 102 BU, a total of 95.6 BU was traded in the electricity segment, compared to 74 BU traded in the previous financial year 2021. A significant increase in the traded volume was due to increased procurement by distribution utilities - 41% increase compared to financial year 2021, which in turn is due to rapid increase in power demand resulting in the distribution utilities meeting their deficit demand along with buy to replace costly power in lower price periods.

The conventional electricity markets based on the collective auctions, the Day-Ahead and real-time markets, saw a significant price increase in financial year 2022 due to rapid increase in power demand on account of post covid economic revival and constrained supply scenario on account of higher imported coal and Natural Gas prices as well as domestic coal's inability to meet this gap in supply at optimal prices. The weighted average Market Clearing Price in financial year 2022 in Day-Ahead and Real-Time electricity market is ₹ 4.35 per unit indicating 55% YoY increase.

The relatively new market segments viz. the Real-Time, Green Day-Ahead and the Green Term-Ahead segments contributed 26% of the total electricity market volume which is a testament to the wide acceptance of these market segments among its customers.

## Day-Ahead Market

A total of 65,149 MU was traded in the Day-Ahead Market in financial year 2022 in comparison to 60,440MU in financial year 2021, an increase of 8% year on year basis.

The average daily volume traded was 178 MU, and saw 8% YoY increase from 165MU in the previous financial year. The key highlights of the Day- Ahead market in financial year 2022 included:

- Total buy bids of 87,343 MU were received in financial year 2022, while buy bids of 70,288 MU were received in financial year 2021, a 24% increase. Sell bids were 1.3X of the buy bids received indicating excess power availability on average basis.
- The Market Clearing Price reflected the demand-supply side dynamics with average Market Clearing Price at ₹ 4.40 per unit in financial year 2022, about 56% more than ₹ 2.82 per unit in previous financial year.
- One nation, one price was realized on 340 days in financial year 2022 compared to 309 days in financial year 2021.

## Green Day-Ahead Market

The Green Day-Ahead Market (GDAM) was commenced at IEX on 26 October 2021, as a part of the Integrated Day-Ahead Market, where the distribution utilities and the industrial and commercial consumers can fulfil their green power requirements basis the competitive price discovery. While all the other processes remained same, the market volume and price discovery were prioritised for green bids. The bidders have the option to bid for renewable and conventional power separately and additionally, the participants can carry forward uncleared bids from the green market and into the conventional market at a premium or discount as they deem fit.

As of 31 March 2022, the GTAM market accomplished 928 MU volume with an average daily buy of 21.6 MU and average daily sell of 7 MU, with average market clearing price of ₹ 5.29/kWh.

## Real-Time Market

The Real-Time Market consolidated its position as a preferred option for distribution utilities and industrial

consumers to address real-time electricity demand supply balance in the most competitive and efficient manner with the delivery of power at just 1-hour notice.

In financial year 2022, 19,908 MU were traded under this segment, with a growth of 110% YoY growth. The market saw the highest ever monthly volume of 2020 MU in March 2022.

Top participants were utilities of Jammu & Kashmir, Andhra Pradesh, Rajasthan, Telangana, Gujarat, Haryana, Tamil Nadu, Maharashtra, Punjab, and Bihar.

### Term-Ahead Market

Several new initiatives were taken to improve liquidity in the Term-Ahead Market which enabled market participants and clients to address their unique power requirements more efficiently. Your Company launched additional region wise weekly contracts for delivery period 19:00 hours to 23:00 hours.

In financial year 2022, a total of 5561 MU of power was scheduled under the Term-Ahead Market compared to 3,272 MU reported in financial year 2021 registering a 70% growth YoY.

### Green Term-Ahead Market

India's first exclusive green electricity market commenced at IEX on 21 August 2020. This market offers options to trade in green electricity for time durations varying from same-day delivery to delivery up to 11 days. The market enabled distribution utilities, industrial consumers, and green generators to trade green power and helps them in fulfilling their Renewable Purchase Obligation targets in a transparent manner or monetise their surplus energy immediately

In financial year 2022, 4018 MU were traded under this segment, growth of 412% YoY. The market has seen wide-spread participation from distribution utilities in states of Karnataka, Telangana, Haryana, West Bengal, DNH and Bihar in addition to renewable players like Adani, Renew, Azure, Bhilangana Hydro, MRN Sugar and Shamanur Sugar along with industrial

customers like Vedanta, SAIL, Jindal Steel Limited.

Several new initiatives were taken to improve liquidity in the Green Term-Ahead Market which enabled market participants and clients to address power requirements even more efficiently

- **Solar Day Ahead Contingency (DAC)** Contract is introduced for delivery periods 06:00-09:00, 09:00-12:00, 12:00-15:00 and 15:00-18:00 hours.
- **Hourly Contract:** In addition to existing 15-minute contracts, hourly contract was introduced in Solar and Non-solar Intraday/DAC segments.
- **Hydropower Contract:** Hon'ble CERC, vide its order dated 24 February 2022, approved the introduction of Hydropower Contracts in Green Term-Ahead Market (GTAM) at IEX to facilitate the Hydrogen Purchase Obligation (HPO) compliance of obligated entities. IEX will be launching this market segment in FY23.

## Certificate Segment

### Renewable Energy Certificate

In financial year 2022, a total of 60.77 lakh Renewable Energy certificates were traded in your Company comparison to 6.9 lakh certificates in financial year 2021.

Starting July 2020, REC trading sessions could not take place due to the stay order from the Honourable APTEL in response to the petitions filed by a few Renewable Energy Associations against the Honourable CERC order dated June 2020 regarding revision in the floor and forbearance prices of REC.

The stay order was vacated by Honourable APTEL vide its order dated 9 November 2021 and REC trading recommenced on 24 November 2021 with forbearance price and floor price based on Honourable CERC order dated 1 April 2017.



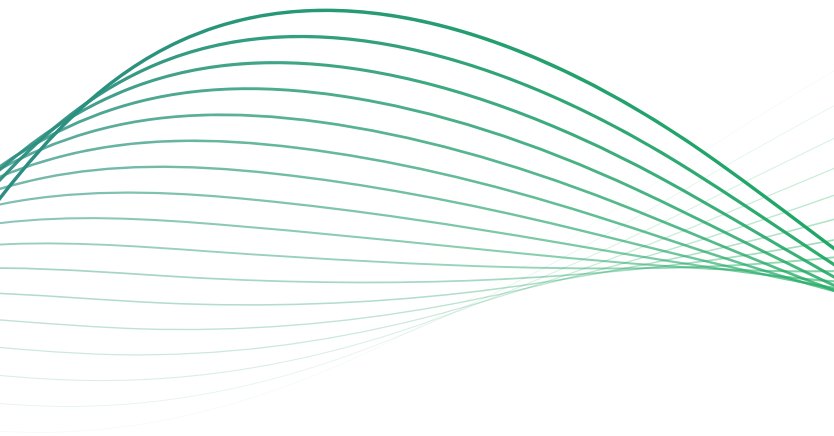
## Energy Saving Certificates

Perform, Achieve and Trade (PAT) is a market-based mechanism under the National Mission on Enhanced Energy Efficiency which encapsulates all the major energy intensive sectors across India. The industries under the PAT Scheme are Designated Consumers (DC) which must meet their targets for reducing their specific energy consumption. DCs who over-achieve their targets are given some ESCerts and DCs who are under achievers have to purchase ESCerts through exchanges.

PAT Cycle-I was completed in 2017. PAT Cycle- II trading commenced in financial year 2022.

During the financial year 2022, 2.86 lakh ESCerts were traded.

Bureau of Energy Efficiency (BEE) had announced pause in trading of ESCerts due to administrative issues at their end, till further notification.



# | Key Focus Areas





## Core Business Growth

Your Company is working towards developing the short-term power market as well as expanding the share of the Exchange within this market.

As of financial year 2021, the Company was confined to delivery of electricity between 1 hour and 11 days. While the last year saw the launch of key new market segments and investments in technology, the momentum will continue going forward.

In terms of new products, your Company has been working to introduce Longer Duration Delivery Contracts in electricity and green market. Commencement of the Cross-border trade in electricity with Nepal and Bhutan, and soon to be followed by Bangladesh, marks a significant milestone towards building an integrated South Asian Regional Power Market. It will also play a key role in enhancing the energy access and security amongst the neighbouring nations in the region.

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

The three pillars for our core business growth have been enumerated as below:

### Power Procurement Optimization by Distribution Utilities

Your Company currently has 57 distribution companies registered on the platform. Your company works closely with the utilities and help them to draw the most cost competitive merit order schedule for despatch of power from short-term bilateral as well as long term Power Purchase Agreements, the Company advises utilities on replacement of power wherever prices are higher compared to the competitive prices discovered on the Exchange enabling distribution utilities make significant savings in turn.

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

## Enhancing Open Access Procurement

More than 4400+ commercial and industrial consumers across India representing varied industry sectors such as textiles, metals, chemicals, automobiles, home products, food, cement, leverage the electricity and green market segments on Exchange platform to buy competitively priced power in an endeavour to improve up their overall competitiveness. The industrial competitiveness is critical to support and accelerate national initiatives such as 'Make in India'.

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

## New Market Products and Segments

Your Company has been working pro-actively to commence other new market segments such as Ancillary Markets, Capacity Markets, Long Duration Contracts, Gross Bidding Contracts, etc. and remain optimistic about commencing these in this financial year 2023. Your Company pioneered integration of its trading platform with National Open Access Registry operated and hosted by POSOCO. Your Company is also working pro-actively to further develop and strengthen the recently launched market segments: CBET, RTM, GTAM and GDAM as each market segment has immense potential for growth.

## Diversification

Besides strengthening the core business through new products, we are continuously assessing several related opportunities to further diversify the business for new growth opportunities.

## Policy & Regulatory Initiatives

After sending shockwaves throughout the country at the commencement of the FY22, the COVID-19 pandemic was steadily combated by India during the year. Notwithstanding the extreme uncertainties, the power sector has shown strong growth and resilience in the demand as it increased from an average 3.48

BUs/Day during FY21 to 3.76 BUs/Day during FY22 registering a growth of around 8.1% during the year.

During the year, the Government of India took several initiatives to reform and strengthen the power sector, including introduction of a Revamped Reforms Based and Results Linked Distribution Sector Scheme (RDSS) with an outlay of ₹ 3.03 lakh crore spread over a period of five years from FY22 to FY26 for providing conditional financial assistance for supporting the distribution utilities to undertake reforms and improve performance in a time bound manner. The continued thrust on installation of smart pre-paid meters, feeder separation, capacity addition, grid integration of renewable energy, increasing energy efficiency, e-mobility solutions, and power market reforms has helped the momentum of growth to continue during this year. Further, the Government of India in the Union Budget 2022-23 allowed the states a financial year deficit of 4% of GSDP of which 0.5% is linked to power sector reforms, with the aim of improving operational and economic efficiency of the distribution utilities. The Budget also allocated an additional sum of ₹ 19,500 crore for Production Linked Incentive (PLI) manufacturing of high efficiency solar PV modules in line with the renewed commitment of Government of India made during the 26th session of the Conference of Parties (COP26) in Glasgow, to achieve 500 GW of Renewable capacity by 2030 and to be net-zero by 2070.

The power sector has retained its momentum with power consumption registering positive YoY growth this financial year. The demand reached at an all-time high of 200.57 GW on 7 July 2021, following bounce back of Indian economy and strong growth in consumer confidence. Going forward, the Reserve Bank of India has predicted a robust GDP growth at 7.8% in financial year 2023 which will manifest in growth in demand of power across the country. The various policy initiatives taken by Government of India during this financial year are briefly discussed below:

### Augmentation of Demand

The Ministry of Power, Government of India in financial year 2022, 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. The progress during the year included system strengthening of sub-transmission and distribution network in over 70 circles covering over 500 towns, addition of 45 new Power Sub-Stations, capacity augmentation of more than 50 existing Sub-Stations, laying down of more than 7,000 Circuit Kilometers (CKM) of Aerial Bunched/Underground cables, charging of about 3,000 new Distribution Transformers, commissioning of Gas Insulated Switchgear (GIS) Substations for first time in North Eastern States, installation of over 5 Lakh Smart Meters in Andaman Nicobar Islands, Bihar, HP, MP, Punjab & Rajasthan etc. IPDS has contributed an increase in hours of Power supply in urban areas to 22 hours/day and improved consumer convenience through Digital payments etc. Under the Saubhagya scheme 99.99% household electrification has also been achieved.

### Performance-linked Scheme for Distribution Reforms

The Revamped Reforms Based and Results Linked Distribution Sector Scheme has been approved by Ministry of Power in July 2021 with an outlay of ₹ 3,03,758 crore over a period of five years from FY22 to FY26 for providing conditional financial assistance for supporting the distribution utilities to undertake reforms and improve performance in a time bound manner. Funds will be released based on financial performance and viability demonstration by the distribution companies. The objective is to assist distribution in infrastructure development, feeder separation, smart meter installation, etc. This is expected to improve the sustainability of financially ailing distribution utilities by achieving reduction of the AT&C losses to pan-India levels of 12-15% and reduction of ACS-ARR gap to zero by FY25.

### Privatisation of Distribution Business

In May 2020, the Government of India proposed to privatize the distribution utilities in Union Territories. One of the key measures planned was to reform the power distribution and retail supply in UTs through privatization of the power distribution utilities, for



leveraging private sector efficiency in electricity distribution. Torrent power took over the power supply operations in Dadra & Nagar haveli, and Daman & Diu in March 2022. Privatisation process for other union territories is underway. As a related development, Tata Power got a license in the financial year 2021 to operate the distribution utilities in Odisha. This is expected to improve the operational efficiency & financial viability of the distribution utilities.

### Strengthening Energy Accounting in the Distribution Utilities

The Ministry of Power issued a notification to include all the Electricity Distribution Companies (the distribution utilities) under the purview of Energy Conservation Act. As per the notification (S.O. 3445(E) dated 28 September 2020), which was formulated in consultation with BEE "All entities have been issued distribution license by State/Joint Electricity Regulatory Commission under the Electricity Act, 2003 (36 of 2003)" are notified as Designated Consumers (DC). Earlier, the distribution utilities whose annual energy losses were equal to or above 1000 MU were only covered as Designated Consumers. Regulations under EC Act notified by BEE on 6th October 2021 to mandate Energy Accounting by the distribution utilities.

### Monetization of Generation and Transmission Assets

The Government of India launched the National Monetisation Pipeline (NMP) during August 2021. The NMP estimates aggregate monetisation potential of ₹ 6 lakh crore through core assets of the Central Government, over a four-year period, from FY22 to FY25. Around 5,970 MW of power generation capacity is planned to be monetized by 2025. It also includes monetisation of Transmission Assets of Power Grid Corporation of India (PGCIL) through Infrastructure Investment Trust (InvIT). POWERGRID is targeted for carrying out monetisation of ₹ 45,200 crore of assets during FY22 to FY25 (including ₹ 7735 crore already raised during FY22). Based on approval of the Cabinet Committee on Economic Affairs conveyed by MoP vide order 15.09.2020, PGCIL monetised five TBCB projects through POWERGRID Infrastructure Investment Trust (PGInvIT) in May 2021. This is the first InvIT sponsored by a Central Public Sector Enterprise (CPSE) and

largest public offer by any InvIT/ReIT. PGCIL received ₹7,735 crore. The asset monetization serves a useful way to raise finances for the upcoming projects at a lower cost.

### Strengthening the Transmission Infrastructure

Ministry of Power issued the revised Guidelines and Standard Bidding Documents (SBDs) for procurement of ISTS through Tariff Based Competitive Bidding (TBCB) process on 06.08.2021. It also revised the "Guidelines for Encouraging Competition in Development of Transmission Projects" in August 2021. Revised SBD and Guidelines would promote ease of doing business for private developers in transmission sector, address concerns of developers on risk sharing, encourage competition in transmission, and facilitate timely completion of transmission lines. All these provisions would bring in more private investment in transmission sector. In a related development, the Central Transmission Utility of India Ltd. (CTUIL), a 100% subsidiary of Power Grid Corporation of India Ltd, has been notified as the Central Transmission Utility under Section 38 of the Act and CTUIL has started functioning w.e.f. 1 April 2021. Ministry of Power also notified the Electricity (Transmission Planning, Development and Recovery of ISTS Transmission Charges) Rules, 2021 issued on 1 October 2021. The Rules would pave the way for overhauling of transmission system planning to give power sector utilities easier access to electricity transmission network across the country.

### Deepening the Electricity Market

The Government has been working to bring in alternative mechanisms to make existing long-term contracts more flexible. The objective is to enhance the liquidity in the short-term market through increased participation from the distribution utilities and generation companies. The Ministry of Power has issued the Draft National Electricity Policy, 2021 on 12th April 2021 with development of efficient market as one of its key objectives. The Government has targeted to introduce suitable market mechanism and deepen the spot market by enhancing its percentage share to about 25% during the year 2023-24. These mechanisms may include introduction of capacity market/auction mechanisms that help do away

with the rigidity of the present long term PPA driven arrangements.

The Ministry of Power has also issued Discussion Paper on MBED in June 2021. It is envisaged that through MBED, all the distribution utilities and Generators will mandatorily participate in the Day-Ahead Market and the cleared volume & price discovered through market will result into efficient despatch of generating stations. In its first phase, MBED will include all NTPC Generators to participate & go live from 1 April 2022.

Additionally, efforts are also underway to introduce the long-term contracts and electricity derivatives which will help to further deepen the market. Introduction of financial products will enable the market participants to manage their risks and hence rely more on the market. Some other initiatives and discussion areas include deepening of products to promote clean energy, introduction of new technologies such as Battery Energy Storage System (BESS) in the supply chain for optimal utilization of resources, bundling of Thermal/Hydro Power stations with RE and Battery Storage to provide flexibility in operation, promote charging infrastructure for Electric Vehicles etc.

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

During the 26th session of the Conference of the Parties (COP26) to the UNFCCC in financial year 2022, the Government of India renewed its commitment towards a RE based energy transition of the country by committing to achieve 500 GW by 2030 and net zero by 2070. The Government is making enhanced efforts to meet these goals.

Based on the Ministry of Power direction dated 24 March 2021, Green Day-Ahead Market (G-DAM) – a marketplace for trading of renewable power on a day ahead basis was launched on 25 October 2021 to provide /additional avenue for existing RE plants and RE rich States to sell their power and the obligated entities to meet their RPO compliance. Several benefits expected from the introduction of GDAM are deepening of the Green Market, Accelerating the addition of Renewable Capacity, Shift from PPA based Contract to Market-Based Models and Reduction of Curtailment of Green Power etc.

Ministry of Power notified Electricity (Promotion of generation of Electricity from Must-Run Power Plant)

Rules, 2021 on 22 October 2021. It has stipulated that RE plant shall not be subjected to curtailment or regulation of generation or supply of electricity on account of merit order despatch or any other commercial considerations and in case of curtailment compensation has to be paid. The RE Generator can also sell the power not scheduled by the procurer or in case of any grid constraints in the power exchange. In another step, the Ministry of Power allowed bundling of renewable to replace thermal power under existing PPAs. Revised guidelines were issued providing thermal generation companies to set up RE generation capacity either by themselves or through developers by open bids and supplying it to the consumers under the existing PPAs. This will enable the replacement of fossil fuel-based energy by RE under the existing PPAs.

Under the Green Energy Corridor projects, the Intra-state Green Energy Corridor with a target capacity of 9700 circuit kilometres (ckm) transmission lines and 22,600 MVA capacity sub-stations is currently under various stages of completion. The Intra-state Green Energy Corridor- Phase II scheme intends to create intra-state transmission infrastructure required for RE power evacuation of projects of approx. 20 GW capacity in 7 implementing States of Gujarat, Himachal Pradesh, Karnataka, Kerala, Rajasthan, Tamil Nadu, and Uttar Pradesh. The scheme is for addition of 10,753 circuit kilometres (ckm) of transmission lines and 27,546 Mega Volt-Amperes (MVA) capacity of substations over a period of 5 years, i.e., FY22 to FY26. Ministry of Power has also extended the waiver available for use of Inter-State Transmission System charges and losses for solar or wind power projects commissioned until June 2023. The waiver shall be applicable for the twenty-five years from the commissioning of such projects. Moreover, the waiver of ISTS charges shall also be allowed for Hydro Pumped Storage Plant (PSP) and Battery Energy Storage System (BESS).

The Government has also established 11 Renewable Energy Management Centres equipped with artificial intelligence-based renewable forecasting and scheduling tools. These provide greater visualization and enhanced situational awareness to the grid operators.

## Cost Optimization through Security Constrained Economic Despatch

The Power Systems Operations Corporation (POSOCO) implemented Security Constrained Economic Despatch (SCED) in 2019 to optimize the despatch of the generation resources at the inter-state level and reduce the overall variable charges to produce electricity. The implementation of SCED is a step towards the introduction of optimization techniques in the despatch processes at the inter-state level in the Indian Power System. Central Electricity Regulatory Commission vide order dated 27 September 2021, extended the time for pilot for a further period up to 31 March 2022. The project has so far resulted in a cumulative saving of ₹ 1847 crore in generation cost from start of the SCED pilot in April 2019 up to September 2021.

## Other Key Interventions

Ministry of Power issued the Green Hydrogen Policy, 2022. The policy aims to facilitate setting up of and procurement of renewable power by the Green Hydrogen / Ammonia manufacturers through suitable measures of open access, banking and other concessions. This will help in meeting the target of production of 5 million tonnes of Green Hydrogen by 2030 and the related development of renewable energy capacity.

On 6 December 2021, Central Electricity Authority (CEA) issued the revised/New Coal Stocking Norms in Coal Based Thermal Power Plants to ensure more fuel security to the power plants, to reflect true picture of the stocks being maintained at each power stations and ensure sufficient coal stock even during the period of less supply by CIL/SCCL during the month of July to September.

Ministry of Power issued the final Guidelines for "Procurement and Utilization of Battery Energy Storage Systems as part of Generation, Transmission and Distribution assets, along with Ancillary Services" on 11 March 2022. This will encourage off-take of BESS and RE power.

Ministry of Power notified the Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 on 22 October 2021 to ensure timely recovery of the costs due to change in law for the Generating Companies and Transmission Licensees. A formula

has been provided to calculate the adjustment in the monthly tariff due to impact of Change in Law.

Ministry of Power issued the "Revised Scheme for Flexibility in Generation and Scheduling of Thermal/ Hydro Stations through bundling in RE and Storage Power" on 15 November 2021 to promote bundling of RE with Thermal Power and for meeting the RPO of the distribution utilities.

Ministry of Power issued advisory to all states dated 1.9.2021, for bringing 33 kV system under Transmission for performance improvement of sub-transmission system.

## Regulatory Initiatives: Centre

The Central Electricity Regulatory Commission (CERC) notified various regulations such as CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2021, CERC (Ancillary Services Regulations), 2022, Draft CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2021, Draft Guidelines for Registration and Filing Application for Establishing and Operating Over the Counter (OTC) Platform, and Draft CERC REC Regulation 2022.

All these Regulations will lead to further strengthening of the power market. The implementation of Ancillary Services Regulations will lead to procurement of Tertiary Reserves through market-based mechanism through the Power Exchanges. DSM Regulations has linked the deviation charges with the market discovered prices. This will lead to reduction in overdrawals and entities will rely on markets to meet their demand. As per the Draft GNA Regulations the distribution utilities will not be required to pay for Short Term transactions if the injection/drawl is within their GNA. CERC has also implemented the Power Market Regulations 2021 effective from 15 August 2021 which has paved way for the introduction of contracts beyond 11 days in the Power Exchanges. CERC has also accorded approval to Green Day-Ahead Market, Green Term-Ahead Market for Large Hydro Power during the financial year.

## Regulatory Initiatives: States

Out of a total of 36 States and Union Territories, around 16 state distribution companies have filed their Tariff Petitions for financial year 2023. Tamil



Nadu Electricity Regulatory Commission issued order clarifying the applicability of additional surcharge on 'actual energy' and not the 'scheduled energy' purchased through open access. Karnataka Electricity Regulatory Commission issued order clarifying that the open access consumer can use as many contracts as it wants, to optimise its power purchase costs. The State Electricity Regulatory Commission of Kerala, Delhi, Himachal Pradesh, Haryana & Rajasthan amended RPO Regulation to incorporate HPO targets. The State Electricity Regulatory Commission of Assam, Chhattisgarh, Odisha, UTs & Gujarat issued draft on HPO obligations. Andhra Pradesh Electricity Regulatory Commission issued a short-term power purchase/sale regulation to formalise the process of purchase/sale by the distribution companies. Joint Electricity Regulatory Commission incorporated the provision of market purchase in its Tariff Regulations

### Power Markets: Key Drivers for Growth

The sector is poised to recover following the overall economic growth expected by the Reserve Bank of India, which has predicted a robust GDP growth at 7.8% in financial year 2023. The highest ever peak demand at 200.57 GW seen during July 2021 is an indicator of the strong growth due in the next financial year.

The policy and regulatory initiatives undertaken in the recent past will greatly assist in broadening and deepening of the power market. Re-designing of market along with the introduction of new products viz. electricity forwards, futures, market based ancillary services etc. are expected to increase participation in the exchange platform. Also, a perceptible shift in the behaviour of the distribution utilities has been there over the last few years since many have refrained from signing long-term power purchase agreements and opted for the short- and medium-term contracts instead.

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

### New Products: Forwards and Futures Contracts in Electricity

Supreme Court issued Order on 6 October 2021 w.r.t the issue of Electricity Derivatives related Regulatory Jurisdiction matter between SEBI & CERC. 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 Securities Contracts (Regulation) Act, 1956 whereas commodity derivatives other than non-transferrable specific delivery contracts shall fall under the regulatory purview of SEBI. The order has paved the way for the introduction of longer duration physical deliverable contracts on the power exchanges. 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.

### Redesigning of Market: Market Based Economic Despatch

The Ministry of Power issued a discussion Paper on Market Based Economic Despatch (MBED) on 1 June 2021 wherein it has been envisaged to schedule and despatch all the generating stations through the Day-Ahead Market with an underlying objective to achieve merit order despatch and system cost optimization. Recognizing the significant changes required under MBED it has been proposed to implement MBED in a phase wise manner beginning with the fleet of NTPC thermal stations from 1 April 2022. In the meantime, IEX has proposed Gross Bidding mechanism which is a voluntary way of despatching the Generating Stations through the Day-Ahead Market having the potential to achieve system cost optimization without requiring any significant changes in the existing framework. MBED or Gross Bidding when implemented will bring additional liquidity into the spot market enhancing its efficiency.

### Revamped Deviation Settlement Mechanism and Market Based Ancillary Services

CERC vide its notification dated 31 January 2022 has published the CERC (Ancillary Services) Regulations, 2022 stipulating that the System Operator shall be procuring the Tertiary Reserve Ancillary Services (TRAS) including both Up and Down services in a competitive manner through the Power Exchanges on a Day Ahead and Real Time basis. CERC vide its notification dated 14 March 2022 has published the CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2022 stipulating that every grid connected regional entity shall adhere to its schedule as per the Grid Code and any deviation arising shall be managed by the System Operator as per the

Ancillary Services Regulations. The deviation charges for a time block shall be equal to the weighted average price of Ancillary Service charges despatched in that time block. It has been provided that during the transition period the deviation charges shall be equal to the weighted average prices of DAM, RTM, Ancillary Services, whichever is the highest. While the Ancillary Services Regulations will lead to market-based procurement of Reserves, the DSM Regulations will ensure that entities are relying upon the market to meet their requirements which will eventually strengthen the market. Both these Regulations shall be made effective through a separate notification to be issued by CERC.

### Redesigning of the REC mechanism

In pursuance of the Ministry of Power discussion paper 'Re-designing the REC mechanism' dated 4 June 2021, CERC has issued the Draft REC Regulations, 2022 with several changes proposed therein viz. sale of RE power through RPO and REC route, prices to be market determined without any floor and forbearance price, perpetual validity, complete fungibility of RECs etc. The proposed changes if implemented are likely to provide impetus to the existing REC market which is going to give major thrust to RE projects.

### Regional Integration through Cross-Border Trading

The Cross-border Trading commenced with Nepal in the Day-Ahead Market at IEX on 17 April 2021. The Cross-border Trade in electricity is an endeavour to expand the Indian power market towards building an integrated South Asian Power Market. To begin with, the grid connected south Asian countries such as Nepal, Bhutan and Bangladesh will be able to participate in Day-Ahead Market and Term-Ahead Market on the Power Exchange. Subsequently, as the grid connectivity extends to other South Asian countries, the market will expand further. IEX has also filed Petition before the CERC for approval of Cross-border Trade in Term-Ahead Market.

### Power procurement cost optimization by the 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 Exchange not only provides efficient price discovery but also the

flexibility to the distribution utilities to buy or sell depending upon their requirement. Earlier Uttar Pradesh Electricity Regulatory Commission's Merit Order Despatch, Maharashtra Electricity Regulatory Commission's State Electricity Grid Code regulations has recognised the market as a viable alternative to optimize power purchase cost. This financial year APERC has issued a short-term power purchase/sale regulation to formalise the process of purchase/sale by the distribution companies. Joint Electricity Regulatory Commission incorporated the provision of market purchase in its Tariff Regulations. Several other state Electricity Regulatory Commissions are also considering the same in view of competitiveness of market rates.

### Enhanced market participation through General Network Access

CERC has issued Draft 'Connectivity and General Network Access to the Interstate Transmission System (ISTS) Regulations, 2021.' providing the framework to facilitate open access power to consumers, generating companies, and distribution licensees for ISTS use through General Network Access (GNA). As per the Draft GNA Regulations the transmission charges and losses will be borne by the distribution utilities. The distribution utilities will have to pay the monthly GNA charges however there will be no separate charges for injection/drawl in short term transactions if it is within the overall limit of the GNA. This will facilitate short term transactions and enhance participation in the market.

### National Open Access Registry and other Digitization Measures

With a thrust on accelerating adoption of technology and the use of IT, the National Load Despatch Centre started registration of entities on National Open Access Registry (NOAR) platform hosted and operated by POSOCO. It is a centralized electronic platform through which short-term open access to the interstate transmission system shall be administered. National Open Access Registry is expected to infuse much greater transparency and efficiency in the processing of short-term open access applications and transmission corridor allocation. Besides, the adoption of technology in metering and billing will enhance the financial health of the distribution utilities. The Direct Benefit Transfer scheme also envisages that the financial prudence and health of the distribution sector will strengthen the position of utilities to increase Exchange based procurement.

# Risks and Compliances





Several risks can impact the achievement of your Company's business objectives. Being present in a competitive & regulated environment, your Company is exposed to various strategic & operational risks such as regulatory compliance, IT, legal, and market risk, among others. Our focussed Risk Management approach seeks to minimize the adverse impact of these risks on our business and enables us to leverage the market opportunities. Our well-defined Enterprise Risk Management Framework provides long-term competitive advantage through an established process involving Risk Identification, Assessment & Mitigation leading to a transparent and competitive price discovery to ensure smooth and seamless functioning.

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

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

- **Strategic Risks:** These are the risks arising out of policy and regulatory changes related to the functioning of the power market and competitive landscape which can affect the long-term functioning of the exchange and has an impact on the transaction volumes at the exchange.
- **Operational Risks:** These are risks arising due to external and internal factors that can have a direct or indirect effect on internal policies, business process, systems, and our people in support functions, and thereby have the potential to impact our core business and values. The Operational risks are mainly related to the regulatory compliances as per Central Electricity Regulatory Commission guidelines on through Power market Regulations and risks related to financial settlements of all transactions at IEX, which may include the following:
  - ◊ Risk related to people & talent management
  - ◊ Market risk arising out of trading activities.
  - ◊ Investment related risks such as fall in the value of investments, concentration of investment portfolio etc

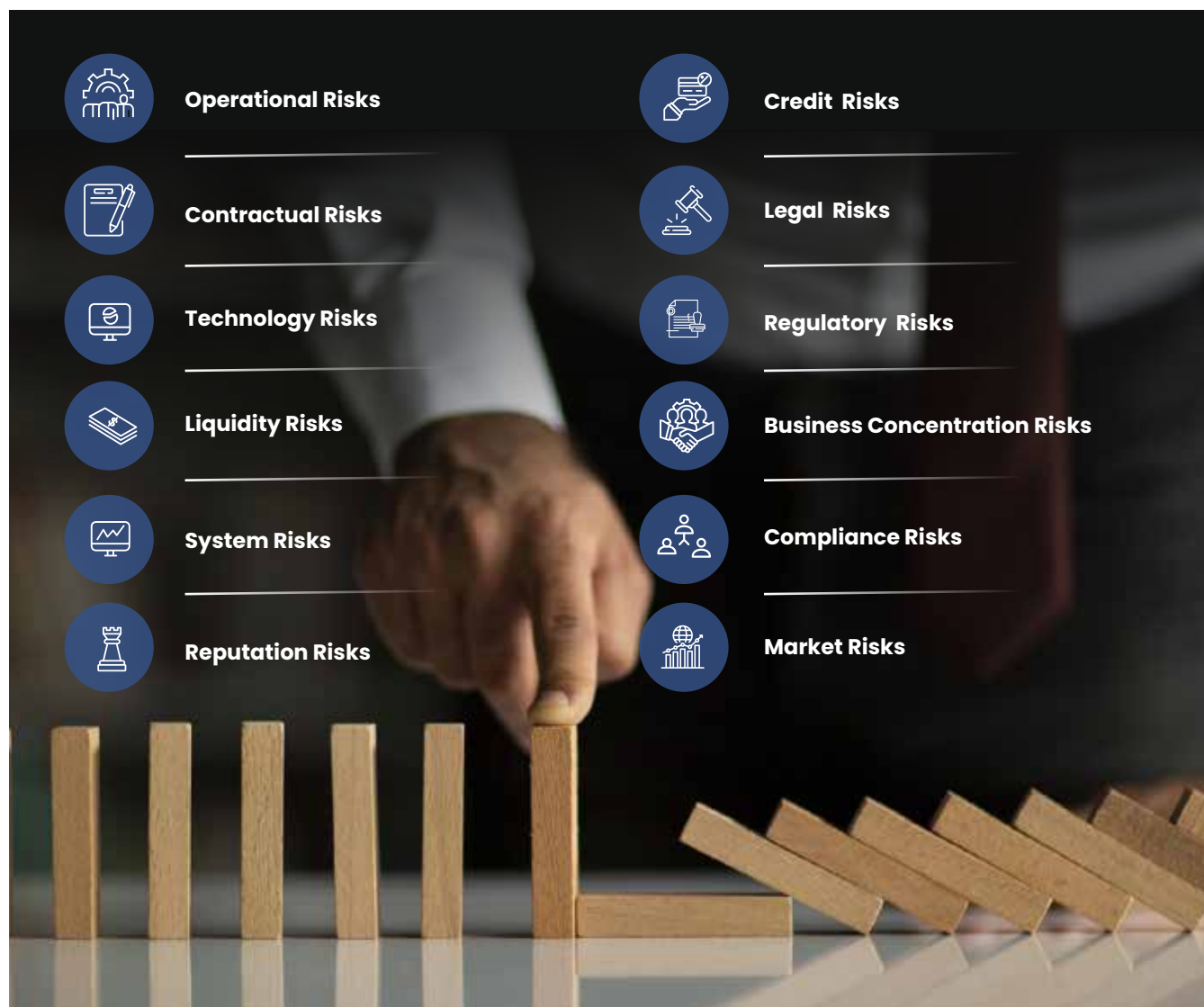
- ◊ Credit risk covering margin account maintenance leading to payment, security management, and collateral management
- ◊ IT and technology risks

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



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

## Risk Categories



### 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 Power Market Regulation, 2021 has been notified by honourable Central Electricity Regulatory Commission.

The Government, in its various vision documents, has emphasized the need for a deeper and transparent power market in India. Being a self-regulatory organization with its Rules, Bye Laws, Business Rules, and circulars approved by the Central Electricity

Regulatory Commission, your Company functions within the ambit of provisions and remains on top of the compliances. The Company is also regulated by various regulations under Electricity Act 2003 such as Power Market Regulations, Inter-State OA Regulations and Procedure for Scheduling of Collective Transactions issued by POSOCO, etc. Any deviation from any of the provisions under the regulations would be of significant risk to your Company.

**Mitigation:** The Enterprise Risk Management Committee meetings are held on half yearly basis, where strategic and operational risks are

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

### Technology Risk

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

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

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

### Cyber Security Risk

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

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

### Legal Risk

Legal risk consists of non-compliance of various factors like membership criteria fulfilment, incorrect

member enrolment, non-compliance to tax or accounting compliances, an entity with a criminal background, change in the net worth profile of members, etc.

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

### Operational Risk

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

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

### Market Risk

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

Mitigation: Revenues of your Company are majorly derived from transaction fees and annual subscription fees. The Company systematically engages with all stakeholders growing the participant base and driving revenue growth. Over time the company has taken many initiatives towards enhancing customer centricity & customer loyalty through several projects. Also, the company is in regular discussion with policy makers and stakeholders towards creation of new market friendly products.



# Financial Performance

A close-up photograph of a hand pointing at a financial report. The report features various charts and graphs, including a large donut chart in the bottom left, a bar chart in the center, and several smaller pie charts and line graphs. The text 'Expense' is visible on the left side of the report. The background is a blurred office setting.

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

## Key performance metrics

Particulars	Standalone			Consolidated		
	2021-22	2020-21	Growth %	2021-22	2020-21	Growth %
Total Revenue (₹ lakh)	47,787.75	35,738.55	33.71%	48,440.18	35,623.10	35.98%
Operating Cost	5,540.73	5,347.99	3.60%	6,281.60	6,301.68	(0.32)%
CSR Expenses	456.38	420.00	8.66%	456.38	420.00	8.66%
Finance Cost, Depreciation and Amortization	1,829.98	1,791.03	2.17%	1920.26	1,856.49	3.43%
Total Expenses (₹ lakh)	7,827.09	7,559.02	3.55%	8,658.24	8,578.17	0.93%
Profit before share of profit of associates, exceptional items and tax (₹ lakh)	39,960.66	28,179.53	41.81%	39,781.94	27,044.93	47.10%
Share in profit of associate	-	-	-	144.27	-	100%
Exceptional items (Profit on loss of control of subsidiary)	-	-	-	597.77	-	100%
PBT (₹ lakh)	39,960.66	28,179.53	41.81%	40,523.98	27,044.93	49.84%
<b>PAT (₹ lakh)</b>	<b>30,251.22</b>	<b>21,348.82</b>	<b>41.70%</b>	<b>30,863.58</b>	<b>20,543.12</b>	<b>50.24%</b>
Profit for the year attributable to:						
Shareholders of the Company	30,251.22	21,348.82	41.70%	30,925.55	20,609.33	50.06%
Non-controlling interests	-	-	-	(61.97)	(66.21)	(6.40)%
PAT (Attributable to Shareholders) Margin	63.30%	59.74%	356bps	63.84%	57.85%	599bps
Earnings per share (₹) - Basic	3.38	2.38	42.02%	3.45	2.30	50.00%
Earnings per share (₹) - Diluted	3.38	2.38	42.02%	3.45	2.30	50.00%

## Profit & Loss statement analysis (standalone)

### Revenue

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

During FY22, the total revenue of the Company stood at ₹ 47,787.75 lakh as compared to ₹ 35,738.55 lakh in the previous year. The operating revenue increased from ₹ 31,711.38 lakh in FY21 to ₹ 42,554.94 lakh in FY22, with growth rate of 34.19%. The growth was mainly due to higher volume from 75 BU in FY21 to 102 BU in FY22 which was mainly driven by Real-Time Market (RTM), Green Term-Ahead & Day-Ahead (GTAM and GDAM). Treasury and other income of the Company stood at ₹ 5,232.81 lakh as compared to ₹ 4,027.17 lakh during previous year, with growth rate of 29.94%. The Company continued to perform well and maintain its leadership position during the financial year with profit after tax (PAT) of ₹ 30,251.22 lakh as compared to ₹ 21,348.82 lakh in FY21 with YoY growth of 41.70%.

### Expenses

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

## IEX's expenditure (₹ in lakh)

Particulars	2021-22	2020-21	Growth %
Employee benefit	3,718.07	3,897.76	(4.61)%
Other operating expenses	1,822.66	1,450.23	25.68%
CSR	456.38	420.00	8.66%
Finance cost	197.49	205.48	(3.89)%
Depreciation and amortization	1,632.49	1,585.55	2.96%
<b>Total expenditure</b>	<b>7,827.09</b>	<b>7,559.02</b>	<b>3.55%</b>

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

While Employee benefit cost included annual increments and other performance linked incentives, it declined on overall level mainly on account of higher employee attritions during the year.

Other operating expenses increased by 25.68% from ₹ 1,450.23 lakh to ₹ 1,822.66 lakh, mainly due to increase in Technology related expenses and bonus share issue related expenses (one time nature) incurred by the Company. Other expenses were almost at same level as previous year due to limited activities undertaken by the Company because of Covid restrictions, which resulted in lower travelling and administration costs.

### Finance Cost

The finance cost decreased from ₹ 205.48 lakh to ₹ 197.49 lakh during the year mainly due to decrease in finance cost recognised on lease liability in accordance with IND AS 116 "Leases".

### CSR Expenses

The Company incurred ₹ 456.38 lakh towards the corporate social responsibility required pursuant to Section 135 of the Companies Act, 2013 against the obligation of ₹ 456.38 lakh. During the previous year, the Company had spent ₹ 420.00 lakh on the CSR activities.

For details please refer **Annexure 1** of the Directors Report.

### Provision for Taxation

The total income tax (provision) increased from ₹ 6,830.71 lakh to ₹ 9,709.44 lakh majorly due to increase in profits in FY22. Effective tax rate in FY22 is at 24.30% as compared to 24.24% in FY21

### Earnings Per Share

Basic and Diluted EPS of the Company increased by 42.02% to ₹ 3.38 for the FY22 against ₹ 2.38 in FY21.

During the current year, the Company has issued 59,91,13,022 equity shares of Re.1 each as fully paid-up bonus shares in the ratio of 2 (Two) equity share for every 1 (One) equity share outstanding on the record date i.e. 6 December 2021. EPS of current and previous period have been restated accordingly.

### Shareholders' Funds

#### Share Capital

As on 31 March 2022, the Company's share capital stood at ₹ 8,977.88 lakh [89,60,24,223 equity shares of ₹ 1 each. (Previous year: ₹ 2,985.04 lakh, i.e., 29,85,05,341 equity shares of ₹ 1 each). Company's share capital is net of equity shares held by the IEX ESOP Trust.

During the current year, the Company has issued 59,91,13,022 equity shares of Re.1 each as fully paid-up bonus shares representing a ratio of 2 (Two) equity share for every 1 (One) equity share outstanding on the record date.

Refer note 16 of Financials for details

#### Other Equity

The Company's other equity as on 31 March 2022 was of ₹ 61,218.84 lakh in comparison to ₹ 50,155.13 lakh as on 31 March 2021.

During FY22 ₹ 13,480.05 lakh (Final dividend for 2020-21: 4493.35 lakh; Interim dividend for 2021-22: 8,986.70 lakh) (previous year: Interim dividend for 2020-21: 7,488.91) is utilised from free reserves of the Company towards payment of dividend on Equity shares. Also, ₹ 5991.13 lakh (previous year: Nil) is utilized (₹ 5953.83 lakh from free reserves, ₹ 37.30 lakh from Capital Redemption Reserve) towards issuance of Bonus shares during the year.



The net worth stood at ₹ 70,196.72 lakh as on 31 March 2022 as against ₹ 53,140.17 lakh as on 31 March 2021.

### Secured & Unsecured loans:

There were no secured & unsecured loans in the books of the Company as on 31 March 2022.

### Trade Payable

The Company's trade payable is at ₹ 63,511.85 lakh as on 31 March 2022, as against ₹ 16,454.40 lakh as on 31 March 2021. Increase is majorly due to higher trade volumes and higher electricity prices across segments leading to higher outstanding amount on 31 March 2022.

### Lease Liabilities

Lease liabilities balance (Non-current and Current) is at ₹ 1,000.86 lakh as on 31 March 2022, as against ₹ 1,173.15 lakh as on 31 March 2021, decrease due to payment of lease liability during the year.

### Other Financial Liabilities

The Company's other financial liabilities balance (Non-current and Current) is ₹ 29,338.34 lakh as on 31 March 2022, as against ₹ 16,315.85 lakh as on 31 March 2021, the increase is primarily due to increase in SGF by ₹ 13,243.27 lakh due to higher trade volumes and higher electricity prices across segments.

### Other Liabilities

The Company's other liabilities balance (Non-current and Current) is at ₹ 2,029.75 lakh as on 31 March 2022, as against ₹ 1,835.76 lakh as on 31 March 2021, the increase is primarily due to increase in statutory dues.

### Fixed Assets

The Company's net fixed assets stood at ₹ 11,475.15 lakh as at 31 March 2022, as against ₹ 12,140.05 lakh as at 31 March 2021. Various ongoing IT innovation projects (including MILP, Web Portal - Phase 1) got capitalised during the year.

### Investments and Cash and Bank Balances

As on 31 March 2022, the Company's investments (Non-current and Current) and Cash and Bank balances stood at ₹ 147,931.04 lakh (including ₹ 3,546.00 (previous year: 3,915.38 lakh) invested in Indian Gas Exchange Limited), as against ₹ 78,943.97 lakh as on 31 March 2021. Increase is mainly due to accumulated profits and higher trade payable.

### Trade Receivable

The Company's trade receivable is at ₹ 8,737.11 lakh as on 31 March 2022, as against ₹ 319.55 lakh as at 31 March 2021. Increase is mainly due to debtor balances related to Real-Time Market Segment and higher trade volumes and higher electricity prices.

### Security Deposits

Security deposits given for various offices stand at ₹ 358.36 lakh as on 31 March 2022, as against ₹ 301.92 lakh as at 31 March 2021. Increase is mainly due to deposit given for Mumbai office lease renewal and discounting adjustment of security deposits as per Ind AS 109.

### Other Current Assets

Other current assets (Non-current and Current) stand at ₹ 820.58 lakh as on 31 March 2022, as against ₹ 827.78 lakh as at 31 March 2021.

### Key Ratios

Key Ratios	2021-22	2020-21
Net Profit Margin (%):	63.30%	59.74%

### Profit & Loss Statement Analysis (Consolidated):

The consolidated financials of the Company include financials of Indian Gas Exchange Limited (IGX).

IGX was subsidiary of IEX till 16 January 2022. With effect from 17 January 2022, IGX has become an associate of IEX. As on 31 March 2022, Indian Energy Exchange holds 47.28% stake in Indian Gas Exchange.

Consolidated statement of profit and loss includes income and expenses of IGX consolidated on a line by line basis till it was a subsidiary (16 January 2022). Post loss of control (w.e.f. 17 January 2022), assets and liabilities of IGX were derecognised from the consolidated financial statements and thereafter retained interest in IGX has been accounted for as an associate using equity method.

The Company's consolidated revenue stood at ₹ 48,440.18 lakh in FY22 in comparison with ₹ 35,623.10 lakh in FY21. The Company's profit after tax increased from ₹ 20,543.12 lakh in FY21 to ₹ 30,863.58 lakh in FY22.

Share in profit of associate (from 17 January 2022 to 31 March 2022) was ₹ 144.27 lakh.

Loss of control in IGX has resulted in one time gain of ₹ 597.77 lakh in the current year.

### 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.



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# Directors' Report

Dear Shareholders,

Your Directors have the pleasure in presenting the 16th (Sixteenth) Annual Report of the Company, together with the Audited Financial Statements (Standalone and Consolidated) and the Auditors' Report for the financial year ended 31 March 2022.

## FINANCIAL RESULTS

The Standalone and the Consolidated Financial Statements for the financial year ended 31 March 2022, 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 31 March 2022, is summarised below:

(Amount in ₹ lakh)

Particulars	Standalone		Consolidated	
	FY22	FY21	FY22	FY21
Revenue from operations	42,554.94	31,711.38	43,103.51	31,785.06
Other Income	5,232.81	4,027.17	5,336.67	3,838.04
<b>Total Revenue</b>	<b>47,787.75</b>	<b>35,738.55</b>	<b>48,440.18</b>	<b>35,623.10</b>
Less: Total Expenditure	7,827.09	7,559.02	8,658.24	8,578.17
Profit before share of profit of associates, exceptional items and tax	39,960.66	28,179.53	39,781.94	27,044.93
Share in profit of associate	-	-	144.27	-
Profit before tax and exceptional items	39,960.66	28,179.53	39,926.21	27,044.93
Exceptional items (Profit on loss of control of subsidiary)	-	-	597.77	-
Profit before tax	39,960.66	28,179.53	40,523.98	27,044.93
Less: Provision for Tax	9,709.44	6,830.71	9,660.40	6,501.81
<b>Profit after tax (A)</b>	<b>30,251.22</b>	<b>21,348.82</b>	<b>30,863.58</b>	<b>20,543.12</b>
Other comprehensive income for the year, net of income tax (B)	11.25	25.46	9.45	18.72
<b>Total comprehensive income for the year (A+B)</b>	<b>30,262.47</b>	<b>21,374.28</b>	<b>30,873.03</b>	<b>20,561.84</b>
Profit for the year attributable to:				
Shareholders of the Company	30,251.22	21,348.82	30,925.55	20,609.33
Non-controlling interests	-	-	(61.97)	(66.21)
Earnings per equity share [face value ₹1/- per share]				
Basic (₹)*	3.38	2.38	3.45	2.30
Diluted (₹)*	3.38	2.38	3.45	2.30

\* During the current year, the Company has issued 599,113,022 equity shares of Re.1 each as fully paid-up bonus shares in the ratio of 2 (Two) equity share for every 1 (One) equity share outstanding on the record date i.e. 6th December 2021. EPS of current and previous period have been restated accordingly.

## THE COMPANY'S PERFORMANCE DURING FINANCIAL YEAR 2022

### ON STANDALONE BASIS

Your Company's standalone revenue was ₹ 47,787.75 lakh against ₹ 35,738.55 lakh in the previous year. Profit before tax stood at ₹ 39,960.66 lakh in FY22 against ₹ 28,179.53 lakh in FY21; profit after tax for FY22 was ₹ 30,251.22 lakh compared to ₹ 21,348.82 lakh in the previous year.

Your Company has sustained and maintained its leadership position in the power exchange industry in India during the FY22.

### CONSOLIDATED REVENUES

The consolidated financials of the Company include financials of Indian Gas Exchange Limited (IGX). IGX was the subsidiary of IEX till 16 January 2022. With effect from 17 January 2022, IGX has become an associate of IEX. As on 31 March 2022, Indian Energy Exchange holds 47.28% stake in Indian Gas Exchange.

Consolidated statement of profit and loss includes income and expenses of IGX consolidated on a line by line basis till it was a subsidiary (16 January 2022). Post loss of control (w.e.f. 17 January 2022), assets and liabilities of IGX were derecognised from the consolidated financial statements and thereafter retained interest in IGX has been accounted for as an associate using equity method.

The Company's consolidated revenue is ₹ 48,440.18 lakh in FY22 in comparison with ₹ 35,623.10 lakh in FY21. The Company's profit after tax increased from ₹ 20,543.12 lakh in FY21 to ₹ 30,863.58 lakh in FY22 (which includes one time gain of ₹ 597.77 lakh resulting due to loss of control in IGX during the current year).

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

### COVID-19

During the financial year 2022, we continued to navigate the challenges of the COVID-19 pandemic, which has continued to cause unprecedented levels of disruption around the globe. Your Directors are happy to share that there has been no impact of Covid on the business operations of the Company and the Company continued its operations 24X7 seamlessly.

During the period April 2021 to March 2022, keeping in mind employees' safety and wellbeing, the Company carried out operations remotely as and when required on account of COVID-19 outbreak. While functioning remotely, all the possible measures were taken to ensure that the data security and integrity were strictly adhered to as per the provisions of Power Market Regulations, 2021.

### COVID – 19 MITIGATION

The outbreak of the COVID-19 pandemic around the world had a destabilising impact on businesses. As a responsible and resilient Company, we worked to mitigate the effects of the crisis with agile responses.

As reports of the spread of Corona Virus started coming in, the Company enhanced its efforts to protect the health of its employees.

The following measures were put in place to protect our employees' health:

- Reinforced safe behaviour across our locations by limiting the size of gatherings/meetings and avoiding external visitors to the premises, besides asking employees to avoid in-person meetings and encouraging video conference.
- Security personnel at all our offices were provided infrared non-contact temperature sensors to screen all employees and visitors entering the premises.
- High contact areas like elevator buttons, door handles, handrails, bathroom taps etc. were sanitised at regular intervals.
- Provided reimbursement of the vaccination costs for all our employees, their spouses, children and parents.
- Employee Well-Being sessions were held to keep up the morale of the employees which included sessions on Anxiety & Stress Management, Music Therapy, Meditation etc.

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

## MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

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

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

## DIVIDEND

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

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

### Interim Dividend:

The Board of Directors of the Company have paid an interim dividend of ₹1/- (100%) per equity share of face value of ₹1 each for the financial year ended 31 March 2022. The total payout was of ₹ 8,986.69 Lakh towards interim dividend. The Company had deducted tax at source (TDS) at the time of payment of dividend in accordance with the provisions of the Income Tax Act, 1961.

### Final Dividend:

Your Directors are pleased to recommend a final Dividend of ₹ 1/- per equity share of face value of ₹ 1 each for the year ended 31 March 2022. The Final Dividend, subject to the approval of Members at the Annual General Meeting on Friday, 2 September 2022, will be paid within the time period stipulated under the Companies Act, 2013 (subject to deduction of Tax at source). The total outflow on account of proposed final dividend aggregates to ₹ 8,986.69 lakh.

The aggregate dividend for the financial year ended 31 March 2022 will amount to ₹2 per share of ₹1 each fully paid up equity share (being 200%).

## 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.

## SHARE CAPITAL

### Issue of Bonus Equity Shares:

During the year the Company has allotted 59,91,13,022 (Fifty-Nine Crore Ninety-One Lakh Thirteen Thousand and Twenty-Two) fully paid up Bonus Equity Shares of Face Value of ₹1 each in the proportion of 2 (Two) Bonus Equity Share(s) of face value of ₹1 each for every 1(One) Equity Share of face value of ₹1 each pursuant to the approval of shareholders on November 25, 2021, through postal ballot (remote e-voting).

Consequently, the issued, subscribed and paid-up share capital of ₹ 29,95,56,511 (Twenty Nine Crore Ninety Five Lakh Fifty Six Thousand Five Hundred Eleven) consisting of 29,95,56,511 (Twenty Nine Crore Ninety Five Lakh Fifty Six Thousand Five Hundred Eleven) Equity Shares of face value of ₹1 each as on 31 March 2022, was increased to ₹ 89,86,69,533 (Rupees Eighty-Nine Crore Eighty Six Lakh Sixty-Nine Thousand Five hundred Thirty three only) consisting of 89,86,69,533 (Eighty-Nine Crore Eighty Six Lakh Sixty-Nine thousand Five hundred Thirty-three) Equity Shares of face value of ₹1 each.

The bonus shares were allotted by capitalizing the Free Reserves and Capital Redemption Reserves of the Company in compliance with the provisions of the Companies Act, 2013 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

### Increase in Authorized Share Capital:

The said issue of bonus shares required an increase in the Authorized Share Capital of the Company. Accordingly, the members of the Company on 25 November 2021, approved the increase in the Authorized Share Capital of the Company from ₹ 40,25,00,000 (Rupees Forty Crore Twenty Five Lakh only) consisting of 40,25,00,000 (Forty Crore Twenty Five Lakh) Equity Shares of ₹1/- (Rupee One) each to ₹ 1,00,00,00,000/- (Rupees One Hundred Crore only) consisting of 1,00,00,00,000 (One Hundred Crore) Equity Shares of ₹1/- (Rupee One) each.

Apart from the above, there were no changes in the Share Capital during the Financial Year under review. The Company has, neither issued any equity shares with differential voting rights nor any shares (including



sweat equity shares) to any of its employees under any scheme except the shares issued under the IEX ESOP Scheme 2010 & IEX RSU Scheme 2019 as disclosed on the website of the Company pursuant to the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

## 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 recommendations 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:

- **Arts, Culture and Heritage:** Contributing to protection of national heritage, art and culture.
- **Health and Development:** Supporting socio-economic development of underprivileged communities through improved access to livelihoods, sanitation, water, healthcare and education.

- **Renewable Energy:** Promoting renewable energy by creating opportunities for access and awareness.
- **Women Empowerment:** Endeavouring to integrate the cause of women empowerment while designing the projects.
- **Disaster Response:** Contributing to relief and rehabilitation measures in disaster-affected parts of country.

The composition of the CSR Committee, CSR Policy and CSR initiatives of the Company are placed on the Company's website at [www.iexindia.com](http://www.iexindia.com) and the Annual CSR Compliance Report pursuant to Section 135 of the Companies Act, 2013 is appended as **Annexure 1** to this report.

## HUMAN RESOURCE DEVELOPMENT

At IEX, we keep employees at the core of everything that we do. Our employees are our strength and key differentiators. We ensure strong bond with our employees, our highly committed and engaged employees continuously deliver growth for the organization, by creating value for the customers.

Our culture is founded on our core values of "Excellence, Customer Centricity, Integrity, Respect & Trust, and Team Work".

We are committed and focused on fostering a strong learning culture in the organization by continuously investing in competence and leadership development of the employees through enhancement of functional/technical and behavioral/soft skills.

In line with the above, we imparted training programs on areas like Power BI, Blockchain, C++, International Power Market to name a few. Additionally, many short



duration online courses were made available to the employees through our online training initiative called 'Mindful Minutes'. On the leadership area, we had organized a customized Leadership Development program 'I-Lead' in collaboration with Indian School of Business (ISB) for our middle and senior level leaders. We also conducted a leadership training program for our emerging leaders through a prestigious training organization.

Our strategy is a combination of developing internal talent and hiring best of talent externally. The objective is to create complimentary skills in both domain and external/sector experience.

We believe in open and transparent work culture that places adequate emphasis on employee experience, feedback and suggestions. We have regular employee engagement activities including interactions with the leaders of the organization through various forums. We initiated an internal employee satisfaction survey- VoIEX to identify and leverage on our strength areas as well as focus on improvement areas. The objective of this initiative was continuous improvement to become employer of choice.

In addition, forums such as weekly and monthly meeting, quarterly All Hands Meet, skip level meetings, and departmental meetings provide opportunities for employee interaction with the management.

## **EMPLOYEE STOCK OPTION PLAN (ESOP) AND RESTRICTED STOCK UNIT (RSU)**

### **IEX Employees Stock Option Plan 2010 ("IEX ESOP Scheme 2010")**

Your Company has IEX ESOP Scheme 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. During the year under review, the Company made fair adjustment in the number of options and to the exercise price in view of Bonus Issue of the Company.

The details of the IEX ESOP Scheme 2010, including terms of reference, and the requirement specified under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, are available on the Company's website, at [https://www.iexindia.com/pdf/01\\_08\\_2022Disclosure%20Pursuant%20to%20SEBI%20\(SBEB%20&%20SE\)%20Regulations,%202021%20for%20the%20FY21-22.pdf](https://www.iexindia.com/pdf/01_08_2022Disclosure%20Pursuant%20to%20SEBI%20(SBEB%20&%20SE)%20Regulations,%202021%20for%20the%20FY21-22.pdf).

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

Your Company has 'Indian Energy Exchange Limited Restricted Stock Unit Scheme 2019' with a view to attract and retain key talents working in the capacity of senior management with the Company, by way of rewarding their performance and motivating them to contribute to the overall corporate growth and profitability. The Scheme is administered directly by the Nomination and Remuneration Committee ("NRC") of the Company.

The details of the IEX RSU Scheme 2019, including terms of reference, and the requirement specified under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, are available on the Company's website, at [https://www.iexindia.com/pdf/01\\_08\\_2022Disclosure%20Pursuant%20to%20SEBI%20\(SBEB%20&%20SE\)%20Regulations,%202021%20for%20the%20FY21-22.pdf](https://www.iexindia.com/pdf/01_08_2022Disclosure%20Pursuant%20to%20SEBI%20(SBEB%20&%20SE)%20Regulations,%202021%20for%20the%20FY21-22.pdf).

The details of the IEX ESOP Scheme 2010 and IEX RSU Scheme 2019 form part of the Notes to accounts of the financial statements in this Annual Report.

Further, the Company has obtained a certificate from the Secretarial Auditors of the Company certifying that the IEX ESOP Scheme 2010 and IEX RSU Scheme 2019 have been implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 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.

## **TECHNOLOGY ABSORPTION**

Since the inception in the year 2008, the Indian Energy Exchange has believed in technology innovation as a key differentiating factor and has adopted the best-in-class technology, and it continues to be so even today. Our technology vision is to architect next-generation technology and digital enterprise solutions that enable us to shape the development of competitive, transparent, and robust energy markets in the country.

Innovation, and strong technology backbone have indeed enabled us to build continued trust with our robust ecosystem of almost 7,000 participants including 60+ distribution utilities, 500+ generators, 1500+ renewable participants and 4600+ open access consumers as well as provide them with the best-in-class seamless customer centric services.

We continually invest efforts and resources in technology to elevate its ease, 24\*7 availability, reliability, security and provide the best-in-class experience. We have endeavoured to advance technology architecture both at Exchange as well as Enterprise levels. Over the years, we have successfully transitioned from monolithic auction software to a more modular service-based architecture connected through open Application Programming Interface (API) connecting Exchange trading system with Members and National Load Despatch Centre (NLDC) in an efficient manner. Additionally, we also transitioned to more agile technology architecture having incorporated tools like Jira, and CI/CD pipelines that allow us to adapt to the changes very swiftly. The technological transition has been aptly supported with cultural transformation, including implementation of a comprehensive training program on new technologies for the Exchange Technology team. Similarly, implementation of Mixed-Integer Linear Programming (MILP) based Exchange technology matching algorithm, at par with the global best solutions, has enabled us to introduce complex bids to support our market participants in meeting their requirements in a dynamically evolving renewable-centric scenario. Also, in addition to API based integration between the Clearing and Settlement System and SAP system going live in the current year, we have carried out various improvements (including Document Management System, etc.) to the SAP system, to make it more effective and beneficial.

Our relentless focus on customer centricity coupled with the best-in-class technology, a focused and dedicated team, and tech partnerships with local and global companies, indeed sets us apart. We started the year enhancing customer experience by commencement of web-based platform, to provide digital registration, data insights and analytics to our customers offering greater efficiency in their exchange-based procurement. Post multiple feedback from our customers we also provided a seamless bidding experience and minimizing manual interventions through Application Programming Interface (API) for the Real-Time Market. We also undertook system integration with our Clearing Banks which has been enabling faster financial transactions with our customers. Going forward, we plan to adopt API based solutions for all market segments as well as adopt new technologies such as Robotic Process Automation (RPA) to eliminate human dependency in market operation processes.

To ensure high availability and 100% uptime, IEX trading system has three layers of redundancy

on the network layer to allow for more flexible communication with NLDC. The exchange system is built on a virtualized environment with hardware redundancy at the machine level for high availability, and further redundancy built into the software even at the task level. Backup systems are also at hand to automatically take over in a matter of seconds in the case of a failure in any of the RTM processes. Our systems are built with an auto-healing concept based on extensive monitoring which ensures that in case of failure, the system recognizes the problem and automatically triggers a fallback process with minimal manual intervention, thus minimized downtime.

With so many Technology innovations in FY22, we are now set to take the next leap. We plan to enhance our API footprint and integrate with many more customers. We will invest even more on a Web Based Platform and provide Financial Reconciliation and even Bidding on our Platform. We continue to invest in Security and will enhance our monitoring with state-of-the-art security solutions. With new products like Long Duration Contracts and technology enhancements we strive to stay ahead and fulfill our technology vision of creating a customer centric energy marketplace through efficient and state of the art Technology Solutions.

## SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Indian Gas Exchange Limited ("IGX") was the Subsidiary of the Company till 16 January 2022, and w.e.f. 17 January 2022, its status changed from Subsidiary to Associate of the Company on account of divestment of 4.93% stake in IGX to Indian Oil Corporation Limited (A Government of India Undertaking). As on 31 March 2022, IGX was the only Associate of your Company.

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

The Consolidated Financial Statements of the Company and its Subsidiary/Associate are prepared in accordance with the applicable accounting standards, issued by the Institute of Chartered Accountants of India, and forms part of this Annual Report. Pursuant to the provisions of Section 129(3)



of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of IGX in **Form AOC-1** is attached to this Report as **Annexure 2**.

## RELATED PARTY TRANSACTIONS

All related party transactions during FY22 were at arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act, the SEBI Listing Regulations and the Company's Policy on Related Party Transactions. All these transactions were reviewed and approved by the Audit Committee/the Board of Directors of the Company.

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

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

Members may refer to **Note No. 45** of the Standalone financial statement which sets out related party disclosures pursuant to Ind AS.

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

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

The Policy intends to ensure that proper approval, reporting and disclosure processes are in place for all transactions between the Company and related parties. This Policy specifically deals with the review and approval of Material Related Party Transactions

keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

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

As on 31 March 2022, the Board comprised of 6 (Six) Directors, out of which 3 (Three) were Non-Executive Independent Directors including 1 (One) Woman Independent Director, 2 (Two) Non-Executive Non-Independent Directors and 1 (One) Executive Director.

### A. Changes in Directors

During the year under review, there was no change in Directors of the Company.

Post completion of FY22, the Board of your Company has appointed Mr. Rajeev Gupta (DIN:00241501), as an Additional Director designated as Non-Executive Independent Director with effect from April 27, 2022, and his appointment as Independent Director was subject to shareholders approval. The shareholder approval was sought through postal ballot (e-voting) and as per the outcome of the postal ballot the shareholders did not approved his appointment. Accordingly, Mr. Rajeev Gupta ceased to be the Director of the Company with effect from July 17, 2022.

### 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 offers himself for re-appointment.

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

## B. Change in KMPs

During the year under review, there were no change in the KMPs of the Company.

The Key Managerial Personnel of the Company as on 31 March 2022, are Mr. Satyanarayan Goel, Chairman & Managing Director and Mr. Vineet Harlalka, Chief Financial Officer, Company Secretary and Compliance Officer.

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

## C. Declaration by Independent Directors

As on 31 March 2022, Ms. Sudha Pillai, Prof. Kayyalathu Thomas Chacko, Mr. Tejpreet Singh Chopra were the Independent Directors on the Board of your Company in terms of Section 149 of the Act and Regulation 16 of the Listing Regulations. 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, 2021.

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

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

A declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Notification dated October 22, 2019, issued by the Ministry of Corporate Affairs (MCA), regarding the requirement relating to enrolment in the Data Bank for Independent Directors, has been received from all the Independent Directors, along with declaration made under Section 149(7) of the Act.

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

## D. Meetings of Board / Committees

During the year 7(Seven) Board Meetings were held, the composition and the details of the meetings of the Board and its Committees held during the year and the attendance of the Directors thereat is set out in the Corporate Governance Report, forming part of the Annual 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 of the Listing Regulations, the NRC is responsible for formulating the criteria for determining qualification, positive attributes and independence of a Director.

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

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

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

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

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

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

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

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

## 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 (2) and Rule 5 (3) 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(1) of the aforesaid Rules are provided as part of this Annual Report as **Annexure 8**. None of the employees listed in the said Annexure are related to any Director of the Company.

## 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 FY22.

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

- i. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departure, if any;
- ii. They have selected appropriate accounting



policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year 2022;

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

## 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 fraud by its officers or employees therefore no details are required to be disclosed under Section 134(3) (ca) of the Companies Act, 2013.

## 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.

## 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	₹ 397.42 lakh

## RISK MANAGEMENT POLICY

Your Company being an exchange has adequate risk management systems and procedures operating within the organization. The Company has a Risk Assessment and Management Committee headed by an independent director which reviews the risk management framework and process of the organization on half yearly basis as per Regulation 26 of the CERC (Power Market) Regulations, 2021 and submits its report to the CERC. The Company has a Chief Risk Officer and put in place a risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

In addition, your Company has also devised and implemented a comprehensive 'Risk Management Policy' which provides for identification, assessment and control of risks that the Company would face in the normal course of business and mitigation measures associated with them. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy. Under the said policy and in compliance with the Listing Regulations the Board has an 'Enterprise Risk Management Committee' ('ERMC') to 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 details, please refer Management Discussion and Analysis of this Report.

## WHISTLE BLOWER & ANTI-FRAUD POLICY

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

practices and is committed to comply with all applicable laws, rules and regulations.

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

### The Policy provides for:

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

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

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

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

## 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:

- Regular and preventive maintenance for Company's heating, venting and air conditioning (HVAC) equipments and systems.
- Encouraging employees to suggest innovative ideas to cut down the energy costs.
- 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 equipments.
- 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.

## PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT

During the FY22, 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 Investments of your Company are in Bank FDs, Tax Free Bonds, Debt based liquid and liquid plus terms products, Fixed Maturity Products (FMPs), Arbitrage Mutual Fund schemes, Commercial Papers (CPs), Market Linked Debentures (MLDs) and InvITs units only, the details of which are provided in Note 6, 7, 10 and 13 to Standalone Financial Statement for the year ended 31 March 2022.

Further, your Company's investment in Indian Gas Exchange Limited (IGX), Associate company, as on 31 March 2022, is ₹ 35,46,00,000/- (₹Thirty-Five Crore Forty-Six Lakh)

## STATUTORY AUDITORS

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

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

## 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 financial year 2022 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.

## SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mohd. Nazim Khan, Designated Partner of M/s MNK and Associates LLP, Company Secretaries, New Delhi, as Secretarial Auditors of the Company to conduct the Secretarial Audit for Financial Year 2022.

The Secretarial Audit report for the financial year 31 March 2022 in **Form No. MR-3** is annexed as **Annexure 9** 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.

## SECRETARIAL STANDARD DISCLOSURE

During the FY22, the Company has complied with the provisions of applicable Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

## ANNUAL RETURN

Pursuant to Section 134 (3) (a) of the Act, the draft annual return for FY22 prepared in accordance with Section 92(3) of the Act is made available on the website of the Company and can be accessed using the link:

[https://www.ixindia.com/AGM\\_EGM\\_notice.aspx?id=%2fVFcZM3gBs g%3d&mid=IT8b%2bZM5cBA%3d](https://www.ixindia.com/AGM_EGM_notice.aspx?id=%2fVFcZM3gBs g%3d&mid=IT8b%2bZM5cBA%3d)

## 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.

## 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 10**.

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 FY22. A declaration to this effect signed by the Chairman & Managing Director of the Company is included in this Annual Report.

In terms of SEBI (LODR) Regulations, 2015 the CMD & CFO certificate of the FY22 and Declaration by CMD confirming the compliance declarations received from the Directors and the Senior Management personnel are appended as **Annexure 11**.

M/s MNK and Associates LLP, Company Secretaries in Practice, Delhi (Firm Registration No. L2018DE004900) have examined the requirements of Corporate Governance with reference to SEBI (LODR) Regulations, 2015 and have certified the compliance, as required under SEBI (LODR) Regulations, 2015. The Certificate in this regard is set out in this Report as **Annexure 12**.

## **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 period under review, the Company organised workshops and awareness programs at regular intervals to acquaint all employees with the provisions of the Act.

During the FY22, the Company has not received any complaint pertaining to sexual harassment and hence no complaint is outstanding as on 31 March 2022. The Company has filed an Annual Report with the concerned Authority in the matter.

## **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.

## **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., 31 March 2022.

## **MATERIAL AND SIGNIFICANT ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL**

During the FY22, there were no material and significant orders passed by the Regulators or Courts or Tribunal.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There are 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 to which the financial statements relate and the date of this Report.

## **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.

## **OTHER INFORMATION**

- i. Proceeding under Insolvency and Bankruptcy Code, 2016 The Company has neither made any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 ("IBC Code") during the Financial Year and does not have any proceedings related to IBC Code.
- ii. The Company has not made any onetime settlement during the Financial Year 2022 with Banks or Financial Institution.

## 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 Despatch Centre (NLDC), Regional Load Despatch Centers (RLDCs), State Load Despatch 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 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**

*Chairman & Managing Director*

DIN: 02294069

Place: Noida

Date: 25 July 2022

## Annexure 1

## Annual CSR Compliance Report for the Financial Year 2022

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

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

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

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

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

**2. Composition of CSR Committee:**

Sl. No	Name of Director	Designation/Nature of Directorship.	Number of meetings of CSR Committee held during the year.	Number of meetings of CSR Committee attended during the year.
1	Prof K T Chacko	Chairman, Non-Executive Independent Director	3	3
2	Ms. Sudha Pillai	Member, Non-Executive Independent Director	3	3
3	Mr. S N Goel	Member, Chairman & Managing Director	3	3

**3** Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. <https://www.iexindia.com/>

**4** Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable

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

Sl. No	Financial Year	Amount available for set-off from preceding financial years (in ₹ lakh)	Amount setoff for the financial year, if any (in ₹ lakh)
1	2021-22	546.84	434.65



(Amount in ₹ Lakh)

<b>6. Average net profit of the company as per section 135(5).</b>	22819.12
<b>7. (a) Two percent of average net profit of the company as per section 135(5)</b>	456.38
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
(c) Amount required to be set off for the financial year, if any	434.65
(d) Total CSR obligation for the financial year (7a+7b-7c).	21.73
<b>8. (a) CSR amount spent or unspent for the financial year:</b>	

Total Amount Spent for the Financial Year. (in ₹ Lakh)	Amount Unspent (in ₹ Lakh)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
504.73	-	-	-	-	-

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

(Amount in ₹ Lakh)

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local Area  Yes / No	Location of the project.		Project Duration	Amount Allocated	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of implementation Direct (Yes/No)	Mode of Implementation -  Through Implementing Agency	
				State	District						Name	CSR Reg. Number
NIL												

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

(Amount in ₹ Lakh)

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local Area (Yes/No)	Location of the project		Amount spent for the project	Mode of Implementation Direct (Yes/No).	Mode of implementation -Through implementing agency.	
				State	District			Name.	CSR Registration Number
1.	Energy Analytics Lab	Promoting Research, and Education	No	Uttar Pradesh	Kanpur	33.00	No	Indian Institute of Technology, Kanpur	CSR00004774
2.	Protection & restoration of Red Fort Delhi (Protection of National Heritage, Art & Culture including restoration of buildings & sites of historical importance & works of Art).	Promoting Heritage and Culture	Yes	Delhi	Delhi	450.00	No	Sabhyata Foundation	CSR00021742
<b>Total</b>						<b>483.00</b>			

(Amount in ₹ Lakh)

**(d) Amount spent in Administrative Overheads**

21.73

**(e) Amount spent on Impact Assessment, if applicable**

Not Applicable

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e)**

504.73

**(g) Excess amount for set off, if any**

Sl. No.	Particulars	(Amount in ₹ Lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	456.38
(ii)	Total amount spent for the Financial Year	1051.57*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	595.19
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	595.19#

\* including amount of ₹ 546.84 lakh spent in previous financial year available for set off in current financial year.

# Out of which ₹ 112.19 lakh pertaining to CSR spent of FY21, will be carried forward and set off against the CSR obligations by FY24 and ₹ 483.00 lakh pertaining to CSR spent of FY22, will be carried forward and set off against the CSR obligations by FY25.

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

(Amount in ₹ Lakh)

Sl. No.	Preceding Financial year	Amount transferred to Unspent CSR Account under Section 135 (6)	Amount spent in the reporting Financial Year.	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years.
				Name of the Fund	Amount	Date of Transfer	
1.	2020-21	Not Applicable	-	-	-	-	-
2.	2019-20	Not Applicable	-	-	-	-	-
3.	2018-19	Not Applicable	-	-	-	-	-

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

(Amount in ₹ Lakh)

Sl. No.	Project ID	Name of the Project	Financial Year in which project was commenced	Project Duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed / Ongoing
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Nil

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

(a)	Date of creation or acquisition of the capital asset(s).	-
(b)	Amount of CSR spent for creation or acquisition of capital asset.	-
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

**Not Applicable**

The Company has met and exceeded the prescribed CSR requirement.

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

Sd/-

**Satyanarayan Goel**

*Chairman & Managing Director*

DIN: 02294069

Place: Noida

Date: 25 July 2022

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

Sd/-

**Prof. K T Chacko**

*Chairman, CSR Committee*

DIN: 02446168

Place: Noida

Date: 25 July 2022



**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:****Not Applicable****Part "B": Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Particulars	Details
1.	Name of the Associate	Indian Gas Exchange Limited
2.	Latest Audited Balance Sheet Date	31 March 2022
3.	Shares of associate/ Joint Ventures held by the company at year end	
	Number of Shares	3,54,60,000
	Amount of Investment in Associate (In ₹ Lakh)	3,546
	Extend of holding %	47.28%
4.	Description of how there is significant influence	% of Shareholding
5.	Reason why the associate/ joint venture is not consolidated	Not Applicable
6.	Networth attributable to Shareholding as per latest audited Balance Sheet (In ₹ Lakh)	3089.20
7.	Profit / (Loss) for the year (In ₹ Lakh)	
	i. Considered in Consolidation	14.58
	ii. Not Considered in Consolidation	160.87

Details of the Company who ceased to be its Subsidiary/ Joint ventures/Associate Companies.

Sl. No.	Name of Company	Subsidiary/Joint Venture/ Associate Company	Date of cession of Subsidiary / Joint Ventures/ Associate Company
1.	Indian Gas Exchange Limited	Subsidiary	16 January 2022

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

Sd/-

**Satyanarayan Goel**

Chairman &amp; Managing Director

DIN: 02294069

Sd/-

**Vineet Harlalka**

Chief Financial Officer, Company Secretary  
& Compliance Officer

Place: Noida

Date: 25 July 2022

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

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

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

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

sd/-

**Satyanarayan Goel**

Chairman & Managing Director

DIN: 02294069

Place: Noida

Date: 25 July 2022

## 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:

- 1.1 'Board' shall mean Board of Directors of Indian Energy Exchange Limited.
- 1.2 'Independent Director' shall mean a director referred to in Section 149 (6) of the Companies Act, 2013.
- 1.3 'Key Managerial Personnel', in relation to a company, means key managerial personnel as defined under the Companies Act, 2013 & includes:
  - i. The Chief Executive Officer or the managing director or the manager;
  - ii. The company secretary;
  - iii. The whole-time director;
  - iv. The Chief Financial Officer;
  - v. Such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
  - vi. Such other officer as may be prescribed.
- 1.4 'Nomination and Remuneration Committee' or the Committee under this policy shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Rules framed thereunder read with Regulation 19 of SEBI (LODR) Regulations, 2015.
- 1.5 'Other employees' means all employees other than the Directors and KMPs.
- 1.6 'Policy or This Policy' means, "Nomination and Remuneration Policy."
- 1.7 'Remuneration' means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- 1.8 "Senior Management" shall mean officers/personnel of the listed entity who are in the its core management team excluding BOD and normally this shall include all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

## 2. Functions:

- To guide the Board in relation to the appointment and removal of Directors, Key Managerial Personnel and Senior Management.

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Director (Executive & Non-Executive/ Independent) and persons who may be appointed in Senior Management Personnel.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- To attract, retain and motivate the Directors and evaluation of their performance.
- To ensure that the relationship of remuneration with performance is clear and meets appropriate performance benchmarks.
- To recommend to the Board a Policy relating to the Remuneration for the Directors, Key Managerial Personnel and other Employees.
- To determine the remuneration based on the Company's size and financial position and practices in the industry.
- To recommend to the Board, all remuneration, in whatever form, payable to senior management.

### 3. Applicability:

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

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

### 4.1 Appointment criteria and qualifications:

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

### 4.2 Term / Tenure:

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

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

#### 4.2.2 Independent Director:

- An Independent Director shall hold office in Company for such term as prescribed under the Companies Act, 2013 and the Rules framed thereunder and other applicable statutory provisions.
- The appointment including the terms and conditions of appointment of Independent Director shall be recommended by the Committee and approved by the Board of Directors of the Company subject to the approval of the Shareholders in the General Meeting.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director of the Company.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

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

#### **4.3. Evaluation:**

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

#### **4.4. Removal:**

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

#### **4.5. Retirement:**

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

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

### **5.1 General Criteria:**

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

### **5.2 Remuneration to Managerial Person and KMPs:**

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

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

- The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of the Board or Committee thereof and General Meeting of the Company.



Provided that the amount of such fees shall be such as determined by the Board of Directors of the Company from time to time and shall be within the maximum permissible limit as defined under the Companies Act, 2013 and the Rules framed thereunder.

- The remuneration / commission payable, if any, shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
- An Independent Director shall not be entitled to any stock option of the Company.

#### **5.4 Remuneration to other Employees:**

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

#### **5.5 Stock Options:**

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

### **6. Disclosure of this Policy:**

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

### **7. Deviations from this Policy:**

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

### **8. Review and Amendment:**

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

## Annexure 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 Committee evaluated the performance of all the Non-Independent Directors, Chairman and Managing Director 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, establishing effective communication with all stakeholders, etc.

#### iv. Performance Evaluation of Board Committees

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

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

Sd/-

**Satyanarayan Goel**

*Chairman & Managing Director*

Place: Noida

Date: 27 April 2022

DIN: 02294069

## 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 (₹ in lakh)*	Approx. experience (in years)	Date of commencement of employment	Last Employment
<b>A. Employed throughout the Financial Year</b>								
1.	Satyanarayan Goel	67	MBA, B.TECH	Chairman & Managing Director	363.73	43	19-Feb-21	MD & CEO, Indian Energy Exchange Limited till July 20, 2019
2.	Vineet Harlalka	48	CA, CS	Chief Financial Officer, Company Secretary & Compliance Officer	140.73	22	16-Jan-10	Senior Manager Finance & Co. Secretary, New Holland Fiat (India) Private Limited,
3.	Rohit Bajaj	50	PGDBM, B.E	Senior Vice President (Business Development, Strategy and Regulatory)	121.27	28	12-May-14	Head of Business , National Energy Trading and Services Limited,
4.	Amit Kumar	44	MBA, B. Tech	Senior Vice President (Market Operations & New Product Initiatives)	106.02	20	15-Nov-18	Senior Director – Operations and Product Management, Limeroad
5.	Sangh Suman Gautam	45	Master of Science, Bachelor in Engineering	Chief Technology Officer	128.89	22	02-Aug-19	CTO News, HT Media
6.	Samir Prakash	52	Law Graduate, PG in Industrial Relations & Personnel Management	Senior Vice President (Human Resources & Administration)	96.88	31	17-Dec-18	Director-HR, SRK Tele Energy,
7.	Shruti Bhatia	48	M.Sc, B.SC	Vice President (Corporate Communications)	89.00	25	09-Jan-13	General Manager, Vestas Wind Technology India Private Limited,
8.	Indranil Chatterjee	45	MBA, B.E	Vice President (Strategy)	65.11	21	20-Dec-16	Indus Towers Limited, Deputy General Manager
9.	Ravi Kiran Kuchi	39	B Tech (Electrical & Electronics) and PG in Management (Finance & Strategy) IIM	Vice President (Business Development)	71.48	16	11-May-20	GM-BD & Commercial, Sembcorp Green Infra Ltd



Sr.	Name of the employee	Age	Qualification	Designation	Total Remuneration (₹ in lakh)*	Approx. experience (in years)	Date of commencement of employment	Last Employment
10.	Jogendra Behera	45	B.Tech. (Electrical Engg) IIT Delhi, PGDBM in Finance, IIMA, PG Diploma in (International Finance- Paris)	Vice President Chief Risk Officer (CRO)	67.68	21	12-Jul-19	Advisor (Power Market), Central Electricity Regulatory Commission (CERC)

#### B. Employed for part of the Financial Year

1	Rajesh Kumar Mediratta <sup>[1]</sup>	58	MBA, B.E	Director (Non-Board) (Strategy & Regulatory Affairs)	166.95	34	12-Mar-07	Chief Manager, Power Grid Corporation of India Limited
2	Naresh Dusi <sup>[2]</sup>	42	B.E.(Electrical) & Certification in Strategic Management form IIM	Vice President (Information Technology)	49.66	17	07-Sep-20	Product & Technology Leader, UPL- Adarsh Fam Service
3	Amit Kumar Garg <sup>[3]</sup>	41	Engineering	Vice President (Strategy)	79.78	17	29-Nov-19	Senior Engagement Manager, McKinsey
4	Mithun Manjnath Nayak <sup>[4]</sup>	43	B.E. (Electronic) Sardar Patel College of Engg, Mumbai, and PG in Management Studies (Finance) Symbiosis Institute	Vice President (Exchange Technology)	25.96	21	08-Dec-21	Senior Product Line Manager, Edgeverve Systems

\* Includes variable /special pay paid for FY22.

[1] Ceased to be an employee of the Company w.e.f November 01, 2021

[2] Ceased to be an employee of the Company w.e.f October 22, 2021

[3] Ceased to be an employee of the Company w.e.f February 28, 2022

[4] Joined the Company w.e.f December 08, 2021

#### Notes:

- Remuneration includes salary, reimbursement, variable pay, taxable value of perquisites etc. and further the gratuity paid to the employees who resigned during the year.
- Remuneration excludes perquisite value of shares received under IEX ESOP Scheme 2010.
- All other employees mentioned above are in permanent employment of the Company, governed by employment terms & service rules.
- None of the above employee is a relative of any Director of the Company within the meaning of relative under Companies Act, 2013.
- None of the employee was drawing salary in excess of that drawn by Managing Director/ Whole Time Director.
- As at 31 March 2022, 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 31 March 2022 none of the employees of the Company are posted and working in a country outside India.

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

Sd/-

**Satyanarayan Goel**

Chairman & Managing Director

Place: Noida

Date: 25 July 2022

DIN: 02294069

## 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 2022	Chairman & MD– 16.50
II	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Chairman & MD– NA <sup>[1]</sup> CFO & CS – 10 %
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 7.14%.
IV	The number of permanent employees on the rolls of Company	There were 159 employees as on 31 March 2022
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 was 11.09% whereas there was no change in the remuneration of managerial personnel <sup>[1]</sup> .
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.

**Note:**

<sup>[1]</sup> Chairman & MD joined w.e.f. February 19, 2021, and there was no revision in his remuneration during FY22.

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

sd/-

**Satyanarayan Goel**

Chairman & Managing Director

DIN: 02294069

Place: Noida

Date: 25 July 2022

## Annexure 9

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

From April 01, 2021 to 31 March 2022

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

To

The Members

Indian Energy Exchange Limited

**Registered Office:**

1st Floor, Unit No.1.14(a)

Avanta Business Centre Southern Park

D-2, District Centre, Saket

New Delhi 110017.

**Corporate office:**

Plot No. C-001/A/1, 9th Floor,

Max Towers Sector 16B

Gautam Buddha Nagar Noida

Uttar Pradesh-201301.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indian 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 1 April 2021 to 31 March 2022 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 31 March 2022 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR");



- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable)
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not Applicable)
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable)

vi. Specifically Applicable Laws:

Central Electricity Regulatory Commission (Power Market) Regulations, 2010 (PMR) till August 14, 2021 and Central Electricity Regulatory Commission (Power Market) Regulations, 2021 with effect from August 15, 2021.

vii. Other Applicable Laws:

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

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

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

## **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executives Directors, Independent Directors, and the Women Director. The changes, if any, 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, we noticed that all of the decisions were approved by the respective Board/Committee without any dissent note.

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

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

### We further report that

The Company vide Management Representation letter dated 27.04.2022 and in terms of Section 135 of the Act and Rules made thereunder, during the year the Company spent ₹ 504.73 lakh on Corporate Social Responsibility ("CSR"), and in addition the Company also have brought forward CSR amount of ₹ 546.84 lakh from financial year 2020-21 for set off during the year. During the FY22, out of total CSR spending of ₹1051.57 lakh, the Company has set off its CSR obligation of ₹ 456.38 lakh for the FY22.

As on 31 March 2022, the Company has an excess CSR expenditure of ₹ 595.19 lakh available to be carried forward and set off against the CSR obligation of the Company as follows:

- i. ₹ 112.19 lakh pertaining to CSR spent of FY21, will be carried forward and set off against the CSR obligations by FY24.
- ii. ₹ 483.00 lakh pertaining to CSR spent of FY22, will be carried forward and set off against the CSR obligations by FY25.

For **MNK and Associates LLP**

Company Secretaries

FRN: L2018DE004900

Sd/-

**Mohd. Nazim Khan**

(Designated Partner) Company Secretary

FCS: 6529; CP-8245

UDIN:F006529D000255987

Place: New Delhi

Date: 2 May 2022

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

## Annexure-A

The Members

Indian Energy Exchange Limited

**Registered Office:**

1st Floor, Unit No.1.14(a)

Avanta Business Centre Southern Park

D-2, District Centre, Saket

New Delhi 110017.

**Corporate office:**

Plot No. C-001/A/1, 9th Floor,

Max Towers Sector 16B

Gautam Buddha Nagar Noida

Uttar Pradesh-201301.

(For the period from 1 April 2021 to 31 March 2022)

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) Company Secretary

FCS: 6529; CP-8245

UDIN:F006529D000255987

Place: New Delhi

Date: 2 May 2022



## Annexure 10

### Corporate Governance Report

#### (Part C of Schedule V)

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

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

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

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

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

The Corporate Governance philosophy has been scripted as under:

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

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

The Corporate Governance of IEX is geared by the following:

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

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

#### 2. BOARD OF DIRECTORS

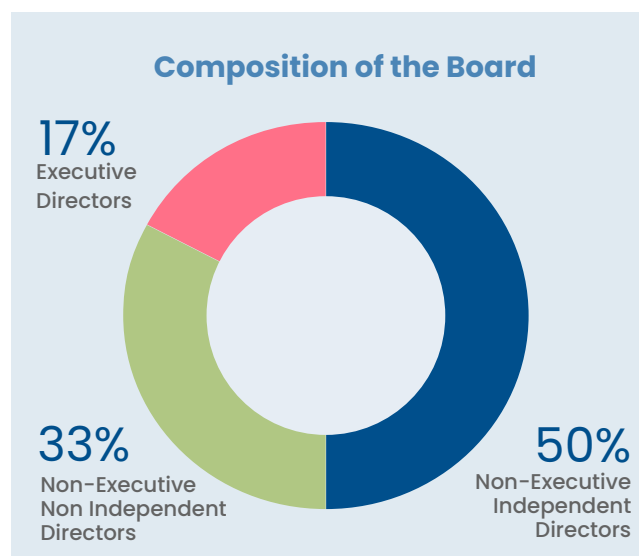
The Board of Directors is the apex body constituted by shareholders of the Company, for overseeing the Company's overall functioning. It has the ultimate responsibility for the management, general affairs, direction, performance and long-term success of business of the Company as a whole.

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

independence of the Board and to separate the Board functions of governance from Management of the Company.

### A. Composition of the Board

In compliance with the provisions of the Listing Regulations, the Company has an optimum mix of executive and non-executive directors along with 1 (one) woman independent director. In compliance with the requirement of Regulation 17(1) (b) of the SEBI (LODR) Regulations, 2015, the chairperson of the board being an executive director, half of the Board members were Independent Directors as on 31 March 2022.



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 31 March 2022, the Board comprised of 6 (six) Directors, out of which 3 (three) were Independent Non-Executive Directors including 1 (one) Woman Independent Director, 2 (two) were Non-Executive Non-Independent Directors and 1 (one) Managing Director. All Board members are accomplished professionals in their respective fields of expertise.

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.

### 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.

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

During the financial year 2022, Seven (7) meetings of the Board were held and the gap between any two meetings did not exceed 120 days. The said Board Meetings were held on 13 May 2021; 27 May 2021; 22 July, 2021; 21 October 2021; 8 December 2021; 24 January 2022, and 10 March 2022. The necessary quorum was present for all the meetings.

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

During the year under review, the 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 31 March 2022, are given below:

Sr. no.	Name of the Director	Nature of Directorship	Number of Board Meetings (in no.)		Attendance at the last AGM held on 2 September 2021	Directorship(s) in other companies as on 31 March 2022 <sup>\$</sup>	Chairpersonship(s) and Membership(s) of Board Committee in Companies (**) including this company as on 31 March 2022	
			Held	Attended			Membership	Chairpersonship
1	Mr. Satyanarayan Goel	Chairman & Managing Director	7	7	Yes	1	-	-
2	Prof K T Chacko	Non-Executive -Independent Director	7	7	Yes	-	2	1
3	Ms. Sudha Pillai	Non-Executive -Independent Director	7	7	Yes	9	9	4
4	Mr. Tejpreet Singh Chopra	Non-Executive -Independent Director	7	7	Yes	8	2	1
5	Mr. Gautam Dalmia	Non- Executive -Non-Independent Director	7	5	No	9	4	-
6	Mr. Amit Garg	Non- Executive -Non-Independent Director	7	7	Yes	2	1	-

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

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

<sup>\*\*</sup>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 31 March 2022 are given below:

S. No.	Name of the Director	Directorship(s) in listed entities including this Listed entity as on 31 March 2022	Names of the listed entities where Person is Director as on 31 March 2022	Category of Directorship(s) as on 31 March 2022
1	Mr. Satyanarayan Goel	1	Indian Energy Exchange Limited	Chairman & Managing Director
2	Prof K T Chacko	1	Indian Energy Exchange Limited	Independent Non-Executive Director
3	Ms. Sudha Pillai	5	Indian Energy Exchange Limited	Independent Non-Executive Director
			Jubilant Ingrevia Limited	Independent Non-Executive Director
			Jubilant Pharmova Limited	Independent Non-Executive Director
			Dalmia Bharat Limited	Independent Non-Executive Director
			Amber Enterprises India Limited	Independent Non-Executive Director



S. No.	Name of the Director	Directorship(s) in listed entities including this Listed entity as on 31 March 2022	Names of the listed entities where Person is Director as on 31 March 2022	Category of Directorship(s) as on 31 March 2022
4	Mr. Tejpreet Singh Chopra	3	Indian Energy Exchange Limited	Independent Non-Executive Director
			SRF Limited	Independent Non-Executive Director
			Gujarat Pipavav Port Limited	Independent Non-Executive Director
5	Mr. Gautam Dalmia	3	Indian Energy Exchange Limited	Non-Executive Non Independent Director
			Dalmia Bharat Sugar and Industries limited	Managing Director
			Dalmia Bharat Limited	Managing Director
6	Mr. Amit Garg	1	Indian Energy Exchange Limited	Non- Executive Non Independent Director

None of the directors of the Company holds office as a director, including as an alternate director, in more than twenty companies at the same time. None of them has directorships in more than ten public limited companies. For reckoning the limit of public companies, directorships of private companies that are either holding or subsidiary company of a public company are included and in dormant companies are excluded.

As per the declaration received from the directors, none of the directors of the Company is a Director in more than seven listed entities or is an independent director in more than seven equity listed companies or in more than three equity listed companies in case he is a whole-time director in any listed company.

None of the directors is either a member in more than ten committees or a chairman in more than five committees across all public limited companies in which he is a director.

### C. Non-Disqualification of Directors

Company has obtained a Certificate as required under Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (LODR) Regulations, 2015 from M/s MNK and Associates LLP, Company Secretaries that none of the Directors on the Board of the Company for the Financial Year ending on 31 March 2022 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 13**.

### 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, 2021 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015, as applicable. All Independent Directors maintain their limit of directorships as required under Regulation 17A of the SEBI (LODR) Regulations, 2015.

The maximum tenure of independent directors is in compliance with the Companies Act. The Company has issued a formal letter of appointment to independent directors in the manner as provided in the Companies Act which, inter-alia, sets out the expectation of the Board from the directors so appointed, their fiduciary duties and the accompanying liabilities. Pursuant to Regulation 46(2) of the Listing Regulations the terms and conditions of appointment have been disclosed on the website of the Company. Pursuant to the provisions of Section 149(8) of the Companies Act read with Schedule IV of the Companies Act, the Board of directors of the Company has adopted the code of conduct for its independent directors as a guide to professional conduct.

## Opinion of the Board

Pursuant to section 149(6) & (7) of the Act along with rules framed thereunder and Regulation 16(1)(b) & 25(8) of the Listing Regulations, the Independent Directors have provided an annual confirmation that they meet the criteria of independence, and they also have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act, the CERC (Power Market) Regulations, 2021 and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

### Independent director databank registration:

Pursuant to a notification dated 22 October 2019, issued by the Ministry of Corporate Affairs, all directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

### Separate meeting of Independent Directors:

Independent directors of the Company met separately on 8 December 2021, without the presence of non-independent directors and members of management. All the Independent Directors of the Company were present at this meeting. In accordance with Schedule IV of Companies Act, 2013, following matters were, inter-alia, reviewed and discussed in the meeting:

- a. The performance of Non-Independent Directors and the Board as a whole;
- b. The performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors;
- c. The quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to perform their duties effectively and reasonably;

During the period under review no independent director resigned from the Board of directors of the Company.

## E. Familiarization Programme for Independent Directors

In order to enable the Independent Directors to fulfil

their responsibilities efficiently and effectively and to familiarize the independent directors with the Company's nature and operations, as required under the Listing Regulations, a Familiarisation Programme has been put in place by your Company.

The Board familiarisation program comprises of the following:-

1. Executive Directors and Senior Management provide an overview of the operations and familiarize the new Non- Executive Directors on matters related to the Company's values and commitments. They are also introduced to the organisation structure, constitution of various committees, board procedures, risk management strategies, etc.
2. The Company conducts orientation programs/ presentations / training sessions, periodically at regular intervals. A presentation detailing the overview of the Company is presented by the management along with detailed interaction with all department heads of the Company.
3. Periodic presentations are made at the Board/ Committee Meetings on business development plan and performance, risk management, technology, etc.
4. All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.
5. Updates on relevant statutory changes and letters received from Regulators, as applicable, are regularly circulated to the Directors at the Board Meeting.

The Statutory Auditors and Internal Auditors of the Company make presentations to the Board/Audit Committee on Financial Statements and Internal Controls. They also make presentation on regulatory changes from time to time.

The details of familiarization programme for Independent Directors have been posted on the website of the Company and can be accessed through the following web link: -

<https://www.iexindia.com/pdf/Familiarisation%20Programme%20for%20Independent%20Director.pdf>

## F. Board Skills, expertise and competencies

Your Company actively seeks to adopt best global

practices for an effective functioning of the Board and believes in having a truly diverse Board whose wisdom and strength can be leveraged for earning higher returns for its stakeholders, protection of their interests and better corporate governance. The Board of Directors, the Nomination Remuneration Committee and Shareholders of the Company are collectively responsible for selection of a Member on the Board of the Company. These members bring in the required skills, competencies and expertise to the Board. They are nominated based on well-defined selection criteria set out by the Nomination and Remuneration Committee.

### **Selection and appointment of new Directors:**

1. The Board delegates the identification, screening and selection process to the Nomination and Remuneration Committee, which consists exclusively of Non-Executive Directors out of which majority are Independent Directors.
2. The committee, based on defined criteria, makes recommendations to the Board on the induction of new Directors.
3. The Board recommends the appointment of the Director to the shareholders.
4. The proposal is placed before the shareholders for approval.

### **Board membership criteria**

The Nomination and Remuneration Committee while nominating a candidate for directorship considers the following criteria's: -

1. Professional qualifications, expertise and experience in specific area of relevance to the Company;
2. Balance of skills and expertise in view of the objectives and activities of the Company;
3. Personal characteristics being in line with the Company's values, such as integrity, honesty, transparency etc.;
4. Composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
5. Desired age and diversity on the Board etc.;

In terms of requirement of Listing Regulations, 2015, the Board has identified the following core skills / expertise / competencies in the context of the Company's business for effective functioning as given below:

Competencies/ Skills	Description
1. Strategy Planning & Policy Development	Identification and assessment of strategic opportunities and threats. Developing effective strategies in the context of the strategic objectives of IEX relevant policies and priorities.  Ability to identify key issues and opportunities for IEX and develop appropriate policies to define the parameters within which the organisation should operate.
2. Information Technology	Technology expertise and Knowledge of specific markets and emerging technologies.
3. Governance, Risk and Compliance	Experience in the application of corporate governance principles in a commercial enterprise or other regulated entity. Ability to identify key risks to IEX in a wide range of areas including legal and regulatory compliance.
4. Financial Performance	Qualifications and experience in accounting and/or finance and the ability to: <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.



Competencies/ Skills	Description
6. Power Sector	Identification and assessment of strategic opportunities and threats. Developing effective strategies in the context of the strategic objectives of IEX relevant policies and priorities. Ability to identify key issues and opportunities for IEX and develop appropriate policies to define the parameters within which the organization should operate.

Given below is a list of core skills, expertise and competencies of the individual Directors on the Board:

Name of Director	Skills/Expertise/Competencies					
	Strategy Planning & Policy Development	Information Technology	Governance, Risk and Compliance	Financial Performance	Public Policy	Power Sector
Mr. Satyanarayan Goel	✓	-	✓	✓	-	✓
Prof. Kayyalathu Thomas Chacko	✓	-	✓	-	✓	-
Ms. Sudha Pillai	✓	-	✓	✓	✓	-
Mr. Tejpreet Singh Chopra	✓	✓	-	-	✓	✓
Mr. Gautam Dalmia	✓	-	-	✓	-	-
Mr. Amit Garg	✓	✓	-	✓	-	-

Note – Each Director may possess varied combinations of skills/ expertise within the described set of parameters, and it is not necessary that all Directors possess all skills/ expertise listed therein.

## G. Directors' Remuneration and Shareholding:

### i. Remuneration of the Executive Directors and their Shareholding

The aggregate value of salary and perquisites paid/payable for the year ended 31 March 2022 and the outstanding stock options along with the shareholding as at 31 March 2022 is as below:

(Amount in ₹ lakh)

Particulars	Mr. Satyanarayan Goel (Chairman & Managing Director)
<b>Remuneration</b>	
<b>Fixed Component:</b>	
Salary and allowances	*184.00
Monetary value of perquisites	0.48
<b>Variable Component:</b>	
Variable pay/Special pay	179.25
<b>Total</b>	<b>363.73</b>
Commission	Nil
<b>Grand total</b>	<b>363.73</b>
<b>Outstanding Stock options (ESOP 2010)/ (RSU 2019) (in Nos.) as at 31 March 2022</b>	Nil
<b>Shareholding as at 31 March 2022 (in Nos.)</b>	600

\*This excludes gratuity.

- ii. Remuneration paid to the Non-Executive Directors including the fees paid for attending the Board and Committee meetings during the year ended 31 March 2022, outstanding stock options and their shareholding as at 31 March 2022 is as below

Name of the Director	(Amount in ₹ lakh)			Outstanding Stock options (ESOP 2010)/ RSU2019 (in Nos.).	Shareholding in the Company as at 31 March 2022 (in Nos.)
	Sitting fee		Commission		
	Board Meetings	Committee/ Meetings			
Prof. Kayyalathu Thomas Chacko	6.30	9.00	Nil	Nil	Nil
Ms. Sudha Pillai	6.30	9.00	Nil	Nil	Nil
Mr. Tejpreet Singh Chopra	6.30	Nil	Nil	Nil	15,411
Mr. Gautam Dalmia	Nil	Nil	Nil	Nil	9,000
Mr. Amit Garg	6.30	6.00	Nil	Nil	Nil

There were no pecuniary relationships or transactions between the Non-Executive Directors and the Company during FY22, except for sitting fees paid to the Non-Executive Directors.

During FY22, the Non-Executive Directors were entitled to sitting fees of ₹90,000/- per meeting for attending the Meetings of the Board and ₹60,000/- per meeting for attending the Meetings of the Committees of the Board.

The sitting fees paid to the Non-Executive Directors and / or Independent Directors is within the limits prescribed under the Companies Act, 2013.

### 3. BOARD COMMITTEES

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

The Board Committees are set up under the formal approval of the Board and constituted in accordance with the provisions of the Companies Act, 2013, the SEBI (LODR) Regulations, 2015, CERC Power Market Regulations, 2021 and Exchange Business Rules and Bye Laws, as applicable, to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice and to ensure effective oversight on the functioning of Exchange and to facilitate cohesive decision making. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committees Meetings. All

decisions and recommendations of the Committees are placed before the Board for information, review or approval. The Board Committees can request special invitees to join the meeting, as appropriate.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board. There have been no instances where such recommendations have not been considered.

The Board has established the following statutory and non-statutory Committees: -

#### I. AUDIT COMMITTEE

As required under Section 177 of the Companies Act, 2013 (the 'Act') and as per Regulation 18 of SEBI (LODR) Regulations, 2015, the Board has constituted a competent Audit Committee consisting of two-third Independent Directors as its members.

As on 31 March 2022, the members of the Audit Committee were

Ms. Sudha Pillai (Chairperson)	Non-Executive -Independent Director
Prof. K.T. Chacko	Non-Executive -Independent Director
Mr. Gautam Dalmia	Non- Executive -Non- Independent Director

All the Members of the Committee have requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

### A. Brief Terms of Reference:

The terms of reference of the Audit Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and as per applicable Clauses of SEBI Listing Regulations, 2015. The brief terms of reference of the Committee are as under;

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending appointment and removal of auditors and fixing of their fees;
- Reviewing with management the annual financial statements and auditor's report before submission to the Board with special emphasis on accounting policies and practices, compliance with accounting standards, disclosure of related party transactions and other legal requirements relating to financial statements;
- Reviewing the adequacy of the Audit and Compliance functions, including their policies, procedures, techniques and other regulatory requirements; and
- Any other terms of reference as may be included from time to time in the Companies Act, 2013, SEBI Listing Regulations, 2015, including any amendments / re-enactments thereof from time to time.

The Audit Committee ensures that it has reviewed each area that it is required to review under its terms of reference and under applicable legislation or by way of good practice. This periodic review ensures that all areas within the scope of the Committee are reviewed.

### B. Composition and attendance:

During the financial year 2022, 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 13 May 2021; 22 July 2021; 21 October 2021; 24 January 2022.

The constitution and the number of meetings attended during the year with respect to the Audit Committee are as under:

Member	Category	No. of Meetings Held#	No. of Meetings Attended
Ms. Sudha Pillai (Chairperson)	Non-Executive -Independent Director	4	4
Prof. K.T. Chacko	Non-Executive -Independent Director	4	4
Mr. Gautam Dalmia	Non- Executive Non-Independent Director	4	1

#No. of meetings held during the tenure of the director on the committee

The Company Secretary of the Company was the Secretary of the Committee.

## II. NOMINATION AND REMUNERATION COMMITTEE:

As required under Section 178 of the Companies Act, 2013 (the 'Act') and as per Regulation 19 of Listing Regulations, 2015, your Company has a competent Nomination and Remuneration Committee (NRC) consisting of 100% Non-Executive Directors and out of which two-third are Independent Directors as its members.

As on 31 March 2022, the members of NRC were

Prof. K.T. Chacko (Chairperson)	Non-Executive Independent Director
Ms. Sudha Pillai	Non-Executive -Independent Director
Mr. Gautam Dalmia	Non- Executive -Non-Independent Director

The Company's Nomination & Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as **Annexure 5** to this Report. The said Policy is directed towards rewarding performance based on periodic review of achievements.

### A. Brief Terms of Reference:

The Terms of Reference of the NRC are in conformity with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations, 2015. The brief terms of reference of the Committee are as under;

- The Nomination and Remuneration Committee (NRC) is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning



and appointment procedures for both internal and external appointments.

- b. The Committee also formulates criteria for evaluation of performance of individual directors including independent directors, the Board of Directors and its Committees. The criteria for evaluation of performance of directors (including independent directors) include personal attributes such as attendance at meetings, communication skills, leadership skills and adaptability and professional & personal attributes such as understanding of the Company's core business and strategic objectives, industry knowledge, independent judgment, adherence to the Company's Code of Conduct, Ethics and Values, etc.
- c. Any other terms of reference as may be included from time to time in the Companies Act, 2013, SEBI Listing Regulations, 2015, including any amendments / re-enactments thereof from time to time.

The Company has formulated the criteria for performance evaluation of individual Directors, Board Committees and the Board as a whole and the same is annexed as **Annexure 6** of the Board Report.

#### B. Composition and attendance:

During the financial year 2022, 3 (Three) meetings of the NRC were held. The said meetings were held on 27 May 2021; 7 September 2021, and 12 January 2022. 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. K.T. Chacko (Chairman)	Non-Executive -Independent Director	3	3
Ms. Sudha Pillai	Non-Executive -Independent Director	3	3
Mr. Gautam Dalmia	Non-Executive-Non-Independent Director	3	2

#No. of meetings held during the tenure of the director on the Committee.

The Company Secretary of the Company was the Secretary of the Committee.

### III. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company has Stakeholders Relationship Committee pursuant to Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015. The Stakeholders' Relationship Committee is constituted primarily with the objective of redressing shareholders' complaints /grievances.

#### A. Brief Terms of reference:

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

- a. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- b. Review of measures taken for effective exercise of voting rights by shareholders.
- c. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

#### B. Composition and attendance:

As on 31 March 2022, the members of the Stakeholders Relationship Committee were:

Prof. K.T. Chacko (Chairperson)	Non-Executive Independent Director
Mr. Gautam Dalmia	Non- Executive -Non-Independent Director
Mr. Amit Garg	Non- Executive -Non-Independent Director

During the financial year 2022, 1 (One) meeting of the Stakeholders Relationship Committee was held on 15 March 2022. The constitution and the number of meetings attended with respect to the Stakeholders Relationship Committee are as under:

Member	Category	No. of Meetings Held <sup>#</sup>	No. of Meetings Attended
Prof. K.T. Chacko (Chairperson)	Non-Executive-Independent Director	1	1
Mr. Gautam Dalmia	Non-Executive-Non-Independent Director	1	1
Mr. Amit Garg	Non-Executive-Non-Independent Director	1	1

#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	Mr. Vineet Harlalka
Designation	CFO, Company Secretary & Compliance Officer
Email	compliance@iexindia.com
Tel	+91-0120-4648100

The Company Secretary & Compliance Officer can be reached at the corporate office of the Company.

Details of the number of complaints received from shareholders and attended during the financial year.

Opening Balance as on 01-April-2021	Nil
Number of complaints* received during the year <sup>#</sup>	31
Number of complaints resolved during the year <sup>#</sup>	31
Number of complaints not solved to the satisfaction of the shareholders during the year <sup>#</sup>	Nil
Number of pending complaints as on 31-March-2022	Nil

\*All the complaints were related to non-receipt of annual report, notices, dividend, Bonus queries etc.

# For the period 2021-22 (From 01-April-2021 to 31-March-2022)

The complaints were attended to the satisfaction of shareholders by the Company and / or its Registrar & Share Transfer Agent – KFin Technologies Limited, and no complaints remained pending to be attended as on 31 March 2022.

#### IV. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

Your Company has a competent Corporate Social Responsibility Committee as per the Corporate Social Responsibility Policy as required under Section 135 of the Companies Act, 2013, which shall indicate

the activities to be undertaken by the Company on Corporate Social Responsibility and Recommend the amount of expenditure to be incurred.

As on 31 March 2022, the members of the CSR Committee were:

Prof. K.T. Chacko (Chairperson)	Non-Executive -Independent Director
Ms. Sudha Pillai	Non-Executive -Independent Director
Mr. Satyanarayan Goel	Chairman & Managing Director

#### A. Brief Terms of reference:

The Terms of Reference of the Corporate Social Responsibility Committee are in conformity with Section 135 of the Companies Act, 2013. The brief terms of reference of the Committee are as under;

- Formulation and recommendation to the Board, a Corporate Social Responsibility Policy, which indicates the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred.
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.
- Any other terms of reference as may be included from time to time in the Companies Act, 2013, including any amendments / re-enactments thereof from time to time.

#### B. Composition and attendance

The CSR Committee met 3 (three) times during the year 2021-22. The said meetings were held on 12 October 2021, 3 February 2022, and 11 February 2022. The constitution and the number of meetings attended with respect to the Corporate Social Responsibility Committee are as under:

Member	Category	No. of Meetings Held <sup>#</sup>	No. of Meetings Attended
Prof. K.T. Chacko (Chairperson)	Non-Executive -Independent Director	3	3
Ms. Sudha Pillai	Non-Executive -Independent Director	3	3
Mr. Satyanarayan Goel	Chairman & Managing Director	3	3

#No. of meetings held during the tenure of the director on the committee.

The Company Secretary of the Company was the Secretary of the Committee.

## V. ENTERPRISE RISK MANAGEMENT COMMITTEE (ERMC)

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

As on 31 March 2022, the members of the ERMC were:

Prof. K.T. Chacko (Chairperson)	Non-Executive -Independent Director
Mr. Satyanarayan Goel	Chairman & Managing Director
Mr. Gautam Dalmia	Non- Executive -Non- Independent Director

### A. Brief Terms of reference:

The Terms of Reference of the Enterprise Risk Management Committee are in conformity with Regulation-21 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015. The brief terms of reference of the Committee are as under;

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

- To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).
- Any other roles and responsibilities which the Board may deem fit.

### B. Composition and attendance

The ERMC met 2 (two) times during the year 2021-22. The said meetings were held on 15 April 2021 and 12 October 2021. The constitution and the number of meetings attended with respect to the ERMC are as under:

Member	Category	No. of Meetings Held#	No. of Meetings Attended
Prof. K.T. Chacko (Chairperson)	Non-Executive -Independent Director	2	2
Mr. Satyanarayan Goel	Chairman & Managing Director	2	2
Mr. Gautam Dalmia	Non-Executive Non-Independent Director	2	2

#No. of meetings held during the tenure of the director on the committee.

The Company Secretary of the Company was the Secretary of the Committee.

## 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 31 March 2022, the Committee comprises following members:

- Mr. Tejpreet Singh Chopra (Chairperson)
- Mr. Gautam Dalmia
- Mr. Satyanarayan Goel

### 2. Technology Advisory Committee

The said committee, inter-alia, reviews, advice 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 31 March 2022, the



committee comprises following members:

- Mr. Tejpreet Singh Chopra (Chairperson)
- Mr. Gautam Dalmia

### 3. Investment Committee

The Investment Committee approves the overall investment policy of the Company as well as any subsequent changes therein within the overall scope and framework of the policy and oversees the implementation of the policy. As on 31 March 2022, the Committee comprises following members:

- Mr. Satyanarayan Goel (Chairperson)
- Mr. Gautam Dalmia
- Mr. Amit Garg

### 4. Buyback Committee

The said Committee is authorized to take decision for activities relating to Buyback. As on 31 March 2022, the committee comprises following members:

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

### 5. Divestment Committee

The said Committee inter-alia authorized to develop and finalise the divestment strategy for the Company's investment in the Indian Gas Exchange Limited in favour of Strategic partners. The committee comprises following members:

- Ms. Sudha Pillai, (Chairperson)
- Mr. Satyanarayan Goel
- Mr. Amit Garg

## VII. COMMITTEES FORMED AS PER CERC (POWER MARKET) REGULATIONS 2021

### 1. Risk Assessment and Management Committee

The Board has rechristened Risk Management Committee to Risk Assessment & Management Committee ("RAMC") in accordance with amendment in CERC (Power Market) Regulations, 2021 made with effect from 15 August 2021. The RAMC 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 31 March 2022, the Committee comprises following members:

Prof. K.T. Chacko (Chairperson)	Independent Director
Mr. Satyanarayan Goel	Chairman & Managing Director
Mr. Vineet Harlalka	CFO & Company Secretary
Mr. Amit Kumar	Head-Market Operations & New Product Initiatives
Mr. Sangh Gautam	Chief Technology Officer

### 2. SGF Management Committee

The Board has constituted SGF Management Committee as per Clause (i) of Regulation 27 (1) of CERC (Power Market) Regulations, 2021. 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 31 March 2022, the Committee comprises following members:

Prof. K.T. Chacko (Chairperson)	Independent Director
Mr. Satyanarayan Goel	Chairman & Managing Director
Mr. Vineet Harlalka	CFO & Company Secretary
Mr. Amit Kumar	Head-Market Operations & New Product Initiatives
Mr. Abhishek Ranjan	BRPL Representative
Mr. K.K. Agarwal	Jindal Power Limited Representative
Mr. Satish Jindal	JSWPTC Representative

### 3. Market Surveillance Committee

The board has constituted Market Surveillance Committee as per clause 3 of Regulation 32 of CERC (Power Market) Regulations, 2021. 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 31 March 2022, the Committee comprises following members:

Ms. Sudha Pillai (Chairperson)	Independent Director
Mr. Satyanarayan Goel	Chairman & Managing Director
Mr. Amit Garg	Non - Executive Director

Mr. Vineet Harlalka	CFO & Company Secretary
Mr. Amit Kumar	Head-Market Operations & New Product Initiatives
Mr. Sangh Gautam	Chief Technology Officer

Ms. Sneha Patel	Assistant Vice President-Exchange Technology
Ms. Sonia Sharma	Manager
Dr. Rakshita Shharma	External representative

\* ceased w.e.f. June 10, 2022.

#### 4. Grievance Redressal Forum

The board has constituted Grievance Redressal Forum pursuant to the provisions of Regulation 36 of the CERC (Power Market) Regulations, 2021. The said forum shall act in accordance with the provisions of the CERC (Power Market) Regulations, 2021 to resolve the complaints and grievances lodged/received by the members against the Company and by clients against its members, and members inter-se and to review the details of complaints and grievances lodged by the members against the Company and by clients against its members, and members inter-se. As on 31 March 2022, the Committee comprises following members:

Ms. Sudha Pillai (Chairperson)	Independent Director
Mr. Vineet Harlalka	CFO & Company Secretary
Mr. Amit Kumar	Head-Market Operations & New Product Initiatives
Mr. Samir Prakash	Head - Human Resources & Administration

### 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. Aparna Garg (Presiding officer)	Assistant Vice President - Corporate Communications
Mr. Samir Prakash	Head - Human Resources & Administration
Ms. Priyanka Nautiyal	Representative of IGX

#### 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. Satyanarayan Goel	Chairman & Managing Director
Mr. Vineet Harlalka	CFO & Company Secretary
Mr. Rohit Bajaj	Head, Business Development, Regulatory Affairs & Strategy
Mr. Amit Kumar	Head-Market Operations & New Product Initiatives
Mr. Indranil Chatterjee	Vice President-Strategy

#### 3. Disciplinary Action Committee

The Disciplinary Action Committee, inter-alia, formulates the policy for regulatory actions to be taken for various violations by the members of the Exchange and is responsible to set out the procedure relating to checks, inspections, enquiries and investigations in order to discover and to prevent and monitor, as the case may be, price manipulation, price distortion and trading malpractices. The Committee comprises following members:

Mr. R.V. Shahi (Chairperson)	External Representative
Prof. K.T. Chacko	Independent Director
Mr. H L Bajaj	External Representative

#### 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. K.T. Chacko
- Mr. Satyanarayan Goel

#### 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
2020-21 (15th)	02-09-2021	12:00 Noon	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)
2019-20 (14th)	28-08-2020	11:00 AM	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)
2018-19 (13th)	18-09-2019	11:00 AM	Dr. S R KVS Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi-Gurgaon Road, Delhi Cantt, New Delhi-110010 India

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

Date	Particulars
02-09-2021	1. Approval of payment of additional one-time lumpsum honorarium to Mr. Satyanarayan Goel (DIN:02294069) during his term as Non-Executive Chairman of the Board
28-08-2020	1. Approval for payment of remuneration in the form of Commission to Mr. Satyanarayan Goel (DIN: 02294069), Non-Executive Chairman of the Board.
18-09-2019	1.Ratification of appointment of Mr. Satyanarayan Goel as Managing Director and CEO of the Company 2.Approval for appointment of Mr. Rajiv Srivastava as the Director of the Company 3.Ratification of appointment of Mr. Rajiv Srivastava as Wholetime Director and Managing Director & CEO 4.Approval for Indian Energy Exchange Limited 'Restricted Stock Unit Scheme 2019' 5.Approval for payment of remuneration in the form of commission to Mr. Satyanarayan Goel, Non-Executive Chairman (DIN: 02294069) of the Board.

##### c. Extra-ordinary General Meeting

During the financial year no extra-ordinary general meeting was held.

##### d. Postal Ballot

- Resolutions Passed through Postal Ballot

during FY22:

During the year under review, the following resolutions were passed by way of Postal Ballot/e-voting dated 25 November 2021.

- Issue of Bonus Shares.
- Increase in Authorized Share Capital of the Company and consequent Alteration in Capital Clause of the Memorandum of Association of the Company

##### ii. Details of Voting Pattern:

- Resolution for Issue of Bonus Shares.

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	4,179	18,15,77,392	98.3524
Physical Postal Ballot	-	-	-
Total	4,179	18,15,77,392	98.3524

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	59	30,41,864	1.6476
Physical Postal Ballot	-	-	-
Total	59	30,41,864	1.6476

Invalid/abstained votes/Less Voted:

Particulars	Number of members voted	Number of votes cast by them (Shares)
Remote E-voting	41	2,170
Physical Postal Ballot	-	-
Total	41	2,170

- Increase in Authorized Share Capital of the Company and consequent Alteration in Capital Clause of the Memorandum of Association of the Company

Voted in favour of the Resolution:

Particulars	Number of members voted	Number of votes cast by them (Shares)	% of total numbers of valid votes cast
Remote E-voting	4,097	18,11,72,284	98.1340
Physical Postal Ballot	-	-	-
Total	4,097	18,11,72,284	98.1340

## 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	100	34,44,884	1.8660
Physical Postal Ballot	-	-	-
Total	100	34,44,884	1.8660

## Invalid/abstained votes/Less Voted:

Particulars	Number of members voted	Number of votes cast by them (Shares)
Remote E-voting	88	4,116
Physical Postal Ballot	-	-
Total	88	4,116

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

Mohd. Nazim Khan, Practicing Company Secretary (FCS No. 6529, CP No. 8245) Designated Partner of MNK and Associates LLP, Practicing Company Secretary, New Delhi, was appointed as the Scrutinizer for conducting Postal Ballot process (including e-voting) in a fair and transparent manner.

## iv. Details of special resolution proposed to be conducted through postal ballot:

None of the businesses are proposed to be transacted through postal ballot.

## v. Procedure for Postal Ballot:

The postal ballot 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 and in terms of the General Circular No. 33/2020 dated 28 September 2020 read with General Circular No.14/2020 dated 8 April, 2020 General Circular No. 17/2020 dated 13 April 2020, and

General Circular No. 39/2020 dated 31 December 2020, (the "MCA Circulars"), in view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing, the Notice of Postal Ballot was sent in electronic mode only to all those shareholders who have registered their e-mail addresses with the Company or Depository Participant / Depository / KFin Technologies Limited, the Company's Registrar & Transfer Agent (hereinafter referred as "RTA"). Further, the shareholders were provided the option to vote only through remote e-voting and voting through physical ballot papers was not provided as per the guidelines issued by the MCA vide MCA Circulars.

The Company fixes a cut-off date to reckon paid-up value of equity shares registered in the name of shareholders for the purpose of voting. Shareholders may cast their votes through e-voting during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman or person duly authorised by the Chairman and the results of voting by postal ballot are announced by the Chairman or Person duly authorized within two working days from the conclusion of the voting period. The results are also displayed on the website of the Company ([www.ixindia.com](http://www.ixindia.com)), besides being communicated to the Stock Exchanges, Depositories and Registrar and Share Transfer Agents.

The resolutions, if passed by the requisite majority are deemed to have been passed on the last date specified for e-voting.

## 5. MEANS OF COMMUNICATION

We have established procedures to disseminate, in a planned manner, relevant information to our shareholders, analysts, employees and the society at large.

### Calendar of financial year ended 31 March 2022:

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 31 March 2022 were held on the following dates:

Particulars	Date
Quarter ended 30 June 2021	22 July 2021
Quarter/half-year ended 30 September 2021	21 October 2021
Quarter/ nine months ended 31 December 2021	24 January 2022
Quarter/ year ended 31 March 2022	27 April 2022



**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 a Hindi daily newspaper. The financial results, shareholding pattern and disclosures are uploaded on the Company's website [www.ixindia.com](http://www.ixindia.com).

The financial results, Investors Presentation and other information are also disseminated to the Stock Exchanges (i.e. BSE Limited and NSE Limited) where the securities of the Company are listed, as required/prescribed under SEBI (LODR) Regulations, 2015.

**Press Releases and Presentations:** All the press releases and presentations made at investor conferences and to analysts and other information related to investors meet are posted on the Company's website at [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, 02 September 2022, at 12:00 Noon (IST) through VC/AOVM.
2.	Financial year	1 April 2021 to 31 March 2022
3.	Book Closure date	Friday, 26 August 2022 to Friday, 02 September 2022 (both days inclusive)
4.	Dividend payment date	The Final Dividend of ₹ 1/- per equity share for the year ended 31 March 2022, if approved by the shareholders shall be paid/credited within 30 days after the ensuing AGM.
5.	Name and Address of Stock Exchange(s) at which the Equity Shares are listed	<p>The equity shares of the Company are listed on the following Stock Exchanges:</p> <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> <p><b>Note:</b> Annual Listing fees for the FY23 have been duly paid to the above Stock Exchanges.</p>
6.	Stock Market Code:	<p>BSE Scrip Code: 540750</p> <p>NSE Symbol: IEX</p>
7.	Registrar & Transfer Agents	<p><b>KFin Technologies Limited</b></p> <p><b>Corporate Registry, Selenium, Tower- B,</b></p> <p>Plot No. 31 &amp; 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500 032, India.</p> <p>Toll Free No : 1-800-309-4001</p> <p>Email: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a></p> <p>Website: <a href="http://www.kfintech.com">www.kfintech.com</a></p>
8.	Share Transfer system	99.93% of the equity shares of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company. 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.
9.	Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	As on 31 March 2022, the Company did not have any outstanding GDRs/ADRs/ Warrants or any convertible instruments.

10.	Commodity price risk or foreign exchange risk and hedging activities	Not Applicable
11.	Exchange operations are located at	Plot No. C-001/A/1, 9th Floor, Max Towers, Sector 16B, Gautam Buddha Nagar, Noida, Uttar Pradesh- 201301
12.	Address for Correspondence	<b>Indian Energy Exchange Limited (IEX)</b> <b>Registered office:</b> First Floor, Unit No. 1.14(a), Avanta Business Centre, Southern Park, D-2, District Centre, Saket, New Delhi – 110017. <b>Corporate office:</b> Plot No. C-001/A/1, 9th Floor, Max Towers, Sector 16B, Gautam Buddha Nagar, Noida, Uttar Pradesh- 201301 Tel: +91-120-4648 100
13.	Depository for equity shares	National Securities Depository Limited (NSDL) Central Depository Services (India) Limited (CDSL)
14.	Demat International Securities Identification Number (ISIN) allotted to the equity shares of the Company under the Depository System	INE022Q01020
15.	Corporate Identification Number (CIN) of the Company	L74999DL2007PLC277039

## 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 ₹ Lakh Unpaid as on 31 March 2022	Shares & unpaid/unclaimed dividend liable to be transferred to the IEPF and due dates.
2017-18	Final	18-09-2018	720	6828	1.50	Proposed Due Date of transfer to IEPF- 18-09-2025
2019-20	Interim	10-03-2020	912	144983	3.62	Proposed due date of transfer to IEPF 10-03-2027
2020-21	Interim	20-01-2021	694	118605	2.84	Proposed due date of transfer to IEPF 20-01-2028

Financial Year	Type of Dividend	Date of declaration of Dividend	Number of Shareholders against whom Dividend amount is unpaid	Number of shares against which Dividend amount is unpaid	Amount in ₹ Lakh Unpaid as on 31 March 2022	Shares & unpaid/unclaimed dividend liable to be transferred to the IEPF and due dates.
2020-21	Final	02-09-2021	2009	242304	3.50	Proposed due date of transfer to IEPF 02-09-2028
2021-22	Interim	24-01-2022	2719	438222	4.33	Proposed due date of transfer to IEPF 24-01-2029

The data on unpaid / unclaimed dividend and other unclaimed monies is also available on the website of the Company and can be accessed through the following web link

[https://www.iexindia.com/Unclaimed\\_Dividend.aspx?id=86E%2fb6tyRbl%3d&mid=Gy9kTd80D98%3d](https://www.iexindia.com/Unclaimed_Dividend.aspx?id=86E%2fb6tyRbl%3d&mid=Gy9kTd80D98%3d)

Shareholders who have not yet encashed/claimed their dividend are requested to encash/claim the same from the Company/RTA of the Company before it is transferred to the IEPF.

## 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 44 to the Standalone Financial Statement which sets out related party disclosures pursuant to Ind AS.

Further, the Company's Policy on Related Party Transactions is available on website of the Company and can be accessed through the following web link

<https://www.iexindia.com/pdf/Policy%20on%20Materiality%20&%20Dealing%20With%20Related%20Party%20Transactions.pdf>

### B. Details of Loans & Advances to firms/companies in which Directors are interested.

During the FY22, the Company has not given any loans and advances in the form of loans to any firms/companies in which directors are interested.

### C. 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.

FY22	No Non-Compliance
FY21	No Non-Compliance
FY20	During the year ended 31 March 2020, there was no non-compliance towards any statutory authority. However, National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) both imposed a penalty of ₹1.40 lakh each on the Company due to non-compliance with SEBI LODR Regulations. However, the Company made submission/ representation to both the stock exchanges detailing the reasons for non-compliance subsequently both the exchanges waived off the penalty imposed on the Company.

### D. Whistle Blower Policy:

As mentioned earlier in the Board report, the Company has established a Vigil Mechanism with a channel for receiving and redressing employees' complaints. No personnel in the Company has been denied access to the Audit Committee or its Chairman.

The Whistle Blower Policy has been disclosed on website of the Company and can be accessed through the following web link

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

### E. 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

<https://www.ixindia.com/pdf/Policy-For-Determining-Material-Subsidiary-of-IX-2021.pdf>

#### F. 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 12** 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.

#### G. Discretionary Requirements: (Part E of Schedule II)

The Company has complied with the following non-mandatory and discretionary requirements as per Schedule II Part E of the SEBI Listing Regulations

##### a. 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.

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

The Company's financial statement for the year 2021-22 does not contain any audit qualification. The Company's audited financial statements are accompanied with unmodified opinion from the Statutory Auditor of the Company.

##### c. Reporting of internal auditor

The internal auditors report directly to the Audit Committee and make presentations to the Audit Committee on their reports.

#### H. Confirmation and Certification

On an annual basis, the Company obtains from each

Director details of the Board and Board Committee positions he/she occupies in other Companies, and changes if any regarding their Directorships. The Company has obtained a certificate from M/s MNK and Associates LLP, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report. The requisite certificate is attached as **Annexure 13**

#### I. Management Discussion & Analysis:

The Management's Discussion and Analysis is covered in this Report.

#### J. CEO/CFO Certification:

In terms of regulation 17(8) of the Listing Regulations, the CMD and the CFO made a certification to the Board of Directors in the prescribed format for the year at the review, which has been reviewed by the Audit Committee and taken on record by the Board. The same is attached as **Annexure 11**.

#### K. 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/associate, on consolidated basis to the Auditors including all entities in their network firm/ entity of which they are a part is given below:

Particulars	Amount in ₹ Lakh )
For Statutory audit fee	25.25
For other services	16.50
For reimbursement of expenses	2.16
<b>Total</b>	<b>43.91</b>

#### L. 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.

#### M. Code of Conduct for Prevention of Insider Trading and Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information



With a view to regulate, monitor and report trading in securities by the directors and designated persons, the Company has adopted a Code of Conduct for Prohibition of Insider Trading in accordance with requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013.

Further, the Company has also adopted the Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information under the aforesaid SEBI Regulations for preserving the confidentiality of unpublished price sensitive information and preventing misuse of such information and also ensuring timely, fair and adequate disclosure of events and occurrences that could impact price discovery in the market for the Company's securities.

The aforementioned codes are placed on the website of the Company [www.iexindia.com](http://www.iexindia.com). Communications have been sent to all employees at regular intervals briefing them on the insider trading regulations provisions. Regular sessions on the Policy were conducted for all the employees giving insight on the law and recent changes.

## N. 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 31 March 2022 and a Declaration to this effect signed by the Chairman and Managing Director has been annexed as **Annexure II** to the Report. The Code of Conduct of the Company is available on the website of the Company and can be accessed through the following web link

<https://www.iexindia.com/pdf/Code%20of%20Conduct%20For%20Board%20Members%20And%20Senior%20Management%20Personnel.pdf>

## O. Details of Demat / Unclaimed Suspense Account:

There were no shares lying in the suspense account as on 31 March 2022 (Pursuant to Regulation 34(3) and Schedule V Part F of the SEBI (LODR) Regulations, 2015).

## P. Dematerialization of shares and Liquidity:

The shares of the Company are tradable compulsory in dematerialized (electronic) form, and through KFin Technologies 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 31 March 2022 is given below:

Category	No. of shareholders	% of Shareholders	Total Shares	% of Equity
PHYSICAL	45	0.00	6,10,874	0.07
DEMAT				
- NSDL	321,588	21.25	70,29,90,161	78.23
- CDSL	11,91,545	78.75	19,50,68,498	21.70
Sub-total	15,13,133	100	89,80,58,659	99.93
Total	15,13,178	100	89,86,69,533	100

## Q. 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.

**R. Month wise Stock Market data:**

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

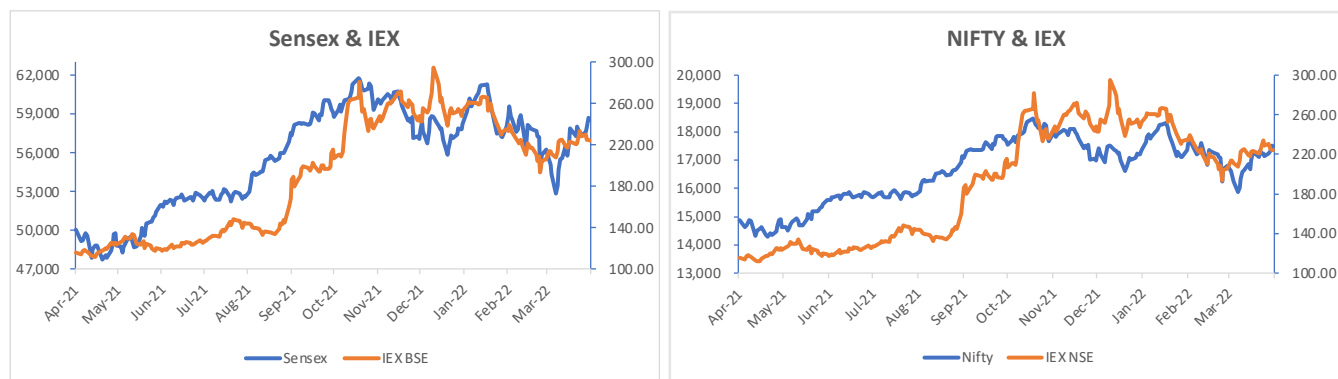
Period	NSE			BSE		
	Month's High in ₹	Month's Low in ₹	Number of shares traded during the month	Month's High in ₹	Month's Low in ₹	No. of shares traded during the month
Apr-21	376.40	336.05	4,52,95,629	376.05	335.80	32,06,677
May-21	401.55	352.65	7,00,75,407	401.75	352.95	2,61,19,402
Jun-21	384.30	351.80	5,70,70,344	384.30	352.80	69,95,301
Jul-21	445.70	375.15	7,52,65,200	445.95	375.30	64,70,148
Aug-21*	504.85	398.45	8,67,31,581	504.65	398.35	59,18,035
Sep-21	645.95	504.85	25,67,19,454	645.70	504.65	1,36,46,409
Oct-21	845.35	620.35	36,02,11,850	842.80	620.75	1,93,02,280
Nov-21	816.55	728.10	12,20,11,962	816.55	728.10	89,35,178
Dec-21*	729.55	238.60	44,44,16,763	729.70	238.60	2,83,52,453
Jan-22	266.85	230.40	21,10,51,815	266.80	230.30	1,95,71,532
Feb-22	239.75	193.45	20,15,66,751	239.75	193.45	2,13,12,283
Mar-22	233.70	207.90	16,71,81,137	233.60	207.80	1,41,41,250

# The Company share admitted for futures and options contracts for trading in Equity Derivatives segment with effect from 27 August 2021

\*The Company has allotted bonus shares in the ratio of 2:1 (2 new Equity Shares for every 1 Equity Share held on 6 December 2021) on 8 December 2021. Bonus shares was listed for trading from 13 December 2021, on both the stock exchanges.

**S. Share price performance in comparison to broad based indices:**

The chart below depicts the performance of the Company's share price in comparison to broad-based indices, such as BSE Sensex and NSE Nifty . The stock movement shown in the graph below should not be considered indicative of potential future stock price performance.



Note: The share price traded during the period 1 April 2021 to 2 December, 2021 have been adjusted as per bonus shares in the ratio of 2:1 (2 new Equity Shares for every 1 Equity Share held on 6 December 2021)

## T. Distribution of Shareholding & Shareholding pattern as on 31 March 2022

Distribution of shareholding:

S. No	Category	No. of holders	% of holders	No. of Shares	% Equity
1	upto 1-5000	15,07,362	99.62	22,74,06,381	25.30
2	5001 - 10000	3,226	0.20	2,26,07,800	2.51
3	10001 - 20000	1,307	0.09	1,82,92,164	2.04
4	20001 - 30000	398	0.03	1,00,85,791	1.12
5	30001 - 40000	186	0.01	64,40,016	0.72
6	40001 - 50000	125	0.01	57,14,713	0.64
7	50001 - 100000	236	0.02	1,63,46,175	1.82
8	100001 & ABOVE	338	0.02	59,17,76,493	65.85
	Total	1513178	100	89,86,69,533	100

Shareholding Pattern:

INDIAN ENERGY EXCHANGE LIMITED			
Consolidated Shareholding Pattern As on 31 March 2022			
S. No	Category	Total Shares	% To Equity
1	Resident Individuals	28,89,93,288	32.17
2	Foreign Portfolio - Corp	24,22,82,512	26.96
3	Bodies Corporates	16,02,78,358	17.84
4	Mutual Funds	12,22,78,126	13.61
5	Qualified Institutional Buyer	4,34,40,341	4.83
6	H U F	79,09,979	0.88
7	Non Resident Indians	75,69,829	0.84
8	Alternative Investment Fund	70,36,125	0.78
9	Beneficial Holdings Under Mgt-4	63,00,000	0.70
10	Non Resident Indian Non Repatriable	33,64,618	0.37
11	Clearing Members	28,51,849	0.32
12	Employee Trusts	26,45,310	0.29
13	Banks	23,70,270	0.26
14	Foreign Institutional Investors	9,41,449	0.10
15	Trusts	3,25,627	0.04
16	NBFC	70,750	0.01
17	Foreign Portfolio Investors	10,731	0.00
18	Foreign Nationals	371	0.00
<b>TOTAL</b>		<b>89,86,69,533</b>	<b>100</b>

**Annexure 11****CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER CERTIFICATE**

(Regulation 33(2) &amp; Regulation 17(8) read with Part B of Schedule-II of SEBI (LODR) Regulations 2015)

To,  
 The Board of Directors  
 Indian Energy Exchange Limited  
 First Floor, Unit No. 1.14(a),  
 Avanta Business Centre,  
 Southern Park, D-2,  
 District Centre, Saket,  
 New Delhi – 110017.

We, Satyanarayan Goel, Chairman & Managing Director and Vineet Harlalka, Chief Financial Officer of Indian Energy Exchange Limited, certify that: –

1. We have reviewed financial statements and the cash flow statement for the financial year ended 31 March 2022 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 2022, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Statutory Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Statutory Auditors and the Audit Committee:
  - significant changes in internal control over financial reporting during the year;
  - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Yours Sincerely

Sd/-

**Satyanarayan Goel**

Chairman & Managing Director

Place: Noida

Date: 27 April 2022

Sd/-

**Vineet Harlalka**

Chief Financial Officer & Company Secretary

**Declaration by Chief Executive Officer under Regulation 34(3) read with Schedule V of SEBI (LODR) Regulations, 2015 in respect of compliance with the Company's Code of Conduct**

This is to confirm that the members of Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of Indian Energy Exchange Limited, as applicable to them, for the Financial Year ended 31 March 2022.

Place: Noida

Date: 10 June 2022

Sd/-

**Satyanarayan Goel**

Chairman & Managing Director



## Annexure 12

### Certificate of Compliance with the Corporate Governance

To

The Members of  
Indian Energy Exchange Limited  
First Floor, Unit No. 1.14(a),  
Avanta Business Centre,  
Southern Park, D-2,  
District Centre, Saket,  
New Delhi – 110017.

We have examined the compliance of conditions of Corporate Governance by Indian Energy Exchange Limited ("the Company"), for the year ended 31 March 2022 as stipulated in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) 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.

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: F006529D000506578

Peer Review Cert. No: 671/2020

Place: New Delhi

Date: 18 June 2022

**Annexure 13****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  
First Floor, Unit No. 1.14(a),  
Avanta Business Centre,  
Southern Park, D-2,  
District Centre, Saket,  
New Delhi – 110017.

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 First Floor, Unit No. 1.14(a), Avanta Business Centre, Southern Park, D-2, District Centre, Saket, New Delhi – 110017 (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 31 March 2022 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.	Sudha Pillai	02263950	26/04/2019
3.	Thomas Chacko Kayyalathu	02446168	21/05/2012
4.	Tejpreet Singh Chopra	00317683	05/03/2019
5.	Gautam Dalmia	00009758	20/12/2018
6.	Amit Garg	06385718	14/05/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For MNK and Associates LLP**

Company Secretaries  
FRN: L2018DE004900

Sd/-

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

Company Secretary

FCS: 6529, CP: 8245

UDIN: FOO6529D000506688

Peer Review Cert. No: 671/2020

Place: New Delhi  
Date: 18 June 2022

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# Business Responsibility Report

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

## Section A:

### General Information about the Company

S. No	Particulars	Details						
1.	Corporate Identification Number (CIN) of the Company	L74999DL2007PLC277039						
2.	Name of the Company	Indian Energy Exchange Limited						
3.	Registered Address	1st Floor, Unit No.1.14(a), Avanta Business Centre Southern Park, D-2, District Centre, Saket New Delhi 110017, India. Tel. No. +91-011-3044 6511						
4.	Website	www.iexindia.com						
5.	Email Id	iexsecretarial@iexindia.com						
6.	Financial Year Reported :	2021-22						
7.	Sector that the Company is engaged in (industrial Activity code wise):	Company is a Power Exchange, authorised by the Central Electricity Regulatory Commission (CERC), provides an automated platform for trading of electricity and related products.  Section K: Financial and Insurance Activities, Division 66: Other Financial Activities, Administration of Financial Markets,  NIC Code – 66110						
8.	List three key products/services that the Company manufactures/provides (as in balance sheet) :The Company has only one Business.  Business: Power Exchange	The Company is engaged in Business of Power Exchange and provide following services-  The Company enables trading and price discovery of electricity and related products with risk management for participants of the electricity market.						
9.	Total number of locations where business activity is undertaken by the Company:							
	(a) Number of International Locations (Provide details of major 5)	(a) Not Applicable						
	(b) Number of National Locations:	(b) Three						
		<b>1. Registered Office</b> 1st Floor, Unit No.1.14(a), Avanta Business Centre Southern Park, D-2, District Centre, Saket New Delhi 110017, India.  <b>2. Corporate Office</b> Plot No. C-001/A/1, 9th Floor, Max Towers Sector-16B, Gautam Buddha Nagar, Noida- 201301 Uttar Pradesh, India  <b>3. 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 Maharashtra, India						
10	Markets served by the Company	<table> <tr> <th>Local</th><th>National</th><th>International</th></tr> <tr> <td>✓</td><td>✓</td><td>X</td></tr> </table>	Local	National	International	✓	✓	X
Local	National	International						
✓	✓	X						



## Section B:

### Financial Details of The Company (as per the Financial Statement for the FY22)

S. No	Particulars	Details
1.	Paid up Capital (in ₹ Lakh) :	8986.69
2.	Total Turnover (in ₹ Lakh) :	47787.75
3.	Total profit after taxes (in ₹ Lakh) :	30251.22
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) :	During the FY22 the Company spent more than 2% of the average net profit of the Company for the last three financial years on CSR. (For Details refer <b>Annexure 1</b> forming part of this Annual Report)
5.	List of activities in which expenditure in 4 above has been incurred:-	
	(a) Promoting Research, and Education	
	(b) Promoting Healthcare including preventive Health	
	(c) Promoting Heritage and Culture	

## Section C:

### Other Details

- Does the Company have any Subsidiary Company/Companies:

As on 31 March 2022, the Company does not have subsidiary company. However, during the year Indian Gas Exchange Limited (IGX) was the Subsidiary of the Company till 16 January 2022, and w.e.f. 17 January 2022, it was re classified as Associate Company.

- 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, during the year Subsidiary / Associate Company does not participate in BR initiatives of the Company.

- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:

Not Applicable

## Section D:

### BR Information

#### 1. Details of Director/Directors responsible for BR

Details of the Director/Directors responsible for implementation of the BR policy/policies:

No.	Particulars	Details
1	DIN	02294069
2	Name	Mr. Satyanarayan Goel
3	Designation	Chairman & Managing Director

## a) Details of the BR head

No.	Particulars	Details
1.	DIN Number	02294069
2.	Name	Mr. Satyanarayan Goel
3.	Designation	Chairman & Managing Director
4.	Telephone Number	0120-4648100
5.	E mail ID	iexsecretarial@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 manner.

## (a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for.\$	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 been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?#	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?###	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of the policy/ policies 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 or on the employee platform (available to employees). These policies have also been communicated to relevant key stakeholders.

\* All the policies have been formulated in accordance with guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and the legal stipulations governing them and/or in consultation with the stakeholders of the Company.

\*\* Policies are formulated ensuring adherence to the applicable laws of the country. Further, IEX Environment Policy also conforms to ISO 14001 and the Standard Operating Procedure conforms to ISO - 9001, ISO- 27001.

# The policy(ies) are approved by the Board of Directors/Committee of the Board of Directors/Senior Management of the Exchange.

## The Board has appointed Mr. Satyanarayan Goel, Chairman & Managing Director, to oversee the implementation of various policy(ies) formulated by the Company.

@ Presently the evaluation of the working of policies is generally done by internal auditors and through internal mechanism.

The web-links of the policies as available on the website of the Company are as follows:

Code of Conduct for Board of Directors and Senior Management Personnel	<a href="https://www.iexindia.com/pdf/Code%20of%20Conduct%20For%20Board%20Members%20And%20Senior%20Management%20Personnel.pdf">https://www.iexindia.com/pdf/Code%20of%20Conduct%20For%20Board%20Members%20And%20Senior%20Management%20Personnel.pdf</a>
Policy To Promote Diversity On The Board Of Directors	<a href="https://www.iexindia.com/pdf/Policy%20to%20Promote%20Diversity%20on%20the%20Board%20Of%20Directors.pdf">https://www.iexindia.com/pdf/Policy%20to%20Promote%20Diversity%20on%20the%20Board%20Of%20Directors.pdf</a>
Rules, Business Rules & Bye laws of the Company	<a href="https://www.iexindia.com/rules.aspx?id=PmI6leadWTI%3d&amp;mid=IT8b%2bZM5cBA%3d">https://www.iexindia.com/rules.aspx?id=PmI6leadWTI%3d&amp;mid=IT8b%2bZM5cBA%3d</a>  <a href="https://www.iexindia.com/bussinessrules.aspx?id=N6bP2JEr4WM%3d&amp;mid=IT8b%2bZM5cBA%3d">https://www.iexindia.com/bussinessrules.aspx?id=N6bP2JEr4WM%3d&amp;mid=IT8b%2bZM5cBA%3d</a>  <a href="https://www.iexindia.com/bylaws.aspx?id=N4gwWT6XjVA%3d&amp;mid=IT8b%2bZM5cBA%3d">https://www.iexindia.com/bylaws.aspx?id=N4gwWT6XjVA%3d&amp;mid=IT8b%2bZM5cBA%3d</a>
Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct for Prohibition of Insider Trading	<a href="https://www.iexindia.com/pdf/Code_for_Prohibition_of_Insider_Trading.pdf">https://www.iexindia.com/pdf/Code_for_Prohibition_of_Insider_Trading.pdf</a>
Whistle Blower Anti-Fraud Policy	<a href="https://www.iexindia.com/pdf/Whistle%20Blower%20Anti%20Fraud%20Policy.pdf">https://www.iexindia.com/pdf/Whistle%20Blower%20Anti%20Fraud%20Policy.pdf</a>
Policy Disclosure of Material Events and Information	<a href="https://www.iexindia.com/pdf/Policy%20Disclosure%20of%20Material%20Events%20&amp;%20Information.pdf">https://www.iexindia.com/pdf/Policy%20Disclosure%20of%20Material%20Events%20&amp;%20Information.pdf</a>
Corporate Social Responsibility Policy	<a href="https://www.iexindia.com/pdf/Corporate_Social_Responsibility_Policy.pdf">https://www.iexindia.com/pdf/Corporate_Social_Responsibility_Policy.pdf</a>
Guidelines for Policy Advocacy	<a href="https://www.iexindia.com/pdf/Guidelines_On_Policy_Advocacy.pdf">https://www.iexindia.com/pdf/Guidelines_On_Policy_Advocacy.pdf</a>

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

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
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 Company has published BR Report for the financial year 2022, which can be viewed at the website of the Company [www.iexindia.com](http://www.iexindia.com)

## SECTION E:

### PRINCIPLE-WISE PERFORMANCE

#### PRINCIPLE 1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

- 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 the whole group and 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.

- How many stakeholder complaints have been received in the past financial 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	31	31	100%
Complaints*			

\*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

- List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities. (text from this can be used as above)**

The Company is a Power Exchange and provides a trading platform for trading of Electricity and related products. The Exchange allows participants to trade in Electricity including renewable electricity, Renewable Energy Certificates (RECs), and ESCerts (Energy Saving Certificates) and enables efficient price discovery. The platform increases the accessibility and transparency of the power market in India and enhances the speed and efficiency of trade execution. Transparency, Liquidity, Efficiency and Competition are the four hallmarks of IEX.

##### a. Green Electricity Market

The Integrated Day-Ahead market, Real Time market, Green Term Ahead market including Green-Intraday, Green-Day-Ahead Contingency (G-DAC), Green-Daily and Green-Weekly Contracts facilitates physical delivery of electricity generated through renewable sources

The Market operates on a 24X7 basis through 365 days of the year. The market offers a great degree of flexibility to both distribution utilities as well as Commercial & Industrial (C&I) Consumers.. IEX has introduced a new market segment, Green Day Ahead Market (GDAM) in October 2021 as part of its Integrated Day Ahead Market (I-DAM) to meet the renewable energy needs of its buyers and sellers. While all the other processes remained same, the market volume and price discovery are prioritised for green bids. The bidders have the option to bid for renewable and conventional power separately and further the participants can carry forward their uncleared bids from the green market to the conventional market at a premium or discount as they deem fit.

Real Time Market (RTM) launched on 1st June 2020 features a new auction session every half an hour with power to be delivered after 4-time blocks or an hour after gate closure of the auction. The energy is traded



closer to real time. RTM has created a value proposition to both buyer and seller. Similarly, G-TAM is a new market segment launched on 21st Aug 2020 to facilitate accomplishment of national renewable energy capacity addition and effective integration of green energy in the country. The price and quantum of electricity traded is determined by Continuous trading in G-Intraday, G-DAC and G-Daily; whereas by open auction bidding process for G-Weekly.

The market also facilitates merit order operation of the generating units thereby promoting efficient use of fuel and optimizing the overall cost of system operation.

## **b. Renewable Energy Certificates (RECs)**

The Exchange provided an opportunity to trade renewable energy certificates (1 MW-hour of power produced from a renewable energy source). RECs are market-based instruments classified into solar RECs and non-solar RECs, representing the environmental attributes of electricity generated from renewable resources. They enable the sale of environmental attributes, separately from the accordance with the regulations issued by the CERC. This contract made it possible for distribution utilities, C&I consumers, captive consumers to buy renewable energy through certificates if they had not been able to meet their renewable energy consumption proportion, REC enhanced convenience and made it possible for people to turn 'green' through the click of a button, circumventing power scheduling issues.

Further, the market has greatly facilitated the development of renewable energy capacity in the country.

## **c. Energy Saving Certificates (ESCCerts)**

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.

Trading in ESCerts greatly improved energy efficiency focus in the Indian Industry. IEX became the first Power Exchange to commence trading in ESCerts on 26 September 2017. With the completion of PAT Cycle-I trade, trade for PAT Cycle- II has commenced in financial year 2022 which is presently paused by BEE, till further notification, due to administrative issues at their end.

## **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 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. In FY22, total volume of 4.9 BU was traded through Green market, 230% increase YOY.

- ii. IEX as a platform for optimizing sourcing of power has helped its customers in optimizing & efficient utilization of power resources.
- iii. In creating a market, IEX has helped transfer power from an area of surplus to an area of deficit. The exchange of power addresses natural resource security. IEX has created a possibility that henceforth deficits may not need to result in outages and could be addressed with timely purchases that would also enhance national interest.
- iv. IEX helps its customers to address their needs and thereby indirectly helping to strengthen the sustainability of the products traded on the exchange platform. This helps in utilizing whatever has been generated and minimizes wastage but transacted, this would ensure that finite resources that had gone into the generation would be completely used, the basis of any responsible society.

**3. Does the company have procedures in place for sustainable sourcing (including transportation)?**

Not Applicable, as Exchange is providing a trading platform that facilitates online trading of power, environmental & efficiency attributes. As such, it is providing service and not physical products.

- a. If yes, what percentage of your inputs were sourced sustainably? Also, provide details thereof, in about 50 words or so – Not Applicable

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

Not Applicable

- a. If yes, what steps have been taken to improve their capacity and capability of local and small vendors? Not Applicable

**5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Not Applicable as the Company provides an online platform for its members to trade there is no direct waste generated by the Company except computers, servers, etc and the e-waste generated due to old computers and equipment are recycled by certified e-waste vendors.

### PRINCIPLE 3: WELL BEING OF ALL EMPLOYEES

**1. Please indicate the Total number of employees.**

As at 31 March 2022 – 159

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

As at 31 March 2022 – 08

**3. Please indicate the Number of permanent women employees.**

As at 31 March 2022 – 24

**4. Please indicate the Number of permanent employees with disabilities**

As at 31 March 2022 – 01

**5. Do you have an employee association that is recognized by management**

No

**6. What percentage of your permanent employees is members of this recognized employee association?**

Not Applicable

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial 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 financial year
Child labour/forced labour/ involuntary labour	Nil	Nil
Sexual harassment	Nil	Nil
Discriminatory employment	Nil	Nil

**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

1	Permanent Employees	84%
2	Permanent Women Employees	90%
3	Casual/Temporary/Contractual Employees	50%
4	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?**

No.

**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.**

Nil

#### 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 financial 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 extends to the whole group and 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**

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?**

Nil

**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. IEX has introduced a new market segment, Green Day Ahead Market (GDAM) in October 2021 as part of its Integrated Day Ahead Market (I-DAM) to meet the renewable energy needs of its buyers and sellers. While all the other processes remained same, the market volume and price discovery are prioritised for green bids. The bidders have the option to bid for renewable and conventional power separately and further the participants can carry forward their uncleared bids from the green market to the conventional market at a premium or discount as they deem fit.
- b. Promoting of Renewable Energy Certificates (RECs).
- c. Disposal of E-waste of the Company IT assets in an environment-friendly manner through government certified agency.
- d. Digitization: IEX promotes digitization initiatives, these initiatives help to save paper.
- e. 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 financial 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 Financial year.**

Not Applicable



## PRINCIPLE 7: PUBLIC AND REGULATORY POLICY

### 1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes, the Exchange is member of the following trade and chambers or associations:

- a. FICCI
- b. CII
- c. ASSOCHAM
- d. PHD Chambers of 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, provide details thereof.

As a socially responsible company, the Indian Energy Exchange is committed to supporting and promoting inclusive and sustainable growth. Your Company's CSR efforts are aimed at making an impactful contribution to the lives of the community that we are a part of. Over the last five years, our numerous CSR interventions have positively affected the lives of thousands of children, youth, women, and the elderly in various ways, thereby significantly contributing to the betterment of society.

The CSR Policy of IEX spans culture and heritage, environmental sustainability, socio-economic empowerment of underprivileged communities, social development and equity across the society, education and research; besides supporting national disaster management, relief and rehabilitation as provided under the Schedule VII of the Companies Act 2013 as the potential impact areas.

During the financial year 2022, IEX partnered with the Sabhyata Foundation for promoting and protecting India's culture, art and heritage and with Indian Institute of Technology at Kanpur (IIT-Kanpur) for education and research initiatives. Through these partnerships with the social sector organisations and academia, we endeavoured to make meaningful contributions in a transparent and credible manner in the chosen focus areas.

The Exchange's partnership with the Sabhyata Foundation supported development of the Visitor Center in an old British barrack dated 19th century at the Red Fort Monument in Delhi. The Barrack has been restored to its original glory through restoration and conservation activities. The Visitor Centre curates experiences such as: 360° immersive show, augmented reality, museum, interactive photo-op & souvenir shop etc. for the visitors and tourists visiting the Red Fort monument. The specially curated projection mapping show 'Matrubhumi' as well the sound and light show 'Jai Hind' at the Monument are at par with the best global experiences in the world.

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 data insights/analytics in the energy sector through Energy Analytical Lab (EAL) established at IIT- Kanpur. The EAL Portal <https://eal.iitk.ac.in/> has been operational since September'18. The EAL Portal features wide ranging data insights and analytics on the energy sector, power markets through curated dashboards, learning and visualization tools, newsletters, and periodicals which enable easy comprehension and analysis of critical data towards helping the stakeholders

in making informed decisions. In respect of the State level data visualisation, EAL has data insights and dashboards covering States such as: Uttar Pradesh, Rajasthan, Punjab, Uttarakhand, Madhya Pradesh, Maharashtra, Chhattisgarh, Odisha, Karnataka, Andhra Pradesh, and Tamil Nadu. merit order despatch and short-term power market analytics across Day-Ahead, Real-Time & Term-Ahead Market segments. The institution also offers Research opportunities, and Certification Programs for the eligible and deserving candidates.

**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 implemented 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 implementing partners. However, the impact assessment of CSR projects is not applicable on the Company since its average CSR obligation in the immediately preceding three financial years does not exceed ten crore rupees.

**4. What is your company's direct contribution to community development projects – Amount in INR and the details of the projects undertaken?**

The manner in which the CSR amount was spent during financial year ending 31 March 2022.

CSR Project or activity identified	Cumulative expenditure up to the reporting period (in ₹ lakh)
Promoting Heritage and Culture (Red Fort Delhi through Sabhyata Foundation)	450
Promoting Research & education (Energy Analytics Lab- through IIT, Kanpur)	33
<b>Total</b>	<b>483</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.**

With a vision to promote and preserve the rich and diverse Indian art, culture and heritage, the Exchange has partnered with the Sabhyata Foundation and developed a Visitor Center in an old British barrack dated 19th century at the Red Fort Monument in Delhi. Located in the heart of Delhi, Red Fort Monument is an iconic symbol of India's unity and independence. IEX's joint efforts with Sabhyata and other implementation partners are harnessing multiplier effects of sustainable tourism, along with facilitating employment generation and overall economic and community development.

**PRINCIPLE 9: ENGAGING AND ENRICHING CUSTOMER VALUE:**

**1. What percentage of customer complaints/consumer cases are pending as on the end of financial 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. However, the Company displays the product related information in its Business Rules and Bye-Laws which are disclosed on the website of the Company.

- 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 financial year? If so, provide details thereof, in about 50 words or so.**

No

- 4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

Yes, we interact with our clients on a regular basis across multiple platforms and periodically conduct customer survey.

# Financial Statements







# 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") and IEX ESOP Trust (the "Trust"), which comprise the standalone balance sheet as at 31 March 2022, 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 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, and based on the consideration of report of other auditor on separate financial statements of the Trust which was audited by the other auditor, 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 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder; and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of report of the other auditor referred to in paragraph (a) of the "Other Matters" section below, 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.



## INDEPENDENT AUDITOR'S REPORT

### 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 27 to the Standalone Financial Statements

The 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 bylaws 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>

### 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 standalone financial statements and our auditor's report thereon.

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'/ Board of Trustees' Responsibilities 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. The respective Management and Board of Directors of the Company/Board of Trustees of the Trust are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company/ the Trust 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 the 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 respective Management and Board of Directors/Board of Trustees are responsible for assessing the ability



## INDEPENDENT AUDITOR'S REPORT

of the Company/ the Trust 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/ Board of Trustees either intends to liquidate the Company/ the Trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/Board of Trustees are also responsible for overseeing the financial reporting process of the Company/the Trust.

### 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 made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the Trust to express an opinion on the standalone financial statements. For the Trust included in the standalone financial statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by it. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report."

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

## INDEPENDENT AUDITOR'S REPORT

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.

### Other Matter

- a. We did not audit the financial statements the Trust included in the standalone financial statements of the Company whose financial statements reflect total assets (before consolidation adjustments) of ₹ 1,305.77 lakhs as at 31 March 2022, total revenue (before consolidation adjustments) of ₹ 315.45 lakhs and net cash flows (before consolidation adjustments) amounting to ₹ 29.02 lakhs for the year ended on that date, as considered in the standalone financial statements. The financial statements of the Trust has been audited by the other auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the Trust, is based solely on the reports of such other auditor.

Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and report of other auditor.
  - c. The standalone balance sheet, the standalone

statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements.
  - b. The Company 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 Company.
  - d. i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate

## INDEPENDENT AUDITOR'S REPORT

- Beneficiaries”) by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ii. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

- iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
  - e. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
- (C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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) of the Act 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:22506777AHWTDG1703

Place: New Delhi

Date: 27 April 2022

## INDEPENDENT AUDITOR'S REPORT

### Annexure A to the Independent Auditor's report on financial statements

*(Referred to in our report of even date)*

- I. (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification
- (c) The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- II. (a) The Company is a service company and is a provider of digital trading platform for buyers and sellers to trade in power. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- Further, according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from financial institutions on the basis of security of current assets at any point of time of the year.
- III. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has investments in a company and other parties, in respect of which the requisite information is as below. The Company has not made any investments in firms or limited liability partnerships.
- (a) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity during the year. Accordingly, clause 3(iii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made by the Company during the year are, prima facie, not prejudicial to the interest of the Company
- (c,d,e&f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any loans or advances in the nature of loans. Accordingly, clauses 3(iii)(c), (d), (e) and (f) of the Order are not applicable.



## INDEPENDENT AUDITOR'S REPORT

IV. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

V. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

VI. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the services provided by the Company. Accordingly, clause 3(vi) of the Order is not applicable.

VII. (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

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 Goods and Services Tax ('GST'), Provident fund, Income-Tax, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities;

As explained to us, the Company did not have any dues on account of Employees' State Insurance and Duty of Customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Income-Tax, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on

account of any dispute are as follows:

Name of the statute	Nature of the dues	Disputed Amount (₹) (in lakhs)	Amount deposited (in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Finance Act, 1994	Service Tax	341.76*	17.09	FY13 to FY18	Customs Excise and Service Tax Appellate Tribunal (CESTAT)	-

\*including penalty of ₹ 170.88 lakhs

VIII. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

IX. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary or associate as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised

## INDEPENDENT AUDITOR'S REPORT

loans during the year on the pledge of securities held in its associate company (as defined under Companies Act, 2013).

- X. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of 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, clause 3(x)(b) of the Order is not applicable.
- XI. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there were no whistle blower complaints received by the Company during the year.
- XII. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clauses 3(xii)(a) to 3(xii)(c) of the Order are not applicable.
- XIII. In our opinion and according to the information and explanations given to us, transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- XIV. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.

XV. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI. (a)&(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

(c)&(d) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Further, the Company is not part of any Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clauses 3(xvi)(c) & 3(xvi)(d) are not applicable.

XVII. The Company has not incurred cash losses in the current and in the immediately preceding financial year.

XVIII. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the

## INDEPENDENT AUDITOR'S REPORT

other information comprising the information included in the annual report is expected to be made available to us after the date of this auditor's report.

XX. In our opinion and according to the information and explanations given to us, there is no unspent

amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

Place: New Delhi  
Date: 27 April 2022

For **B S R & Associates LLP**  
Chartered Accountants  
Firm's Registration No.:116231W/W-100024

Sd/-  
**Ashwin Bakshi**  
Partner  
Membership No. 506777  
UDIN: 22506777AHWTDG1703

## INDEPENDENT AUDITOR'S REPORT

### Annexure B to the Independent Auditor's report on the standalone financial statements of Indian Energy Exchange Limited for the period ended 31 March 2022.

*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 standalone financial statements of **Indian Energy Exchange Limited** ("the Company") as of 31 March 2022 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 standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone 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 standalone 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 standalone 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 standalone 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone 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 standalone financial statements.

#### Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 standalone



## INDEPENDENT AUDITOR'S REPORT

financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial controls with Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial

statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No.:116231W/W-100024

Sd/-

**Ashwin Bakshi**

*Partner*

Membership No. 506777

UDIN: 22506777AHWTDG1703

Place: New Delhi

Date: 27 April 2022

# STANDALONE BALANCE SHEET AS AT 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

	Note No.	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	1,203.27	1,421.24
Right-of-use assets	4(a)	821.03	1,037.07
Other intangible assets	5	8,962.74	9,034.18
Intangible assets under development	5	488.11	647.66
<b>Financial Assets</b>			
Investments	6	10,464.55	15,131.57
Other financial assets	7	130.52	320.84
Non-current tax assets (net)	8	55.85	71.98
Other non-current assets	9	24.63	59.68
<b>Total non-current assets</b>		<b>22,150.70</b>	<b>27,724.22</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Investments	10	114,202.63	55,872.92
Trade receivables	11	8,737.11	319.55
Cash and cash equivalents	12	22,417.55	4,522.82
Other Bank balance	13	846.31	3,214.57
Other financial assets	14	324.72	297.63
Other current assets	15	795.95	768.10
<b>Total current assets</b>		<b>147,324.27</b>	<b>64,995.59</b>
<b>TOTAL ASSETS</b>		<b>169,474.97</b>	<b>92,719.81</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	16	8,977.88	2,985.04
Other equity	17	61,218.84	50,155.13
<b>Total equity</b>		<b>70,196.72</b>	<b>53,140.17</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities		799.54	1,000.86
Other financial liabilities	18	94.62	146.35
Provisions	19	779.42	669.52
Deferred tax liabilities (net)	20	2,225.11	2,698.21
Other non-current liabilities	21	9.34	8.29
<b>Total non-current liabilities</b>		<b>3,908.03</b>	<b>4,523.23</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities		201.32	172.29
Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	22	4.75	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		63,511.85	16,454.40
Other financial liabilities	23	29,243.72	16,169.50
Current tax liabilities (net)	24	342.42	422.78
Provisions	25	45.75	9.97
Other current liabilities	26	2,020.41	1,827.47
<b>Total current liabilities</b>		<b>95,370.22</b>	<b>35,056.41</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>169,474.97</b>	<b>92,719.81</b>
Significant accounting policies	3		

The accompanying notes referred to form an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W/W-100024

Sd/-

**Ashwin Bakshi**

Partner

Membership No.: 506777

Place : New Delhi

Date : 27 April 2022

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

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 27 April 2022

Sd/-

**Vineet Harlalka**

Chief Financial Officer &

Company Secretary

# STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>REVENUE</b>			
Revenue from operations	27	42,554.94	31,711.38
Other income	28	5,232.81	4,027.17
<b>Total revenue</b>		<b>47,787.75</b>	<b>35,738.55</b>
<b>EXPENSES</b>			
Employee benefits	29	3,718.07	3,897.76
Finance costs	30	197.49	205.48
Depreciation and amortisation	31	1,632.49	1,585.55
Other expenses	32	2,279.04	1,870.23
<b>Total expenses</b>		<b>7,827.09</b>	<b>7,559.02</b>
<b>Profit before tax</b>		<b>39,960.66</b>	<b>28,179.53</b>
<b>Tax expense</b>	<b>33</b>		
Current tax		10,107.15	6,577.47
Tax for earlier years		79.16	5.17
Deferred tax charge/(credit)	20	(476.87)	248.07
<b>Total income tax expense</b>		<b>9,709.44</b>	<b>6,830.71</b>
<b>Profit for the year (A)</b>		<b>30,251.22</b>	<b>21,348.82</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	35	15.03	34.03
- Income tax relating to above		(3.78)	(8.57)
<b>Other comprehensive income for the year, net of income tax (B)</b>		<b>11.25</b>	<b>25.46</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>30,262.47</b>	<b>21,374.28</b>
<b>Earnings per equity share [face value Re. 1/- per share] (refer to note 16 (a))</b>	<b>34</b>		
Basic (₹)		3.38	2.38
Diluted (₹)		3.38	2.38
<b>Significant accounting policies</b>	<b>3</b>		

The accompanying notes referred to form an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W/W-100024

Sd/-

**Ashwin Bakshi**

Partner

Membership No.: 506777

Place : New Delhi

Date : 27 April 2022

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

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 27 April 2022

Sd/-

**Vineet Harlalka**

Chief Financial Officer &

Company Secretary

# STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>A. Cash flows from operating activities</b>		
Profit before tax	39,960.66	28,179.53
Adjustments for:		
Depreciation and amortisation	1,632.49	1,585.55
Interest expense on financial liabilities (settlement guarantee fund) measured at amortised cost	22.86	22.79
Interest expenses on overdraft, lease liability and others	174.63	182.69
Loss on sale/write off of property, plant and equipment ('PPE')	-	19.17
Employee stock option scheme expense	25.39	27.93
Interest income from bank deposits	(143.12)	(159.26)
Interest income from financial assets at amortised cost	(11.77)	(55.81)
Amortisation of deferred settlement guarantee fund	(21.13)	(24.27)
Fair value gain on investments	(2,306.15)	(2,677.87)
Net gain on sale of investments	(1,172.32)	(634.33)
Provision/liabilities no longer required written back	13.05	29.82
Other interest income	(1,217.66)	(113.20)
Dividend income	(37.54)	-
<b>Operating profit before working capital changes</b>	<b>36,919.39</b>	<b>26,382.74</b>
Adjustments for:		
(Increase)/decrease in trade receivables	(8,417.56)	(301.01)
(Increase)/ decrease in loans, other financial assets and other assets	(51.99)	(660.84)
Increase/ (decrease) in trade payables, other financial liabilities, provisions and other liabilities	60,572.25	11,491.06
<b>Cash generated from operating activities</b>	<b>89,022.09</b>	<b>36,911.95</b>
Income tax paid	(10,250.54)	(6,475.49)
<b>Net cash generated from operating activities</b>	<b>78,771.55</b>	<b>30,436.46</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, plant and equipment and other intangible assets	(1,083.01)	(1,646.39)
Maturity/( investment) of / (in) bank deposits including unpaid dividend (net)	2,491.50	(1,701.66)
Inflow/ (outflow) from sale / (purchase) of investments (net)	(49,738.72)	(16,255.55)
Interest received on bank deposits	221.97	125.00
Interest income from investments	771.16	29.55
Dividend income	37.54	-
<b>Net cash flow from/ (used in) investing activities</b>	<b>(47,299.57)</b>	<b>(19,449.05)</b>
<b>C. Cash flows from financing activities</b>		
Interest expenses on overdraft, lease liability and others	(68.41)	(63.48)
Principal repayment of lease liability	(172.29)	(258.76)



# STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022 (CONT...)

(All amounts in Rupees lakhs, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest paid on lease liability	(106.22)	(112.98)
Proceeds from issue of shares on exercise of stock option	222.18	194.46
Dividend paid (net of dividend received (net of tax) by ESOP trust)	(13,452.51)	(7,471.48)
<b>Net cash used in financing activities</b>	<b>(13,577.25)</b>	<b>(7,712.24)</b>
<b>D. Net (decrease) / increase in cash and cash equivalents during the year (A+B+C)</b>	<b>17,894.73</b>	<b>3,275.17</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>4,522.82</b>	<b>1,247.65</b>
<b>F. Cash and cash equivalents as at the end of the year (D+E)</b>	<b>22,417.55</b>	<b>4,522.82</b>
<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	889.35	724.34
In settlement accounts	21,528.20	3,798.48
	<b>22,417.55</b>	<b>4,522.82</b>

(ii) The Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act 2013, read with the relevant rules thereunder.

The accompanying notes referred to form an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W/W-100024

Sd/-

**Ashwin Bakshi**

Partner

Membership No.: 506777

Place : New Delhi

Date : 27 April 2022

For and on behalf of the Board of Directors of

**Indian Energy Exchange Limited**

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 27 April 2022

Sd/-

**Vineet Harlalka**

Chief Financial Officer &

Company Secretary

# STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## (A) Equity share capital

Particulars	Note No.	Number of shares	Amount
Opening as at 01 April 2020		298,324,941	2,983.24
Add: Equity stock option exercised during the year	16 (a)	180,400	1.80
<b>Balance as at 31 March 2021</b>		<b>298,505,341</b>	<b>2,985.04</b>
Add: Equity stock option exercised before bonus issue	16 (a)	119,400	1.19
Add: Bonus Issue of equity shares	16 (a)	597,249,482	5,991.13
Add: Equity stock option exercised post bonus issue	16 (a)	150,000	0.50
<b>Balance as at 31 March 2022</b>		<b>896,024,223</b>	<b>8,977.88</b>

## (B) Other equity

Particulars	Note No.	Retained earnings	Employee stock options outstanding account	ESOP Trust reserve <sup>#</sup>	Capital redemption reserve	Total
Opening as at 01 April 2020		35,116.24	91.42	786.78	37.30	36,031.74
Profit for the year		21,348.82	-	-	-	21,348.82
Re-measurement gain/(loss) on defined benefit obligations (net of tax)		25.46	-	-	-	25.46
<b>Total comprehensive income for the year</b>		<b>21,374.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,374.28</b>
<b>Transactions with owners in their capacity as owners:</b>						
Employee stock options expense	17 (a)	-	27.93	-	-	27.93
Profit/ Loss on issue of shares to employees #	17 (c)	-	-	192.66	-	192.66
Interim dividend paid on equity shares	17 (b)	(7,488.91)	-	-	-	(7,488.91)
Dividend on shares held by ESOP Trust	17 (c)	-	-	17.43	-	17.43
Transfer to ESOP trust reserve #	17 (c)	(32.30)	-	32.30	-	-
<b>Profit as at 31 March 2021</b>		<b>48,969.31</b>	<b>119.35</b>	<b>1,029.17</b>	<b>37.30</b>	<b>50,155.13</b>
Profit for the year		30,251.22	-	-	-	30,251.22
Re-measurement gain/(loss) on defined benefit obligations (net of tax)		11.25	-	-	-	11.25
<b>Total comprehensive income for the year</b>		<b>30,262.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,262.47</b>
<b>Transactions with owners in their capacity as owners:</b>						
Employee stock options expense	17 (a)	-	25.39	-	-	25.39
Profit/ Loss on issue of shares to employees #	17 (c)	-	-	219.49	-	219.49
Interim dividend paid on equity shares	17 (b)	(8,986.70)	-	-	-	(8,986.70)
Final dividend paid on equity shares for FY21	17 (b)	(4,493.35)	-	-	-	(4,493.35)

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022 (CONT...)

(All amounts in Rupees lakhs, unless otherwise stated)

Particulars	Note No.	Retained earnings	Employee stock options outstanding account	ESOP Trust reserve #	Capital redemption reserve	Total
Bonus Issue of equity shares	17 (b), 17 (d)	(5,953.83)	-	-	(37.30)	(5,991.13)
Dividend on shares held by ESOP Trust	17 (c)	-	-	27.54	-	27.54
Transfer to ESOP trust reserve <sup>#</sup>	17 (c)	(12.63)	-	12.63	-	-
<b>Profit as at 31 March 2022</b>		<b>59,785.27</b>	<b>144.74</b>	<b>1,288.83</b>	<b>(0.00)</b>	<b>61,218.84</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 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

Place : New Delhi

Date : 27 April 2022

For and on behalf of the Board of Directors of

**Indian Energy Exchange Limited**

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 27 April 2022

Sd/-

**Vineet Harlalka**

Chief Financial Officer &

Company Secretary

# NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

## 1. Company Information

Indian Energy Exchange Limited (the "Company") was incorporated on March 26, 2007 and domiciled in India as a public limited company and limited by shares (CIN: L74999DL2007PLC277039). The address of the Company's registered office is First Floor, Unit No. 1.14(a) Avanta Business Centre, Southern Park, D-2, District Centre, Saket, New Delhi - 110017 and address of the corporate office is Plot No. C-001/A/1, 9th Floor, Max Towers, Sector 16 B, Noida, Gautam Buddha Nagar, Uttar Pradesh - 201301.

The Company is a Power Exchange, licensed by the Central Electricity Regulatory Commission ('CERC') for spot trading in power / electricity and trading of Renewable Energy Certificate (REC) and ESCerts. The main activity of the Company is to provide an automated platform and infrastructure for carrying out trading in electricity units for physical delivery of electricity.

The equity shares of the Company were listed on BSE Limited ('BSE') and National Stock Exchange ('NSE') with effect from 23 October 2017.

The Standalone financial statements for the year ended 31 March 2022 were approved by Board of Directors and authorized for issue on 27 April 2022.

## 2. Basis of preparation

### 2.1 Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

### 2.2 Basis of measurement

These standalone financial statements have been prepared on the historical cost basis except for certain financial assets (mutual funds and Market linked debentures) that are measured at fair value (refer to accounting policy on financial instruments) and share-based payments. The methods used to measure fair values are discussed further in notes to standalone financial statements.

### 2.3 Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (₹), which is the Company's functional currency. All financial

information presented in INR has been rounded to the nearest lakhs (up to two decimals), except as stated otherwise.

### 2.4 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

#### An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

#### A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

#### Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the above definition and nature of business, the Company has ascertained its operating cycle as less than 12 months for the purpose of current/non-current classification of assets and liabilities.

### 2.5 Use of estimates and judgements.

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an



# NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

ongoing basis. Revisions to accounting estimates are recognized prospectively.

## Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2022 is included in the following notes:

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of item which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

- i. Recognition of deferred tax assets/ (liabilities) – note 20.
- ii. Provision for employee benefits - note 19, note 25 and note 35

## 2.6 Measurement of fair values

The Company's accounting policies and disclosures require/ may require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. This includes a team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company measures financial instruments, such as, investments, at fair value at each reporting date.

## 2.7 ESOS Trust

The IEX ESOP trust ("ESOP Trust") has been treated as an extension of the Company and accordingly, shares held by ESOP Trust are netted off from the total share capital. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets, liabilities, income and expenses of the Company, except for profit / loss on issue of shares to the employees and the dividend earned by the trust which are directly taken to the ESOP Trust reserve.

# 3. 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 and accumulated impairment losses, if any. 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 3.1.2 Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

### 3.1.3 Derecognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

### 3.1.4 Depreciation

Depreciation is calculated on the depreciable amount of property, plant and equipment over their estimated useful lives using the straight-line method and is generally recognized in the statement of profit and loss.

For assets acquired under leases, at the date of commencement of the lease, the 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, if any.

Depreciation on the following assets is provided based on their estimated useful life ascertained through a technical evaluation:

Category of assets	Estimated useful life of assets	Useful life as per schedule II
Furniture and Fixtures	3-10 Years	10 Years

Category of assets	Estimated useful life of assets	Useful life as per schedule II
<b>Office Equipment</b>		
Mobile Phones	2 Years	5 Years
Others	5 Years	5 Years
<b>Computers</b>		
Servers	3-6 Years	6 Years
Others	3 Years	3 Years
Electrical Installation	10 Years	10 years
Vehicles	5 Years	8 Years

Leasehold Improvements are amortized over the lease period or the remaining useful life, whichever is shorter.

Depreciation on additions to/deductions from property, plant & equipment during the year is charged on pro-rata basis from/up to the date in which the asset is available for use/disposed off.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

## 3.2 Intangible assets and intangible assets under development and amortization

### 3.2.1 Recognition and measurement

Intangible assets that are acquired by the Company and 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 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 and eligible for capitalizations

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

with respect to intangible assets is carried as intangible asset under development till the asset is ready for its intended use.

### 3.2.2 Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

### 3.2.3 Amortization

Amortization is computed to write off the depreciable amount of intangible assets over their estimated useful lives using the straight-line method and is included in amortization in Statement of Profit and Loss.

Software license is amortized over fifteen years and Computer software is amortized over six years considering their respective useful lives.

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if required.

### 3.3 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### 3.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another.

#### 3.4.1 Financial assets

##### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

##### Subsequent measurement

#### A. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a. The asset is held within a business model

whose objective is to hold assets for collecting contractual cash flows, and

- b. 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:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. 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

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

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 amortized cost.

Investments in subsidiary is recognized at cost and are not adjusted to fair value at the end of each reporting period. Cost of investment represents the amount paid for the acquisition of the said investments.

### E. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

### F. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- 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 in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to trade payables and other contractual liabilities.



# NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

## B. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the 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 recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events

and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 3.6 Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

## 3.7 Revenue

Revenue is measured at the fair value of the consideration received or receivable for services provided in the normal course of business. The

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

Company recognizes revenue when 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, Green 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 Despatch Centre. Fee charged in relation to transactions under the Term-Ahead Market segment and Green Term-Ahead Market is accrued when orders placed on the network are matched, confirmed by Regional Load Despatch Centre and delivered. Fee charged in relation to transactions under the Real Time Market segment is accrued when orders placed on the network are matched, confirmed by National Load Despatch Centre and delivered.

Membership fees charged from a member of the exchange at the time of admission to the exchange is recognized on a pro-rata basis over the estimated period of time over which the services are expected to be provided.

Annual subscription fee, in the year when the member/ client is registered for the first time, is recognized on commencement of trading that coincides with the registration of trader member/ client of trader/professional member on a pro-rata basis. Annual subscription fee, in any year subsequent to the year of registration, is recognized on an accrual basis on a pro-rata basis.

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

Dividend income is recognized in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Profit on sale of investments is determined as the difference between the sales price and carrying value of the investments at the time of disposal of these investments.

### 3.8 Employee Benefits

#### 3.8.1 Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, bonus, etc. are recognized in the Statement of Profit and Loss in the period in which the employee renders the related services. Such obligations are measured on an undiscounted basis.

#### 3.8.2 Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in profit or loss in the period during which services are rendered by employees.

The Company pays fixed contribution to Provident Fund at predetermined rates to regional provident fund commissioner. The contributions to the fund for the year are recognized as expense and are charged to the profit or loss.

#### 3.8.3 Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity is in the nature of defined benefit plans.

The Company's net obligation in respect of defined benefit plan is calculated separately by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs. Any actuarial gains or losses are recognized in Other Comprehensive Income (OCI) in the period in which they arise.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 3.8.4 Other long term employee benefits

Benefits under the Company's compensated absences constitute other long term employee benefits.

Cost of long-term benefit by way of accumulating compensated absences arising during the tenure of the service is calculated taking into account the pattern of availment of leave. In respect of encashment of leave, the defined benefit is calculated taking into account all types of decrements and qualifying salary projected up to the assumed date of encashment. The present value of obligations under such long-term benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method as at period end.

### 3.8.5 Share based payments

The grant date fair value of equity settled share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in other equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcome.

### 3.9 Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For assets that are not yet available for use, the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market

assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### 3.10 Foreign currency transactions and translation

Transactions in foreign currencies are translated at the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss, except exchange differences arising from the translation of equity investments at fair value through OCI (FVOCI), which are recognized in OCI.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 3.11 Leases

#### 3.11.1 Accounting for operating leases - As a lessee

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

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

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the

value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payment that depends on index or a rate, and amount to be paid under residual value guarantees. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Company uses incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

### 3.12 Income Tax

Income tax expense comprises current and deferred tax. Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be



## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

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.

### 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 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022. Key amendments are as below

- a. Ind AS 16 Property, Plant and Equipment – The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss.
- b. Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.
- c. Ind AS 103 – Business Combination – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.
- d. Ind AS 109 Financial Instruments – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognize a financial liability.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 4. Property, plant and equipment and Capital work-in-progress (CWIP)

Assets	Leasehold improvements	Office equipment	Electrical Equipment	Computer hardware/equipment	Furniture and Fixtures	Vehicles	Total	Capital work in progress
<b>Gross Block</b>								
As at 1 April 2020	260.99	79.89	131.48	804.15	67.27	247.98	1,591.76	2.55
Additions/ Adjustments during the year	500.38	33.94	149.43	163.93	76.49	59.52	983.69	678.62
Disposals/ Adjustments during the year	(241.13)	(15.91)	(120.15)	(48.11)	(56.90)	(32.94)	(515.14)	-
Transfers during the year	-	-	-	-	-	-	-	(681.17)
<b>As at 31 March 2021</b>	<b>520.24</b>	<b>97.92</b>	<b>160.76</b>	<b>919.97</b>	<b>86.86</b>	<b>274.56</b>	<b>2,060.31</b>	<b>-</b>
As at 1 April 2021	520.24	97.92	160.76	919.97	86.86	274.56	2,060.31	-
Additions/ Adjustments during the year	7.11	13.88	-	42.00	1.96	129.18	194.13	-
Disposals/ Adjustments during the year	-	(6.98)	-	(9.08)	-	(67.75)	(83.81)	-
<b>As at 31 March 2022</b>	<b>527.35</b>	<b>104.82</b>	<b>160.76</b>	<b>952.89</b>	<b>88.82</b>	<b>335.99</b>	<b>2,170.63</b>	<b>-</b>
<b>Accumulated Depreciation</b>								
As at 1 April 2020	194.57	45.93	86.97	300.42	39.90	76.92	744.71	-
Depreciation charge for the year	87.78	15.66	32.48	161.81	24.64	51.16	373.53	-
Disposals/ adjustments for the year	(241.13)	(13.70)	(104.69)	(43.40)	(55.43)	(20.82)	(479.17)	-
<b>As at 31 March 2021</b>	<b>41.22</b>	<b>47.89</b>	<b>14.76</b>	<b>418.83</b>	<b>9.11</b>	<b>107.26</b>	<b>639.07</b>	<b>-</b>
As at 1 April 2021	41.22	47.89	14.76	418.83	9.11	107.26	639.07	-
Depreciation charge for the year	101.96	18.67	30.65	156.69	18.34	60.00	386.31	-
Disposals/ adjustments for the year	-	(6.02)	-	(6.85)	-	(45.15)	(58.02)	-
<b>As at 31 March 2022</b>	<b>143.18</b>	<b>60.54</b>	<b>45.41</b>	<b>568.67</b>	<b>27.45</b>	<b>122.11</b>	<b>967.36</b>	<b>-</b>
<b>Net Block</b>								
<b>As at 31 March 2021</b>	<b>479.02</b>	<b>50.03</b>	<b>146.00</b>	<b>501.14</b>	<b>77.75</b>	<b>167.30</b>	<b>1,421.24</b>	<b>-</b>
<b>As at 31 March 2022</b>	<b>384.17</b>	<b>44.28</b>	<b>115.35</b>	<b>384.22</b>	<b>61.37</b>	<b>213.88</b>	<b>1,203.27</b>	<b>-</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 4(a). Right-of-use assets

Assets	Total
<b>Gross Block</b>	
As at 1 April 2020	1,652.96
Additions/ Adjustments during the year	108.18
<b>As at 31 March 2021</b>	<b>1,761.14</b>
As at 1 April 2021	1,761.14
Additions/ Adjustments during the year	-
Disposals/ Adjustments during the year	-
<b>As at 31 March 2022</b>	<b>1,761.14</b>
<b>Accumulated Amortization</b>	
As at 1 April 2020	321.75
Amortization charge for the year	343.13
Transfer to CWIP during the year	59.19
<b>As at 31 March 2021</b>	<b>724.07</b>
As at 1 April 2021	724.07
Amortization charge for the year	216.04
Transfer to CWIP during the year	-
Disposals/ adjustments for the year	-
<b>As at 31 March 2022</b>	<b>940.11</b>
<b>Net Block</b>	
<b>As at 31 March 2021</b>	<b>1,037.07</b>
<b>As at 31 March 2022</b>	<b>821.03</b>

## 5. Other intangible assets and intangibles assets under development (IAUD)

Assets	Computer Software	Software License	Total	Intangible assets under development
<b>Gross Block</b>				
As at 1 April 2020	870.86	11,543.00	12,413.86	96.01
Additions during the year	186.00	-	186.00	562.35
Disposals/ Adjustments during the year	(2.26)	-	(2.26)	-
Transfers during the year	-	-	-	(10.70)
<b>As at 31 March 2021</b>	<b>1,054.60</b>	<b>11,543.00</b>	<b>12,597.60</b>	<b>647.66</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

### 5. Other intangible assets and intangibles assets under development (IAUD) (Cont...)

Assets	Computer Software	Software License	Total	Intangible assets under development
As at 1 April 2021	1,054.60	11,543.00	12,597.60	647.66
Additions during the year	958.70	-	958.70	467.49
Transfers during the year	-	-	-	(627.04)
<b>As at 31 March 2022</b>	<b>2,013.30</b>	<b>11,543.00</b>	<b>13,556.30</b>	<b>488.11</b>

#### Accumulated Depreciation

As at 1 April 2020	516.21	2,179.74	2,695.95	-
Amortization charge for the year	93.85	775.04	868.89	-
Disposals/ adjustments for the year	(1.42)	-	(1.42)	-
<b>As at 31 March 2021</b>	<b>608.64</b>	<b>2,954.78</b>	<b>3,563.42</b>	<b>-</b>

As at 1 April 2021	608.64	2,954.78	3,563.42	-
Amortization charge for the year	255.54	774.60	1,030.14	-
Disposals/ adjustments for the year	-	-	-	-
Transfers during the year	-	-	-	-
<b>As at 31 March 2022</b>	<b>864.18</b>	<b>3,729.38</b>	<b>4,593.56</b>	<b>-</b>

#### Net Block

As at 31 March 2021	445.96	8,588.22	9,034.18	647.66
<b>As at 31 March 2022</b>	<b>1,149.12</b>	<b>7,813.62</b>	<b>8,962.74</b>	<b>488.11</b>

#### Intangible Assets under development ageing

Ageing for Intangible Assets under development as at 31 March 2022 is as follows:

IAUD	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	380.00	26.70	81.41	-	488.11
<b>Total</b>	<b>380.00</b>	<b>26.70</b>	<b>81.41</b>	<b>-</b>	<b>488.11</b>

Ageing for Intangible Assets under development as at 31 March 2021 is as follows:

IAUD	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	562.35	85.31	-	-	647.66
<b>Total</b>	<b>562.35</b>	<b>85.31</b>	<b>-</b>	<b>-</b>	<b>647.66</b>



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 6. Investments

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Non-current investments</b>		
<b>Investments in Equity of Subsidiary (till 16 Jan 2022, Refer note no 49)</b>		
Equity Instruments (Unquoted ) at Cost	-	3,915.38
Nil (31 March 2021: 39,153,750) Shares of ₹ 10 each fully paid up (Indian Gas Exchange Limited)		
<b>Investments in Equity of Associate (from 17 Jan 2022, Refer note no 49)</b>		
Equity Instruments (Unquoted ) at Cost	3,546.00	-
35,460,000 (31 March 2021: Nil) Shares of ₹ 10 each fully paid up (Indian Gas Exchange Limited)		
<b>Investments in Units of InvITs</b>		
Power Grid InvIT Trust Units (Quoted)	2,026.71	-
1,513,600 (31 March 2021: Nil) units of face value of ₹ 100 each.		
<b>Investments measured at amortised cost</b>		
<b>Bonds (Quoted )</b>		
7.74% SBI Perpetual Bonds	2,110.26	2,116.70
200 (31 March 2021: 200) units of face value of ₹ 1,000,000 each.		
7.11% Tax Free Bonds Power Finance Corporation Ltd.	52.97	52.98
5,134 (31 March 2021: 5,134) units of face value of ₹ 1,000 each.		
7.04% Tax Free Bonds Housing and Urban Development Corporation Ltd.	153.69	153.69
15,058 (31 March 2021: 15,058) units of face value of ₹ 1,000 each.		
7.04% Tax Free Bonds Indian Railway Finance Corporation Ltd.	121.36	121.38
11,757 (31 March 2021: 11,757) units of face value of ₹ 1,000 each.		
7.04% Tax Free Bonds National Bank for Agriculture and Rural Development	100.37	100.37
10,020 (31 March 2021: 10,020) units of face value of ₹ 1,000 each.		
9.55% Tata Motors Finance Ltd	2,037.68	2,037.68
200 (31 March 2021: 200) units of face value of ₹ 1,000,000 each.		
<b>Investments measured at fair value through profit and loss</b>		
<b>Market Linked Debentures (MLD) (quoted)</b>		
L&T Financial Services	-	2,576.57
Nil (31 March 2021: 245) units of face value of ₹ 1,000,000 each.		
Shriram Transport Finance Company Ltd	-	2,063.88
Nil (31 March 2021: 200) units of face value of ₹ 1,000,000 each.		
Arka Fincap Ltd	315.51	-
30 (31 March 2021: Nil) units of face value of ₹ 1,000,000 each.		

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 6. Investments (Cont...)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Mutual funds (quoted)</b>		
Axis Fixed Term Plan - Series 102 (1133 Days) Direct Growth	-	605.44
Nil (31 March 2021: 5,000,000) units of face value of ₹ 10 each.		
HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44	-	1,211.79
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44	-	175.71
Nil (31 March 2021: 1,450,000) units of face value of ₹ 10 each.		
<b>Total</b>	<b>10,464.55</b>	<b>15,131.57</b>
Aggregate value of quoted investments in bonds	4,576.33	4,582.80
Market value of quoted investments in bonds	4,671.22	4,692.36
Aggregate value of quoted investments in InvIT, mutual funds and MLD	2,342.22	6,633.39
Aggregate value of unquoted investments	3,546.00	3,915.38

## 7. Other financial assets - Non Current

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured, considered good, unless otherwise stated</i>		
Security deposits	130.52	118.75
Bank deposits due for maturity after twelve months from the reporting date (refer note 13)	-	202.09
<b>Total</b>	<b>130.52</b>	<b>320.84</b>

## 8. Non-current tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current tax assets (net)	55.85	71.98
<b>Total</b>	<b>55.85</b>	<b>71.98</b>

## 9. Other assets - Non Current

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured, considered good, unless otherwise stated</i>		
Capital advances	0.11	32.21
Prepaid expenses	24.52	27.47
<b>Total</b>	<b>24.63</b>	<b>59.68</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 10. Current investments

Particulars	As at 31 March 2022	As at 31 March 2021
<b>A) Investments measured at fair value through profit and loss</b>		
<b>Market Linked Debentures (MLD) (Quoted)</b>		
L&T Financial Services	2,757.44	-
245 (31 March 2021: Nil) units of face value of ₹ 1,000,000 each.		
Shriram Transport Finance Company Ltd	2,228.99	-
200 (31 March 2021: Nil) units of face value of ₹ 1,000,000 each.		
Shriram City Union Finance Ltd	1,080.26	-
100 (31 March 2021: Nil) units of face value of ₹ 1,000,000 each.		
Muthoot Fincorp Ltd	1,093.67	-
100 (31 March 2021: Nil) units of face value of ₹ 1,000,000 each.		
<b>Mutual funds Quoted</b>		
Aditya Birla Sun Life Fixed Term Plan - Series PJ (1135 Days) -Direct Growth*	-	1,509.19
Nil (31 March 2021: 12,000,000) units of face value of ₹ 10 each.		
HDFC FMP 1143D March 2018 (1) - Direct - Growth -Series -39*	-	1,507.36
Nil (31 March 2021: 12,000,000) units of face value of ₹ 10 each.		
HDFC FMP 1122 D August 2018 (1)-Direct - Growth - Series 42	-	1,243.76
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
HDFC FMP 1134D May 2018 (1) - Direct - Growth - Series-40	-	21.49
Nil (31 March 2021: 170,000) units of face value of ₹ 10 each.		
HDFC FMP 1133D July 2018 (1) - Direct - Growth - Series 41	-	47.25
Nil (31 March 2021: 380,000) units of face value of ₹ 10 each.		
Axis Fixed Term Plan - Series 102 (1133 Days) Direct Growth*	631.26	-
5,000,000 (31 March 2021: Nil) units of face value of ₹ 10 each.		
HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44*	1,261.83	-
10,000,000 (31 March 2021: Nil) units of face value of ₹ 10 each.		
HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44	182.97	-
1,450,000 (31 March 2021: Nil) units of face value of ₹ 10 each.		
ICICI Prudential Fixed Maturity Plan Series 82 - 1175 Days Plan Q Direct Plan Cumulative*	-	1,258.37
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
ICICI Prudential Fixed Maturity Plan Series 84 - 1101 Days Plan A-Direct Plan Cumulative	-	1,243.77
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
ICICI Prudential Fixed Maturity Plan Series 83 - 1101 Days Plan Z-Direct Plan Cumulative	-	624.59
Nil (31 March 2021: 5,000,000) units of face value of ₹ 10 each.		
IDFC Fixed Term Plan Series 142 Direct Plan -Growth (1139 Days)*	-	1,254.81
Nil (31 March 2021: 10,000,000 ) units of face value of ₹ 10 each.		

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 10. Current investments (Cont...)

Particulars	As at 31 March 2022	As at 31 March 2021
IDFC Fixed Term Plan Series 161 –Direct Plan - Growth (1098 Days)	-	1,249.40
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
Nippon India Fixed Horizon Fund-XXXVIII- Series 07-Direct Growth Plan formerly known as Reliance Fixed Horizon Fund- XXXVIII- Series 07- Direct Growth Plan*	-	2,508.18
Nil (31 March 2021: 20,000,000) units of face value of ₹ 10 each.		
SBI Debt Fund Series - C - 12 (1122 Days) - Direct Growth*	-	1,229.02
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
SBI Debt Fund Series C-21 (1100 Days) - Direct Growth	-	2,454.30
Nil (31 March 2021: 20,000,000) units of face value of ₹ 10 each.		
TATA Fixed Maturity Plan Series 55 Scheme I - Direct Plan - Growth	-	1,255.23
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
UTI-Fixed Term Income Fund Series XXVIII–XII (1154 Days) -Direct Growth Plan*	-	1,257.63
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
<b>Mutual funds Unquoted</b>		
Aditya Birla Sun Life Arbitrage Fund - Growth-Direct Plan*	4,430.88	1,302.82
19,472,894.472 (31 March 2021: 5,981,387.766) units of face value of ₹ 10 each.		
Aditya Birla Sun Life Money Manager Fund - Growth-Direct Plan*	2,223.00	666.41
743,699.835 (31 March 2021: 232,059.258) units of face value of ₹ 100 each.		
Aditya Birla Sun Life Floating Rate Fund - Growth-Direct Plan*	2,484.92	2,372.17
876,364.154 (31 March 2021:876,364.154) units of face value of ₹ 100 each.		
Aditya Birla Sun Life Savings Fund - Growth-Direct Plan*	3,366.93	3,227.24
756,083.591 (31 March 2021: 756,083.591) units of face value of ₹ 100 each.		
Aditya Birla Sunlife Overnight Fund - Direct Growth	-	500.02
Nil (31 March 2021: 44,928.016) units of face value of ₹ 1000 each.		
Aditya Birla Sunlife Liquid Fund - Direct Growth	3,000.56	-
874,480.171 (31 March 2021: Nil) units of face value of ₹ 100 each.		
Axis Overnight Fund - Direct Growth	-	1,550.42
Nil (31 March 2021: 142,512.112) units of face value of ₹ 1000 each.		
Axis Overnight Fund - Direct Growth	-	49.55
Nil (31 March 2021: 4,554.282) units of face value of ₹ 1000 each.		
Axis Arbitrage Fund - Direct Growth*	4,934.29	1,300.94
30,484,186.635 (31 March 2021:8,424,287.809) units of face value of ₹ 10 each.		
Axis Liquid Fund - Direct Growth	4,804.18	-
203,215.29 (31 March 2021:Nil) units of face value of ₹ 1,000 each.		
Axis Arbitrage Fund - Direct Growth	185.08	-
1,143,414.232 (31 March 2021:Nil) units of face value of ₹ 10 each.		
Axis Treasury Advantage Fund - Direct Growth*	903.66	2,362.81
34,890.243 (31 March 2021: 95,175.396) units of face value of ₹ 1000 each.		



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 10. Current investments (Cont...)

Particulars	As at 31 March 2022	As at 31 March 2021
Axis Banking & PSU Debt Fund - Direct Growth	-	2,534.58
Nil (31 March 2021: 120,821.36) units of face value of ₹ 1000 each.		
Axis banking & PSU Fund - Direct Growth	197.45	515.90
9,027.989 (31 March 2021: 24,592.337) units of face value of ₹ 1000 each.		
Axis Short Term Fund - Direct Growth	-	1,542.44
Nil (31 March 2021: 6,072,128.362) units of face value of ₹ 10 each.		
HDFC Liquid Fund-Direct Growth	5,001.03	-
119,506.173 (31 March 2021: Nil) units of face value of ₹ 1000 each.		
HDFC Liquid Fund-Direct Growth	-	51.42
Nil (31 March 2021: 1,271.138) units of face value of ₹ 1000 each.		
HDFC Money Market Fund - Direct Growth	18.48	110.89
396.945 (31 March 2021: 2,478.488) units of face value of ₹ 1000 each.		
ICICI Prudential Equity Arbitrage Fund - Direct Plan-Growth	-	350.56
Nil (31 March 2021: 1,249,656.331) units of face value of ₹ 10 each.		
ICICI Prudential Liquid Fund - Direct Plan-Growth	4,616.43	-
1,464,341.536 (31 March 2021: Nil) units of face value of ₹ 100 each.		
ICICI Prudential Overnight Fund - Direct Plan-Growth	3,000.16	-
2,617,761.534 (31 March 2021: Nil) units of face value of ₹ 100 each.		
ICICI Prudential Savings Fund - Direct Plan - Growth (formerly ICICI Prudential Mutual Fund- Flexible Income Plan)*	-	2,037.15
Nil (31 March 2021: 485,395.239) units of face value of ₹ 100 each.		
ICICI Prudential Banking & PSU Fund - Direct Growth	-	1,546.84
Nil (31 March 2021: 6,038,491.283) units of face value of ₹ 10 each.		
ICICI Prudential Short Term Fund - Direct Growth	-	1,550.60
Nil (31 March 2021: 3,189,280.513) units of face value of ₹ 10 each.		
IDBI Liquid Fund- Direct Plan - Growth	-	500.04
Nil (31 March 2021: 22,592.912) units of face value of ₹ 1000 each.		
IDFC Banking & PSU Fund - Direct Growth	-	533.31
Nil (31 March 2021: 2,729,262.669) units of face value of ₹ 10 each.		
Kotak Equity Arbitrage Fund - Direct Plan-Growth	5,070.13	2,497.08
16,009,753.67 (31 March 2021: 8,246,338.928) units of face value of ₹ 10 each.		
Kotak Liquid Direct Plan Growth	4,719.72	501.10
109,682.289 (31 March 2021: 12,048.454) units of face value of ₹ 1000 each.		
Nippon India Arbitrage Fund - Direct Growth*	4,656.35	2,396.74
20,397,533.459 (31 March 2021: 10,980,600.721) units of face value of ₹ 10 each.		
Nippon India Liquid Fund-Direct Growth	3,918.84	2,151.58
75,246.072 (31 March 2021: 42,752.935) units of face value of ₹ 1000 each.		
Nippon India Floating Rate Fund - Direct Growth*	-	1,529.72
Nil (31 March 2021: 4,250,635.643) units of face value of ₹ 10 each.		

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 10. Current investments (Cont...)

Particulars	As at 31 March 2022	As at 31 March 2021
Nippon India Low Duration Fund - Direct Growth	-	1,520.38
Nil (31 March 2021: 50,340.047) units of face value of ₹ 1000 each.		
SBI Liquid Fund- Direct Growth	487.11	456.36
14,614.438 (31 March 2021: 14,165.696) units of face value of ₹ 1000 each.		
SBI Overnight Fund- Direct Growth	3,000.16	-
86,675.954 (31 March 2021: Nil) units of face value of ₹ 1000 each.		
Tata Liquid Fund - Direct Growth	4,604.98	-
137,034.481 (31 March 2021: Nil) units of face value of ₹ 1,000 each.		
Tata Money Market Fund - Direct Growth*	2,040.46	-
53,340.528 (31 March 2021: Nil) units of face value of ₹ 1000 each.		
Tata Arbitrage Fund - Direct Growth*	4,911.78	1,549.50
40,981,023.471 (31 March 2021:13,509,132.173) units of face value of ₹ 10 each.		
Tata Arbitrage Fund - Direct Growth	336.36	-
2,806,424.885 (31 March 2021: Nil) units of face value of ₹ 10 each.		
UTI Overnight Fund - Direct Growth	810.47	-
27,851.587 (31 March 2021: Nil) units of face value of ₹ 1000 each.		
UTI Arbitrage Fund - Direct Growth*	1,548.66	-
5,210,587.762 (31 March 2021: Nil) units of face value of ₹ 10 each.		
<b>Commercial Papers</b>		
<b>Quoted</b>		
7.75% Adani Enterprise Limited	2,475.05	-
500 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
6.30% IIFL Home Finance Ltd	2,464.98	-
500 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
7.30% Navi Finserv Pvt Ltd	2,483.30	-
500 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
6.80% Piramal Enterprises Ltd	4,914.90	-
1,000 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
7.50% IIFL Samasta Microfinance Ltd	2,521.77	-
518 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
7.65% Trust Investment Advisors Private Limited	2,478.39	-
500 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
7.50% Adani Enterprise Limited	4,910.24	-
1,000 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
6.85% Arka Fincap Ltd	2,490.81	-
500 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 10. Current investments (Cont...)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Unquoted</b>		
7.40% Adani Enterprise Limited	2,498.00	-
500 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
7.15% Angel One Ltd	2,456.70	-
500 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
<b>Total</b>	<b>1,14,202.63</b>	<b>55,872.92</b>

Aggregate market value of quoted investments	33,975.86	18,664.35
Aggregate value of unquoted investments	80,226.77	37,208.57

\*Investments includes ₹ 22,867 (cost) [(31 March 2021: ₹ 6,400) (cost)] under lien with banks for overdraft and Standby letter of credit (SBLC facilities).

## 11. Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables		
Secured, considered good	8,737.11	319.55
<b>Total</b>	<b>8,737.11</b>	<b>319.55</b>

Ageing for trade receivables outstanding as at 31 March 2022 is as follows:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	8,737.05	0.06	-	-	-	8,737.11
<b>Total</b>						<b>8,737.11</b>

Ageing for trade receivables outstanding as at 31 March 2021 is as follows:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	315.82	-	-	3.73	-	319.55
<b>Total</b>						<b>319.55</b>

## 12. Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks		
- in current accounts	889.35	724.34
- in settlement accounts	21,528.20	3,798.48
<b>Total</b>	<b>22,417.55</b>	<b>4,522.82</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

### 13. Other Bank balance

Particulars	As at 31 March 2022	As at 31 March 2021
Bank deposits having original maturity of more than three months but due to mature in less than twelve months from the reporting date*	830.50	3,198.49
<b>In earmarked accounts</b>		
- Current Accounts (unpaid dividend)#	15.81	16.08
<b>Total</b>	<b>846.31</b>	<b>3,214.57</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"	830.50	3,198.49
Fixed Deposits due to mature after 12 months of reporting date included under "Other financial assets - Non current"	-	202.09
<b>Total</b>	<b>830.50</b>	<b>3,400.58</b>

\*Bank deposits includes ₹ 200 (31 March 2021: ₹ 200) under lien with banks for overdraft facilities.

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

### 14. Other financial assets - Current

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured, considered good, unless otherwise stated</i>		
Security deposits	227.84	183.17
Other recoverable*	76.73	109.13
Other advances	20.15	5.33
<b>Total</b>	<b>324.72</b>	<b>297.63</b>

\* includes ₹ 72.70 (Previous year ₹ 97.57 ) from Indian Gas Exchange Limited (refer note 45)

### 15. Other assets - Current

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured, considered good, unless otherwise stated</i>		
Prepaid expenses	159.99	105.99
Balance with government authorities	40.77	115.27
Other advances	595.19	546.84
<b>Total</b>	<b>795.95</b>	<b>768.10</b>



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 16. Equity share capital

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Authorised equity share capital</b>		
1,000,000,000 Equity shares of face value of Re.1 each (31 March 2021: 402,500,000 Equity shares of face value of Re.1 each )	10,000.00	4,025.00
	<b>10,000.00</b>	<b>4,025.00</b>
<b>Issued, subscribed and fully paid up equity share capital</b>		
898,669,533 Equity shares of face value of Re.1 each (31 March 2021: 299,556,511 Equity shares of face value of Re.1 each )	8,986.70	2,995.56
<b>Less:</b> 2,645,310* Equity shares of face value of Re 1 each (31 March 2021: 1,051,170 Equity shares of face value of Re. 1 each) held by IEX ESOP Trust	(8.82)	(10.52)
	<b>8,977.88</b>	<b>2,985.04</b>
* Includes 17,63,540 bonus equity shares issued to IEX ESOP trust		

### a) Movements in equity share capital outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares</b>				
Outstanding at the beginning of the year (face value of Re.1 each)#	29,85,05,341	2,985.04	29,83,24,941	2,983.24
Add: Option vested and exercised before bonus issue (refer note 16 (f))	1,19,400	1.19	1,80,400	1.80
Add: Bonus share issued during the year (excluding 1,863,540 shares issued to IEX ESOP Trust)	59,72,49,482	5,991.13	-	-
Add: Option vested and exercised post bonus issue (refer note 16 (f))	1,50,000	0.50	-	-
<b>Outstanding at the end of the year (Face value 31 March 2022: Re. 1 each, 31 March 2021 : Re. 1 each)</b>	<b>89,60,24,223</b>	<b>8,977.88</b>	<b>29,85,05,341</b>	<b>2,985.04</b>

# Excluding 1,051,170 shares held by IEX ESOP Trust (previous year 1,231,570 shares)

### b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity share. The par value of the shares is Re.1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

The Company has declared final dividend for the year ended 31 March 2021 @ Re. 1.5 per equity share as recommended by the Board of Directors in its meeting held on 22 July 2021 and approved at the AGM held on 2 September 2021. The same has been paid before the year-end.

Further, during the current year, the Company has declared interim dividend Re. @ 1.0 per equity share in their meeting held on 24 January 2022. The same has been paid before the year-end.

Further, the Board of Directors of the Company have recommended a final dividend of Re. 1/- per equity share of face value of Re. 1 each for the financial year ended 31 March 2022, subject to the approval of the Shareholders at the ensuing Annual General Meeting.

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 16. Equity share capital (Cont...)

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

Particulars	31 March 2022		31 March 2021	
	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹ 1 each, fully paid up held by:				
DPVL Ventures LLP (Previously TVS Shriram Growth Fund 1B LLP)	62,587,206	6.96	23,003,351	7.68
Dalmia Power Limited	33,310,083	3.71	24,503,361	8.18

### d) Details of shares issued for consideration other than cash / bonus shares / bought back

During the current year, the Company has issued 599,113,022 equity shares of Re.1 each as fully paid-up bonus shares representing a ratio of 2 (Two) equity share for every 1 (One) equity share outstanding on the record date. Accordingly, as required by Ind AS-33 Earnings per share, the EPS of current and previous period have been restated. There are no shares issued for consideration other than cash and no shares were bought back during the period of 5 years immediately preceding the reporting date, except that, the Company had on 10 April 2019 completed the buyback of 3,729,729 fully paid-up equity shares of Re.1 each (representing 1.23% of the total number of equity shares in the paid-up share capital of the Company) at a price of ₹ 185 (Rupees One Hundred Eighty Five only) per equity share (the "Maximum Price") paid in cash aggregating to the total consideration of ₹ 6,900 lakhs.

### e) Employee stock options

Terms attached to stock options granted to employees are described in Note 46.

f) During the current year, 119,400 options (previous year 180,400) (pre bonus) and 150,000 options (previous year : nil) (post bonus) out of the options granted earlier, have been exercised.

g) Promoter shareholding as on 31 March 2022 is Nil (Previous year : Nil)

## 17. Other equity

Particulars	As at 31 March 2022	As at 31 March 2021
Employee stock options outstanding account	144.74	119.35
Retained earnings	59,785.27	48,969.31
ESOP trust reserve	1,288.83	1,029.17
Capital redemption reserve	-	37.30
<b>Total</b>	<b>61,218.84</b>	<b>50,155.13</b>

### (a) Employee stock options outstanding account

Opening balance	119.35	91.42
Add: employee stock option expense (refer note 46)	25.39	27.93
<b>Closing balance</b>	<b>144.74</b>	<b>119.35</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 17. Other equity (Cont...)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>(b) Retained earnings</b>		
Opening balance	48,969.31	35,116.24
Add: Profit for the year	30,251.22	21,348.82
Add: Re-measurement gain/(loss) on defined benefit obligations (net of tax) (Refer note 35)	11.25	25.46
Less: Interim dividend paid on equity shares (Refer note 17 (e)) *	(8,986.70)	(7,488.91)
Final dividend paid on equity shares for FY21 (Refer note 17 (e)) *	(4,493.35)	-
Transfer to ESOP trust reserve	(12.63)	(32.30)
Utilised for Bonus share issued during the year	(5,953.83)	-
<b>Closing balance</b>	<b>59,785.27</b>	<b>48,969.31</b>
* includes dividend paid on shares held by ESOP trust		
<b>(c) ESOP Trust reserve</b>		
Opening balance	1,029.17	786.78
Add: Addition during the year	12.63	32.30
Add: Profit earned on sale of shares to employees by ESOP Trust	219.49	192.66
Add: Dividend on shares held by the ESOP Trust from retained earnings	27.54	17.43
<b>Closing balance</b>	<b>1,288.83</b>	<b>1,029.17</b>
<b>(d) Capital redemption reserve</b>		
Opening balance	37.30	37.30
Less: Utilised for Bonus share issued during the year	(37.30)	-
<b>Closing balance</b>	<b>-</b>	<b>37.30</b>

### Nature of reserves:

#### Employee stock options outstanding account

Employee stock options outstanding account is used to record the impact of employee stock option scheme. Refer note 46 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 ₹ Nil (31 March 2021: Nil). The opening balance has been utilised during the current year for Bonus share issue.

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 17. Other equity (Cont...)

(e) Following dividend has been declared and paid by the company

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Equity shares		
Interim Dividend for the year ended 31 March 2022 of Re. 1.00 (31 March 2021 is ₹ 2.50 per share)	8986.70 <sup>#</sup>	7,488.91
Final Dividend for the year ended 31 March 2021 of Re. 1.50 (31 March 2021 is ₹ Nil per share)	4,493.35	-
<b>Total</b>	<b>13,480.05</b>	<b>7,488.91</b>

# Paid post Bonus issue of equity shares

## 18. Other financial liabilities - Non Current

Particulars	As at 31 March 2022	As at 31 March 2021
Deposits towards settlement guarantee fund (Refer Note 47)	49.22	119.05
Deposit from employees	45.40	27.30
<b>Total</b>	<b>94.62</b>	<b>146.35</b>

## 19. Provisions - Non Current

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits (Refer Note 35)		
Gratuity	377.97	358.91
Compensated absences	401.45	310.61
<b>Total</b>	<b>779.42</b>	<b>669.52</b>

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

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax assets rising on timing differences on account of:		
Provisions for employee benefits	207.68	171.01
Fair valuation of financial assets/ liabilities	59.52	51.91
Deferred tax liabilities rising on timing differences on account of:		
Deferred tax liabilities on account of difference between WDV of property, plant and equipment and other intangible assets as per books and under Income Tax Act, 1961.	(1,765.19)	(1,778.65)
Investments at fair value through profit or loss	(727.12)	(1,142.48)
<b>Total</b>	<b>(2,225.11)</b>	<b>(2,698.21)</b>



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 20. Deferred tax assets/ (Deferred tax liabilities) (net) (Cont...)

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

#### As at 31 March 2022

Particulars	Net balance 1 April 2021	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2022
<b>Deferred tax liability</b>				
Deferred tax liabilities on account of difference between WDV of property, plant and equipment and other intangible assets as per books and under Income Tax Act, 1961.	(1,778.65)	13.46	-	(1,765.19)
Investments at fair value through profit or loss	(1,142.48)	415.36	-	(727.12)
<b>Less: Deferred tax assets</b>				
Provisions for employee benefits	171.01	40.45	(3.78)	207.68
Fair valuation of financial assets/ liabilities (including impact on Right of Use and Lease liability)	51.91	7.61	-	59.52
<b>Deferred tax assets/(liabilities)</b>	<b>(2,698.21)</b>	<b>476.88</b>	<b>(3.78)</b>	<b>(2,225.11)</b>

#### As at 31 March 2021

Particulars	Net balance 1 April 2020	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2021
<b>Deferred tax liability</b>				
Deferred tax liabilities on account of difference between WDV of property, plant and equipment and other intangible assets as per books and under Income Tax Act, 1961.	(1,732.80)	(45.85)	-	(1,778.65)
Investments at fair value through profit or loss	(882.34)	(260.14)	-	(1,142.48)
<b>Less: Deferred tax assets</b>				
Provisions for employee benefits	132.44	47.14	(8.57)	171.01
Fair valuation of financial assets/ liabilities (including impact on Right of Use and Lease liability)	41.13	10.78	-	51.91
<b>Deferred tax assets/(liabilities)</b>	<b>(2,441.57)</b>	<b>(248.07)</b>	<b>(8.57)</b>	<b>(2,698.21)</b>

## 21. Other liabilities - Non Current

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred income settlement guarantee fund	9.34	8.29
<b>Total</b>	<b>9.34</b>	<b>8.29</b>

## 22. Trade Payables

Particulars	As at 31 March 2022	As at 31 March 2021
-Total outstanding dues of micro enterprises and small enterprises*	4.75	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	63,511.85	16,454.40
<b>Total</b>	<b>63,516.60</b>	<b>16,454.40</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 22. Trade Payables (Cont...)

Ageing for trade payables outstanding as at 31 March 2022 is as follows:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME*	4.75	-	-	-	4.75
Others	63,331.05	147.47	22.17	11.16	63,511.85
<b>Total</b>	<b>63,335.80</b>	<b>147.47</b>	<b>22.17</b>	<b>11.16</b>	<b>63,516.60</b>

Ageing for trade payables outstanding as at 31 March 2021 is as follows:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME*	-	-	-	-	-
Others	16,399.14	23.64	18.13	13.49	16,454.40
<b>Total</b>	<b>16,399.14</b>	<b>23.64</b>	<b>18.13</b>	<b>13.49</b>	<b>16,454.40</b>

\* Disclosure in respect of the amounts payable to Micro and Small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier	4.75	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued for unpaid principal at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

## 23. Other financial liabilities - Current

Particulars	As at 31 March 2022	As at 31 March 2021
Deposits towards settlement guarantee fund (Refer Note 47)	26,811.15	13,498.05
Deposit from employees	4.84	-
Creditors for capital goods	71.19	218.83
Unpaid dividends	15.81	16.08
Other liabilities	-	0.01
Employee related payables	1,040.73	836.53
Deposit from clearing and settlement bankers	1,300.00	1,600.00
<b>Total</b>	<b>29,243.72</b>	<b>16,169.50</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 24. Current tax liabilities (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Current tax liabilities (net)	342.42	422.78
<b>Total</b>	<b>342.42</b>	<b>422.78</b>

## 25. Provisions - Current

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Provision for employee benefits (Refer Note 35)</b>		
Gratuity	3.78	3.22
Compensated absences	41.97	6.75
<b>Total</b>	<b>45.75</b>	<b>9.97</b>

## 26. Other liabilities - Current

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred income settlement guarantee fund	17.95	15.60
Unamortised subscription fee income	774.58	620.15
Advance from customers	300.43	453.43
Statutory dues payables	927.45	738.29
<b>Total</b>	<b>2,020.41</b>	<b>1,827.47</b>

## 27. Revenue from operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Sale of services</b>		
Transaction fees	40,377.10	29,879.23
Annual subscription fees	2,013.51	1,761.48
Membership, processing and transfer fees	143.20	46.40
	<b>42,533.81</b>	<b>31,687.11</b>
<b>Other operating revenues</b>		
Amortisation of deferred settlement guarantee fund	21.13	24.27
<b>Total</b>	<b>42,554.94</b>	<b>31,711.38</b>

## 28. Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income from bank deposits	143.12	159.26
Interest income from financial assets at amortised cost (security deposits)	11.77	55.81
Other interest income	1,217.66	113.20
Dividend income	37.54	-
Net gain on sale of investments	1,172.32	634.33
Fair value gain on investments	2,306.15	2,677.87

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 28. Other income (Cont...)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Provision/liabilities no longer required written back	13.05	29.82
Business support services	294.29	335.56
Miscellaneous income	36.91	21.32
<b>Total</b>	<b>5,232.81</b>	<b>4,027.17</b>

## 29. Employee benefits expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	3,187.90	3,458.77
Contribution to provident fund	144.07	119.45
Gratuity	94.35	98.14
Compensated absences	157.11	103.94
Employee stock options expense (refer note 46)	25.39	27.93
Staff welfare	109.25	89.53
<b>Total</b>	<b>3,718.07</b>	<b>3,897.76</b>

## 30. Finance Costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on financial liabilities (settlement guarantee fund) measured at amortised cost	22.86	22.79
<b>Interest</b>		
- on bank overdraft	11.11	7.87
- on members security guarantee fund	57.30	55.60
- on lease liability	106.22	119.21
- on others	-	0.01
<b>Total</b>	<b>197.49</b>	<b>205.48</b>

## 31. Depreciation and Amortisation

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment	386.31	373.53
Amortisation of Right-of-use assets	216.04	343.13
Amortisation of intangible assets	1,030.14	868.89
<b>Total</b>	<b>1,632.49</b>	<b>1,585.55</b>

## 32. Other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Rent	99.47	113.44
Technology	469.17	254.42
Business promotion/ development	49.68	116.31



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 32. Other expenses (Cont...)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Training and coaching	38.75	13.12
Legal and professional *	435.27	396.73
Travelling and conveyance	55.22	5.45
Market Communication	93.90	80.37
Insurance	9.33	11.48
Communication	80.57	83.54
CERC regulatory fee	69.00	56.06
Printing and stationery	5.19	1.98
Directors sitting fees	49.20	90.60
Repairs and maintenance - building	90.10	84.15
Repairs and maintenance - others	11.92	8.65
Electricity	19.41	28.88
Loss on sale/write off of property, plant and equipment ('PPE')	-	19.17
Rates and taxes	159.92	10.28
Contribution towards corporate social responsibility	456.38	420.00
Miscellaneous	86.56	75.60
<b>Total</b>	<b>2,279.04</b>	<b>1,870.23</b>
* Include Audit Fees as follows :		
-Statutory audit fee	20.00	20.00
-Other services	13.50	13.50
-Reimbursement of expenses	2.16	1.53
<b>Total</b>	<b>35.66</b>	<b>35.03</b>

## 33. Income taxes

This note provides an analysis of the company's income tax expense, and how the tax expense is affected by non-assessable and non-deductible items.

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Current tax expense</b>		
Current tax	10,107.15	6,577.47
<b>Total current tax expense</b>	<b>10,107.15</b>	<b>6,577.47</b>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	(476.87)	248.07
<b>Total deferred tax expense</b>	<b>(476.87)</b>	<b>248.07</b>
Income tax expense for current year	9,630.28	6,825.54
Tax for earlier years	79.16	5.17
<b>Total income tax expense charged to P&amp;L</b>	<b>9,709.44</b>	<b>6,830.71</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 33. Income taxes (Cont...)

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

Particulars	31 March 2022			31 March 2021		
	Before tax	Tax expense/(benefit)	Net of tax	Before tax	Tax expense/(benefit)	Net of tax
Re-measurement gain/(loss) on defined benefit obligations	15.03	(3.78)	11.25	34.03	(8.57)	25.46
	<b>15.03</b>	<b>(3.78)</b>	<b>11.25</b>	<b>34.03</b>	<b>(8.57)</b>	<b>25.46</b>

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

Particulars	As at 31 March 2022	As at 31 March 2021
Profit before income tax expense	39,960.66	28,179.53
Enacted tax rates in India	25.17%	25.17%
Computed expected tax (expenses)/credit	10,058.10	7,092.79
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible tax expenses	145.14	113.80
Tax-exempt income	(10.49)	(7.45)
Others	(562.47)	(373.60)
<b>Income tax expense</b>	<b>9,630.28</b>	<b>6,825.54</b>

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

### (a) Basic and diluted earnings per share (in ₹)

Particulars	As at 31 March 2022	As at 31 March 2021
Basic earnings per share*	3.38	2.38
Diluted earnings per share*	3.38	2.38
Nominal value per share	1.00	1.00

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

Particulars	As at 31 March 2022	As at 31 March 2021
Profit attributable to equity holders	30,251.22	21,348.82

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

Particulars	As at 31 March 2022	As at 31 March 2021
Weighted average number of equity shares used in calculation of basic earnings per share	89,58,53,573	29,83,99,071
Add: Number of potential equity shares in respect of stock option	1,39,469	1,38,149
Weighted average number of equity shares used in calculation of diluted earnings per share	89,59,93,042	29,85,37,220

\* During the current year, the Company has issued 599,113,022 equity shares of Re.1 each as fully paid-up bonus shares in the ratio of 2 (Two) equity share for every 1 (One) equity share outstanding on the record date i.e. 6 December 2021. Accordingly, as required by Ind AS-33 Earnings per share, the EPS of current and previous period have been restated.

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 35. Employee benefits

### (i) Defined contribution plans:

#### Provident fund

The Company makes contributions, determined as a specified percentage of employees' 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 ₹ 144.07 (31 March 2021 ₹ 119.45).

### (ii) Defined benefit plans:

#### Gratuity

The Company has a defined benefit plan that provides for 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:

Particulars	As at 31 March 2022	As at 31 March 2021
<b>a) Net defined benefit liability:</b>		
Gratuity (unfunded)	381.75	362.13
	<b>381.75</b>	<b>362.13</b>
<b>b) Classification of defined benefit liability in current and non-current:</b>		
Non-current	377.97	358.91
Current	3.78	3.22

### c) Reconciliation of present value of defined benefit obligation:

Particulars	31 March 2022	31 March 2021
Balance at the beginning of the year	362.14	320.82
Acquisition adjustment	(0.78)	(16.54)
Benefits paid	(58.93)	(6.25)
Current service cost	69.87	76.26
Interest cost	24.48	21.88
Actuarial (gain)/ loss recognised in other comprehensive income		
- Demographic assumptions	-	-
- Financial assumptions	(31.04)	3.25
- Experience adjustment	16.01	(37.28)
<b>Balance at the end of the year</b>	<b>381.75</b>	<b>362.14</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 35. Employee benefits (Cont...)

### d) Expense recognised in profit or loss:

Particulars	31 March 2022	31 March 2021
Current service cost	69.87	76.26
Interest Cost	24.48	21.88
<b>Total</b>	<b>94.35</b>	<b>98.14</b>

### e) Remeasurement recognised in other comprehensive income:

Particulars	31 March 2022	31 March 2021
Actuarial (gain)/ loss on defined benefit obligation	(15.03)	(34.03)
<b>Total</b>	<b>(15.03)</b>	<b>(34.03)</b>

### f) Actuarial assumptions

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

Particulars	31 March 2022	31 March 2021
Discount rate	7.26%	6.76%
Salary escalation rate	10.00%	10.00%
Retirement age (years)	60	60
Mortality rates inclusive of provision for disability	IALM(2012-14)	IALM(2012-14)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### g) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31 March 2022		31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(28.60)	31.52	(26.59)	29.42
Salary escalation rate (0.5% movement)	30.55	(28.05)	28.37	(25.95)

The sensitivity analysis is based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these have not been calculated.

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



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 35. Employee benefits (Cont...)

### h) Risk exposure:

#### i) Changes in discount rate

A decrease in discount yield will increase plan liabilities.

#### ii) Mortality table

The gratuity plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in plan liabilities.

### Expected maturity analysis of gratuity in future years

Particulars	Less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
As at 31 March 2022	3.78	6.24	19.39	352.34	381.75
As at 31 March 2021	3.22	6.00	51.29	301.62	362.13

Expected contributions to post-employment benefit plans for the next annual reporting period as on 31 March 2022 are ₹ 116.21 (31 March 2021: ₹ 111.15).

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 19.81 years (31 March 2021: 19.73 years).

## 36. Leases

### i) Leases where company is a lessee:

The Company has entered into lease transactions mainly for leasing of office premise for a period between 1 to 9 years. The terms of lease include terms of renewal, increase in rents in future periods, which are in line with general inflation, and terms of cancellation. None of the leases consists of any variable lease payment terms. Extension and termination options are included in a number of property lease arrangements of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable based on mutual consent of the Company and respective lessors and uses to assess the short term leases. The aggregate depreciation expense on Right of Use assets is included under depreciation and amortization expense in the Statement of Profit and Loss. (Also, refer note-4(a)).

### (A) The movement in lease liabilities during the year ended 31 March 2022 is as follows :

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	1,173.15	1,390.96
Additions during the year	-	34.72
Finance cost accrued during the year	106.22	119.21
Payment of lease liabilities during the year	(278.51)	(371.74)
<b>Closing Balance</b>	<b>1,000.86</b>	<b>1,173.15</b>

### (B) The break-up of current and non-current lease liabilities as at 31 March 2022 is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Current lease liabilities	201.32	172.29
Non-current lease liabilities	799.54	1,000.86
<b>Total</b>	<b>1,000.86</b>	<b>1,173.15</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

### 36. Leases (Cont...)

#### (C) Discount rate

Discount rate at which the lease liability is recognised as on the initial application is 10%

#### (D) Amount recognised in statement of profit and loss during the year for:

Particulars	As at 31 March 2022	As at 31 March 2021
Depreciation and Amortisation	216.04	343.13
Interest expenses	106.22	119.21
Expenses related to low value assets	-	-
Expenses related to short term leases	99.47	113.44

#### (E) Actual cash outflow during the year for:

Particulars	As at 31 March 2022	As at 31 March 2021
Rent paid during the year	377.98	485.18

### 37. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 165.03 (previous year ₹ 463.12).

### 38. 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. 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 financial year 2018-19, the Company had received a show cause notice from the service tax department for reversal of Cenvat credit of ₹ 170.88. During the year, against this show cause notice, the Additional commissioner (Adj.) CGST Delhi has issued an order raising demand of ₹ 170.88 and also imposed penalty of equivalent amount of ₹ 170.88, against which the Company had filed an appeal before the Hon'ble Custom, Excise & Service Tax appellate Tribunal, Delhi (CESTAT). As on date, matter is pending for hearing before CESTAT. 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.

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 39. Corporate social responsibility

A) Pursuant to section 135 of the Companies Act, 2013, the Company has incurred expenditure in respect of various projects/ programs as covered under Schedule VII of the Companies Act. Details of expenses incurred are given below:-

### 31 March 2022

- Gross amount required to be spent by the Company during the year was ₹ 456.38.
- The Company has brought forward ₹ 546.84 excess CSR spend from previous year and further spend ₹ 504.73 towards CSR activities during the year FY22. Out of total amount of ₹ 1,051.57, the Company utilised ₹ 456.38 toward current year CSR obligation, and carried forward balance ₹ 595.19 for set off in subsequent years. Amount approved by the Board to be spent during the year 2021-22 was ₹ 504.73 (including administrative overheads).
- Amount recognised in P&L during the year on

Particulars	In cash	Yet to be paid	Total
Construction/acquisition of any assets	-	-	-
On purpose other than (i) above	456.38	-	456.38
<b>Total</b>	<b>456.38</b>	<b>-</b>	<b>456.38</b>

### 31 March 2021

- Gross amount required to be spent by the Company during the year was ₹ 415.73.
- Amount approved by the Board to be spent during the year 20-21 was ₹ 966.84, out of which ₹ 546.84 approved by the Board to be carried forward for next years.
- Amount recognised in P&L during the year on

Particulars	In cash	Yet to be paid	Total
Construction/acquisition of any assets	-	-	-
On purpose other than (i) above	420.00	-	420.00
<b>Total</b>	<b>420.00</b>	<b>-</b>	<b>420.00</b>

## B) Details of Amount available for set off in succeeding financial years

S.No	Particulars	As at 31 March 2022	As at 31 March 2021
(i)	Two percent of average net profit of the company as per section 135(5)	456.38	415.73
(ii)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	546.84	-
(iii)	Total amount spent for the year	504.73	966.84
(iv)	Amount utilised for current year obligation from carried forward balance	(434.65)	-
(v)	Amount utilised for current year obligation from current year spent	(21.73)	(420.00)
(vi)	Amount available for set off in succeeding financial years [(ii)+(iii)+(iv)+(v)]	595.19	546.84

## 40. 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.

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 40. Fair Value Measurements (Cont...)

As at 31 March 2022

Particulars	Carrying amount				Fair value		
	FVTPL	Amortised cost	At Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
Investments (bonds)	-	4,576.32	-	4,576.32	-	-	4,671.22
Investments in Units of InvIT	2,026.71	-	-	2,026.71	2,026.71	-	-
Investments in Equity of Associate	-	-	3,546.00	3,546.00	-	-	-
Market Linked Debentures (MLD)	315.51	-	-	315.51	-	-	315.51
Other financial assets	-	130.52	-	130.52	-	-	-
<b>Current</b>							
Investments	-	-	-	-	-	-	-
- Mutual funds	1,04,585.56	-	-	1,04,585.56	-	1,04,585.56	-
- Commercial paper	2,456.70	-	-	2,456.70	-	-	2,456.70
- Market Linked Debentures (MLD)	7,160.37	-	-	7,160.37	-	-	7,160.37
Trade receivables	-	8,737.11	-	8,737.11	-	-	-
Cash and cash equivalents	-	22,417.55	-	22,417.55	-	-	-
Other Bank balances	-	846.31	-	846.31	-	-	-
Other financial assets	-	324.72	-	324.72	-	-	-
	<b>1,16,544.85</b>	<b>37,032.53</b>	<b>3,546.00</b>	<b>1,57,123.37</b>	<b>2,026.71</b>	<b>1,04,585.56</b>	<b>14,603.81</b>
<b>Financial liabilities</b>							
<b>Non-current</b>							
Lease liability	799.54	-	-	799.54	-	-	799.54
Other financial liabilities	-	-	-	-	-	-	-
- Settlement guarantee fund #	-	49.22	-	49.22	-	-	49.22
- Deposits from employees	-	45.40	-	45.40	-	-	-
<b>Current</b>							
Trade payables	-	63,516.60	-	63,516.60	-	-	-
Lease liability	201.32	-	-	201.32	-	-	201.32
Other financial liabilities	-	-	-	-	-	-	-
- Settlement guarantee fund #	-	26,811.15	-	26,811.15	-	-	26,811.15
- Others (excluding settlement guarantee fund)	-	2,432.57	-	2,432.57	-	-	-
	<b>1,000.86</b>	<b>92,854.94</b>	<b>-</b>	<b>93,855.80</b>	<b>-</b>	<b>-</b>	<b>27,861.23</b>



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 40. Fair Value Measurements (Cont...)

As at 31 March 2021

Particulars	Carrying amount				Fair value		
	FVTPL	Amortised cost	At Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
Investments (bonds)	-	4,582.80	-	4,582.80	-	-	4,582.80
Investments in Equity of Subsidiary Company	-	-	3,915.38	3,915.38	-	-	-
Mutual fund	1,992.94	-	-	1,992.94	-	1,992.94	-
Market Linked Debentures (MLD)	4,640.45	-	-	4,640.45	-	-	4,640.45
Other financial assets	-	320.84	-	320.84	-	-	-
<b>Current</b>							
<b>Investments</b>							
- Mutual funds	55,872.92	-	-	55,872.92	-	55,872.92	-
Trade receivables	-	319.55	-	319.55	-	-	-
Cash and cash equivalents	-	4,522.82	-	4,522.82	-	-	-
Bank balances other than cash and cash equivalent	-	3,214.57	-	3,214.57	-	-	-
Other financial assets	-	297.63	-	297.63	-	-	-
	<b>62,506.31</b>	<b>13,258.21</b>	<b>3,915.38</b>	<b>79,679.90</b>	<b>-</b>	<b>57,865.86</b>	<b>9,223.25</b>
<b>Financial liabilities</b>							
<b>Non-current</b>							
Lease liability	1,000.86	-	-	1,000.86	-	-	1,000.86
<b>Other financial liabilities</b>							
- Settlement guarantee fund #	-	119.05	-	119.05	-	-	119.05
- Deposits from employees	-	27.30	-	27.30	-	-	-
<b>Current</b>							
Trade payables	-	16,454.40	-	16,454.40	-	-	-
Lease liability	172.29	-	-	172.29	-	-	172.29
<b>Other financial liabilities</b>							
- Settlement guarantee fund #	-	13,498.05	-	13,498.05	-	-	13,498.05
- Others (excluding settlement guarantee fund)*	-	2,671.45	-	2,671.45	-	-	-
	<b>1,173.15</b>	<b>32,770.25</b>	<b>-</b>	<b>33,943.40</b>	<b>-</b>	<b>-</b>	<b>14,790.25</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 40. Fair Value Measurements (Cont...)

The carrying amounts of the above mentioned financial assets and financial liabilities approximate their fair value due to their short-term nature.

#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 using an appropriate discounting rate

## 41. Financial Risk Management

The Company's activities expose it to the followings risks arising from 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 ("the Board") 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.

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. 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 invests in deposits with banks with high credit ratings assigned by domestic credit agencies. Investments primarily include investments in mutual fund units, fixed maturity plans and investment in bonds with fixed interest income. The management actively monitors the net asset value of investments in mutual funds, interest rate and maturity period of these investments. The Company does not expect the counterparty to fail in meeting its obligations. However, investment in fixed maturity plans of mutual funds are exposed to uncertainties as regards to fulfilment of obligations by counter-party. The Company has not experienced any significant impairment losses in respect of any of the investments. Security deposit given for facilities taken on rent will be returned to the Company at the end of lease term. Hence, the credit risk associated with such deposits is relatively low. Accordingly, no provision for expected credit loss has been provided on these financial assets.

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 41. Financial Risk Management (Cont...)

Credit risk on trade receivable is also very limited. The Company mitigates its exposure to risks relating to trade receivables from its members / clients by requiring them to comply with the Company's established financial requirements and criteria for admission as members / clients. As a process, the Company collects the amounts from buyer for purchase of power, including transmission and other charges and exchange fees on the day of trade and pays out the amount to seller for sale of power on the second day from the day of trade (one day after actual delivery). Further, transmission charges etc. are paid to system operator on the next day from the day of trade. Further, the Company also holds and maintain settlement guarantee funds for settlement of defaults by any of the members/ clients.

### (i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	31 March 2022	31 March 2021
<b>Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)</b>		
Investments (Non current and current)	1,24,667.18	71,004.49
Other non-current financial assets	130.52	320.84
Cash and cash equivalents	22,417.55	4,522.82
Other Bank balance	846.31	3,214.57
Other current financial assets	324.72	297.63
<b>Total</b>	<b>1,48,386.28</b>	<b>79,360.35</b>
<b>Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)</b>		
Trade receivables	8,737.11	319.55

### (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 2022	-	8,737.05	-	-	-	0.06	8,737.11
Gross carrying amount as 31 March 2021	-	316.48	-	-	-	3.07	319.55

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 41. Financial Risk Management (Cont...)

### 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, comprising 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 2022	31 March 2021
<b>Floating-rate borrowings</b>		
Overdraft (including SBLC) facilities from banks*	17,180.00	5,180.00
<b>Total</b>	<b>17,180.00</b>	<b>5,180.00</b>

\* the overdraft (including SBLC) 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 2022

Contractual maturities of financial liabilities	Carrying amount	Contractual cash flow					
		3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Trade payables	63,516.60	63,516.60	-	-	-	-	63,516.60
Deposits towards settlement guarantee fund- Non current	49.22	-	-	60.00	76.00	-	136.00
Deposits towards settlement guarantee fund- Current	26,811.15	26,706.15	105.00	-	-	-	26,811.15
Deposit from employees- Non Current	45.40	-	-	2.08	43.32	-	45.40
Deposit from employees- Current	4.84	-	4.84	-	-	-	4.84
Employee related payables	1,040.73	1,040.73	-	-	-	-	1,040.73
Deposit from clearing and settlement bankers	1,300.00	1,300.00	-	-	-	-	1,300.00
Creditors for capital goods	71.19	71.19	-	-	-	-	71.19
Unpaid dividend	15.81	15.81	-	-	-	-	15.81
Lease liability	1,000.86	75.96	213.94	320.28	597.36	-	1,207.54
<b>Total</b>	<b>93,855.80</b>	<b>92,726.44</b>	<b>323.78</b>	<b>382.36</b>	<b>716.68</b>	<b>-</b>	<b>94,149.26</b>



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 41. Financial Risk Management (Cont...)

31 March 2021

Contractual maturities of financial liabilities	Carrying amount	Contractual cash flows					Total
		3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Trade payables	16,454.40	16,454.40	-	-	-	-	16,454.40
Deposits towards settlement guarantee fund- Non current	119.05	-	-	105.00	60.00	-	165.00
Deposits towards settlement guarantee fund- Current	13,498.05	13,423.05	75.00	-	-	-	13,498.05
Deposit from employees- Non Current	27.30	-	-	8.92	18.38	-	27.30
Employee related payables	836.53	836.53	-	-	-	-	836.53
Deposit from clearing and settlement bankers	1,600.00	1,600.00	-	-	-	-	1,600.00
Creditors for capital goods	218.83	218.83	-	-	-	-	218.83
Unpaid dividend	16.08	16.08	-	-	-	-	16.08
Other liabilities	0.01	0.01	-	-	-	-	0.01
Lease liability	1,173.15	75.96	202.55	289.90	917.64	-	1,486.05
<b>Total</b>	<b>33,943.40</b>	<b>32,624.86</b>	<b>277.55</b>	<b>403.82</b>	<b>996.02</b>	<b>-</b>	<b>34,302.25</b>

### Market risk

Market risk is the risk that future cash flows of financial instruments will fluctuate because of change in market price. Market comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### A. Currency risk

Currency Risk is the risk that the future cash flows of a financial instrument will fluctuate because of change in foreign exchange rates. The Company is not exposed to the effects of fluctuations in the prevailing foreign exchange rates on its financial position and cash flows since all financial assets / liabilities are receivable / payable in Indian currency.

#### B. Interest rate risk

Interest rate risk is the risk that future cash flows of financial instruments will fluctuate because of change in market interest rates. 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 2022	31 March 2021
<b>Financial Assets</b>		
Investments in bonds	4,576.33	4,582.80
Commercial paper	29,694.14	-
Bank deposits	830.50	3,400.58
<b>Total</b>	<b>35,100.97</b>	<b>7,983.38</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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

### 42. Capital Management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits 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, current investments and other bank balance. Adjusted equity refers to total equity and includes issued equity share capital and other equity comprising securities premium, retained earnings etc.

Particulars	As at 31 March 2022	As at 31 March 2021
Total Liabilities	99,278.25	39,579.64
Less : Cash and cash equivalents, current investments and Other bank balance	1,37,466.49	63,812.40
<b>Adjusted net debt (A)</b>	<b>(38,188.24)</b>	<b>(24,232.76)</b>
<b>Adjusted equity (B)</b>	<b>70,196.72</b>	<b>53,140.17</b>
<b>Adjusted net debt to adjusted equity ratio (A/B)</b>	<b>-54.40%</b>	<b>-45.60%</b>

### 43. Operating segments

The Company is a power exchange. The entire operations are governed by 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.

### 44. Additional Regulatory Information

#### Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year	% Variance	Reasons for variance
Current ratio (in times)	Total Current Assets	Total Current Liabilities	1.54	1.85	-16.68%	-
Return on equity (ROE) (in %)	Net Profits	Average Shareholder's Equity	49.05%	46.33%	5.88%	-
Trade receivables turnover ratio (in times)	Revenue from Operations excl. transaction fee	Avg. Trade Receivable excluding settlement balances receivable from members	179.50	114.71	56.48%	As revenue from operations (excluding transaction fees) is higher in comparison to previous year, ratio has improved.
Trade payables turnover ratio (in times)	Other expenses less non cash expense items	Average Trade Payables excluding settlement balances payable to members	4.95	4.23	16.97%	-
Net capital turnover ratio (in times)	Revenue from Operations	Working Capital	0.82	1.06	-22.67%	-
Net profit ratio (in %)	Net Profit	Revenue from Operations	63.30%	59.74%	5.97%	-
Return on capital employed (ROCE) (in %)	Earning before interest and taxes	Capital Employed	57.21%	53.42%	7.10%	-

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 44. Additional Regulatory Information (Cont...)

Ratio	Numerator	Denominator	Current Year	Previous Year	% Variance	Reasons for variance
Return on investment: Mutual Funds (in %)	Mutual Fund Income	Average Mutual Fund Investment	4.27%	6.29%	-32.10%	During FY21 there was higher than average return on Company' long duration mutual funds, this higher return was mainly due to significant rate cut by the RBI during FY21 (Repo rate 5.15% to 4.00%) and infusing high liquidity to support the economy from Covid -19 pandemic impact.
Return on investment: Fixed income instruments (in %)	Fixed Income	Average Investment in Fixed Income Instruments	7.35%	7.38%	-0.46%	-
Return on investment: Market linked Debentures (in %)	Market linked Debentures Income	Average Market linked Debentures Investment	7.86%	7.20%	9.30%	-
Return on investment: InvITs (in %)	Income related to InvITs	Average InvITs investment	41.17%	-	-	-

### Notes:

(a) Considering the nature of Company's business, the following ratios cannot be meaningfully calculated:

- (i) Debt service coverage ratio
- (ii) Inventory turnover ratio
- (iii) Debt-Equity ratio

## 45. Related Party Disclosures

a) List of Related parties:

i) Key Managerial Personnel (KMP):

Name	Relationship
Satyanarayan Goel (w.e.f. 19 February 2021)	Chairman & Managing Director
Satyanarayan Goel (till 18 February 2021)	Chairman & Non-Executive Director
Sudha Pillai	Independent Director
Kayyalathu Thomas Chacko	Independent Director
Tejpreet Singh Chopra	Independent Director
Gautam Dalmia	Non-Executive Director
Amit Garg	Non-Executive Director
Rajiv Srivastava (till 24 August 2020)	Managing director & CEO
Vineet Harlalka	Chief Financial Officer & Company Secretary

ii) Subsidiary

Indian Gas Exchange Limited (till 16 January 2022)

iii) Associate

Indian Gas Exchange Limited (w.e.f. 17 January 2022)

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 45. Related Party Disclosures (Cont...)

b) Transactions with the related parties are as follows:

Transactions during the year	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>i. Compensation to Key managerial personnel (S.N. Goel) - Chairman &amp; MD</b>		
Salary and wages <sup>1</sup>	364.00	32.76
Perquisites	0.48	-
<b>Compensation to Key managerial personnel (S.N. Goel) - Chairman &amp; Non-executive director</b>		
Commission <sup>2</sup>	-	195.01
Sitting fees	-	20.70
<b>ii. Compensation to Key managerial personnel (Rajiv Srivastava) - MD &amp; CEO</b>		
Salary & wages	-	379.20
Gratuity and leave encashment paid	-	10.02
Perquisites	-	0.24
<b>iii. Compensation to Key managerial personnel (Vineet Harlalka) - CFO &amp; CS</b>		
Salary & wages <sup>3</sup>	139.12	101.63
Leave encashment paid	-	3.72
Perquisites	0.43	0.49
<b>iv. Sitting fees</b>		
Tejpreet Singh Chopra	6.30	8.10
Sudha Pillai	15.30	23.70
K.T.Chacko	15.30	23.10
Amit Garg	12.30	15.00
<b>v. Transaction with Indian Gas Exchange Limited ('IGX')</b>		
(a) Investment in Equity shares	-	6,387.50
(b) Business support services to IGX:		
- Revenue	316.25	373.96
- Capital	13.19	3.45
(c) Reimbursement of expenses to IGX:		
- Revenue	4.31	42.69
- Capital	0.38	-

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 45. Related Party Disclosures (Cont...)

### Note:

Above amounts does not include gratuity and compensated absences (except actually paid) since these are determined for the Company as whole.

<sup>1</sup> Includes ₹ 180 lakhs towards provision for variable /special pay, payable post requisite approvals.( Previous year included ₹ 11.95 lakhs towards variable pay provision, against which ₹ 11.99 lakhs was paid in current year).

<sup>2</sup> Previous year included ₹ 97.07 lakhs towards variable commission, against which ₹ 97.29 lakhs was paid in current year.

<sup>3</sup> Includes ₹ 56.43 lakhs towards provision for variable /special pay, payable post requisite approvals.( Previous year included ₹ 26.54 lakhs towards variable pay provision, against which ₹ 42.09 lakhs was paid in current year).

c) Outstanding balances with related parties are as follows:

Particulars	31 March 2022	31 March 2021
<b>Payable to key managerial personnel</b>		
Satyanarayan Goel #	180.00	109.02
Vineet Harlalka #	56.43	26.54
<b>Recoverable from Associate Company</b>		
Indian Gas Exchange Limited	72.70	97.57

### Note:

#Shall be paid post requisite approvals.

## 46. Share based payment arrangements:

### a. Description of share-based payment arrangements

During the financial year 2010-2011, the Company had framed an Employee Stock Option Scheme - 2010 ("ESOP 2010"), which was duly approved by the Shareholders and Board of Directors of the Company. Accordingly, the Company allotted 606,572 number of equity shares of ₹ 10 each (post sub division equivalent to 6,065,720 of ₹ 1 each) to IEX ESOP Trust ("ESOP Trust") which 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 ₹ 10 each to nominal value of Re. 1 each, thereby all the numbers have been reinstated.

During the year the Company has issued bonus equity shares of Re.1 each as fully paid-up bonus shares in the ratio of 2 (Two) equity share for every 1 (One) equity share outstanding on the record date i.e 6 December 2021, accordingly the outstanding options were adjusted for this corporate action.

Detail of options granted by the IEX ESOP Trust ("ESOP Trust") is as under:

Sl No	Grant Date	No. of Options	Exercise Price	Vesting Conditions	Vesting Period	Method of Settlement
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	12 months from the date of vesting	Equity



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

### 46. Share based payment arrangements (Cont..)

Sl No	Grant Date	No. of Options	Exercise Price	Vesting Conditions	Vesting Period	Method of Settlement
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
4	16/12/2011*	1,00,000	53	-55% on completion of first year -45% on completion of second year	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
13	15/12/2021***	1,50,000	272	25% on completion of first year 25% on completion of second year 25% on completion of third year 25% on completion of fourth year	12 months from the date of vesting	Equity
<b>Total</b>		<b>10,49,900</b>				

\* each option entitle the holder to get one equity share of ₹ 10 each (before sub-division of equity shares of the Company from face value of ₹ 10 to ₹ 1)

\*\* each option entitle the holder to get one equity share of ₹ 1 each (post sub-division of equity shares of the Company from face value of ₹ 10 to ₹ 1)

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 46. Share based payment arrangements (Cont..)

\*\* The outstanding ESOPs & Exercise Price (as on record date of bonus issue) were adjusted for issuance of bonus shares as per following details:

Grant Date	Options Granted	Exercise Price	Options vested & exercised till 06-Dec-21	Options outstanding on 07-Dec-21	Options outstanding on 07-Dec-21 were adjusted for Bonus Shares 2:1	Exercise Price post Bonus adjustment
		Pre-Bonus				
1 15-Nov-18	100,000	160	70,000	30,000	90,000	54
2 18-Dec-18	50,000	166	30,000	20,000	60,000	56
3 5-Aug-19	100,000	142	40,000	60,000	120,000	48

\*\*\* granted post issuance of Bonus shares

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 (₹)
<b>Employee stock option plan -2010</b>		
<b>Pre-sub division</b>		
21-Jan-14	Black Scholes option pricing model	21.24
24-Jun-14	Black Scholes option pricing model	58.86
17-Apr-17	Black Scholes option pricing model	Nil
19-Jun-17	Black Scholes option pricing model	75.25
16-Aug-17	Black Scholes option pricing model	83.73
<b>Post-sub division</b>		
15-Nov-18	Black Scholes option pricing model	41.90
18-Dec-18	Black Scholes option pricing model	42.57
05-Aug-19	Black Scholes option pricing model	28.24
15-Dec-21	Black Scholes option pricing model	63.77

The inputs used in the measurement of grant date fair value are as follows:

Particulars	Share Price (₹)	Exercise Price (₹)	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%

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

### 46. Share based payment arrangements: (Cont...)

16/08/2017*	647	750	25.54%	1.5 to 3.88 Years	Based on dividend declared prior to the date of grant	6.32%
15/11/2018**	158.5	160	24.25%	2.5 to 4.51 years	Based on dividend declared prior to the date of grant	7.45%
18/12/2018**	164.55	166	24.55%	2.5 to 4.51 years	Based on dividend declared prior to the date of grant	7.16%
05/08/2019**	142	142	24.55%	1.5 to 3.5 years	Based on dividend declared prior to the date of grant	6.13%
15/12/2021**	272	272	23.29%	2 to 5 years	Based on dividend declared prior to the date of grant	5.51%

\* each option entitle the holder to get one equity share of ₹ 10 each (before sub-division of equity shares of the Company from face value of ₹ 10 to ₹ 1)

\*\* each option entitle the holder to get one equity share of ₹ 1 each (post sub-division of equity shares of the Company from face value of ₹ 10 to ₹ 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 zero coupon yield on Government bonds. Expected volatility calculation is based on the standard deviations of historical stock prices.

#### c. Effect of employee stock option scheme on the Statement of Profit and loss:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Employee stock option expenses	25.39	27.93
<b>Total</b>	<b>25.39</b>	<b>27.93</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 2022**		31 March 2021**	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Options outstanding as at the beginning of the year (including exercisable)	70,000	160	1,00,000	160
	35,000	166	50,000	166
	70,000	142	1,00,000	142
	54,400	75	1,59,800	75
<b>Pre Bonus from 1 April 2021 to 06 December 2021</b>				
Less: Options vested and exercised	40,000	160	30,000	160
	54,400	75	1,05,400	75
	15,000	166	15,000	166
	10,000	142	30,000	142
Options outstanding as on 06 December 2021 (Record date for Bonus Issue)	30,000	160	-	-
	20,000	166	-	-
	60,000	142	-	-

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 46. Share based payment arrangements: (Cont...)

Particulars	31 March 2022**		31 March 2021**	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
<b>Post Bonus from 07 December 2021 to 31 March 2022:</b>				
Options outstanding on record date were adjusted for issuance of bonus shares in the ratio of 2:1	90,000	54	-	-
	60,000	56	-	-
	1,80,000	48	-	-
Add: Options granted during the year	1,50,000	272	-	-
Less: Options forfeited and expired during the year	-	-	-	-
Less: Options vested and exercised post bonus (7 December 2021 till 31 March 2022)	90,000	54	-	-
	60,000	48	-	-
	-	-	54,400	75
Options outstanding as at the end of the year (including exercisable)	60,000	56	70,000	160
	1,20,000	48	35,000	166
	1,50,000	272	70,000	142
	-	-	54,400	75
Exercisable at the end of the year (included under option outstanding as well)	-	-	30,000	160
	60,000	56	15,000	166

\*\* representing figures post-sub-division adjustment of equity shares, each option entitle the holder to get one equity share of ₹ 1 each (post sub-division of equity shares of the Company from face value of ₹ 10 to ₹ 1)

The options outstanding at 31 March 2022 have an exercise price in the range of ₹ 48 to ₹ 272, each option entitle the holder to get one equity share of ₹ 1 each (31 March 2021: ₹ 75 to ₹ 166, each option entitle the holder to get one equity share of ₹ 1 each) and a weighted average remaining contractual life of 2.27 years (31 March 2021: 0.80 years).

The weighted average share price at the date of exercise for share options exercised in 2021-22 was ₹120.52 for 1,19,400 shares vested prior to issuance of Bonus shares and ₹51.6 for 1,50,000 shares vested post issuance of Bonus shares ₹ 1 each (2020-21: ₹ 107.84 for 180,400 shares of ₹ 1 each).

**47.** 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 ₹ 26,860.37 (previous year ₹ 13,617.10) and same has been disclosed under note 23 - Other current financial liabilities i.e. ₹ 26,811.15 (previous year ₹ 13,498.05) under Deposits towards Settlement Guarantee Fund and note 18 - Other non current financial liabilities - Deposits towards Settlement Guarantee Fund i.e. ₹ 49.22 (previous year ₹ 119.05). 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 ₹ 1,605.00 (previous year ₹ 1,405.00) which does not form part of the Balance Sheet.

**48.** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

- 49.** On 17 January 2022, the Company has executed a transaction for sale of 4.93% stake in Indian Gas Exchange Limited (IGX), to Indian Oil Corporation Limited (IOCL) consisting of 3,693,750 equity shares, having a face value of ₹10 each. This transaction has consequently resulted in cessation of Holding-Subsidiary Relationship between Indian Energy Exchange Limited and Indian Gas Exchange Limited from that date.
- 50.** In view of pandemic related to COVID-19, the Company has considered internal and external information and has performed its own analysis based on current estimates in assessing the recoverability of its investment, right of assets use 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

Place : New Delhi

Date : 27 April 2022

For and on behalf of the Board of Directors of

**Indian Energy Exchange Limited**

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 27 April 2022

Sd/-

**Vineet Harlalka**

Chief Financial Officer &

Company Secretary



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# Consolidated Financial Statements

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Indian Energy Exchange Limited

### Report on the Audit of Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of Indian Energy Exchange Limited (hereinafter referred to as the "Holding Company") and its subsidiary, IEX ESOP Trust ("the Trust") (Holding Company and its subsidiary together referred to as "the Group") and its associate, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate financial statements of the Trust which was audited by the other auditor, 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, and its associate as at 31 March 2022, of its consolidated

profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

#### 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, and its associate 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 report of the other auditor referred to in paragraph (a) of the "Other Matters" section 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

## 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 27 to the Consolidated Financial Statements

The key audit matter	How the matter was addressed in our audit
<p>The Holding Company being an electricity exchange is regulated by the Central Electricity Regulatory Commission (CERC). The CERC has issued regulations, which govern the working of the exchange and exchange activities are regularly monitored by the CERC. Accordingly, revenue earned in respect of electricity traded on the exchange and related services is governed by rules framed by CERC.</p> <p>The Holding Company also earns revenue by means of membership and subscription fee charged to its members.</p> <p>Revenue in respect of electricity traded on the exchange and related services is derived from customers who settle within the agreed terms and conditions as laid down by the CERC and the related bylaws of the Holding Company.</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>Assessing the design and implementation of key internal financial controls over recognition of revenue.</li> <li>Carrying out the test of operating effectiveness of above-mentioned controls.</li> <li>Testing on a sample basis the revenue recognized with the amounts invoiced to customers and the subsequent receipt of payment from those customers.</li> <li>Comparing the fee charged for electricity traded (buy/sell) on the exchange with the per unit rates that have been agreed with the respective members.</li> <li>In respect of a significant portion of the revenue related to electricity traded on the exchange, compared the data on volume traded with the figures mentioned in the monthly reports published by CERC.</li> <li>Testing subsequent settlement of receipts/ payments due from/ to customers arising out of trades done before the year-end.</li> </ul>

## 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 consolidated financial statements and our auditor's report thereon.

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'/ Board of Trustees' 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 associate 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 Holding Company/ Board of Trustees of the trust included in the Group and the respective Management and Board of Directors of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/ trust and for preventing and detecting frauds and



## INDEPENDENT AUDITOR'S REPORT

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 Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the Holding Company/ Board of Trustees of the Trust included in the Group and respective Management and Board of Directors of its associate are responsible for assessing the ability of each company/trust 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/Board of Trustees either intends to liquidate the respective companies/trust or to cease operations, or has no realistic alternative but to do so.

The respective Management and Board of Directors of the Holding Company/ Board of Trustees of the Trust included in the Group and respective Management and Board of Directors of its associate is responsible for overseeing the financial reporting process of each company/trust.

### 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 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 made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting 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 and its associate 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 statements of such entities

## INDEPENDENT AUDITOR'S REPORT

or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entity 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 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.

### Other Matters

a. We did not audit the financial statements one of the Trust, whose financial statements reflect total assets (before consolidation adjustments) of ₹1,305.77 lakhs as at 31 March 2022, total revenues (before consolidation adjustments) of ₹315.45 lakhs and net cash flows (before consolidation adjustments)

amounting to ₹29.02 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the Trust, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the Trust is based solely on the report of the other auditor.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India 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, based on our audit and on the consideration of report of the other auditor on separate financial statements of the Trust which was audited by other auditor, as noted in the "Other Matters" paragraph, 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 report of the other auditor.
  - 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.

## INDEPENDENT AUDITOR'S REPORT

e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and its associate company, none of the directors of the Holding Company and its associate company incorporated in India is disqualified as on 31 March 2022 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 associate 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the Trust as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group and its associate. Refer Note 38 to the consolidated financial statements.

b. The Group and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its associate company incorporated in India during the year ended 31 March 2022.

d. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its associate company incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on

behalf of the Holding Company or its associate company incorporated in India or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ii. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its associate company and incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its associate company incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e. The dividend declared or paid during the year by the Holding Company incorporated in India is in compliance with Section 123 of the Act. The associate company incorporated in India has neither declared nor paid any dividend during the year.

3. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its director is in accordance with the provisions of Section 197 of the Act. The remuneration paid to director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act.

However, as mentioned in note 52 to the consolidated financial statements for the year ended 31 March 2022, managerial remuneration paid to Managing Director & CEO of the associate company amounting to ₹95.11 lakhs exceeded the prescribed limits under Section 197 read with Schedule V to the Companies Act, 2013 by ₹60.59 lakhs. As per the provisions of the Act, the excess remuneration

## INDEPENDENT AUDITOR'S REPORT

is subject to approval of the shareholders which the associate company proposes to obtain in the forthcoming Annual General Meeting.

The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act 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: 22506777AHWSCK8596

Place: New Delhi

Date: 27 April 2022

### Annexure A to the Independent Auditor's report on Consolidated Financial Statements

*(Referred to in our report of even date)*

In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by its auditor in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.:116231W/W-100024

Sd/-

**Ashwin Bakshi**

Partner

Membership No. 506777

UDIN: 22506777AHWSCK8596

Place: New Delhi

Date: 27 April 2022

## INDEPENDENT AUDITOR'S REPORT

### Annexure B to the Independent Auditor's report on the consolidated financial statements of Indian Energy Exchange Limited for the period ended 31 March 2022

*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 (2(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 2022, we have audited the internal financial controls with reference to consolidated financial statements of Indian Energy Exchange Limited (hereinafter referred to as "the Company") and such company incorporated in India under the Companies Act, 2013 which is its associate company, as of that date.

In our opinion, the Company and such company incorporated in India which is its associate 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 2022, 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").

#### Auditor's 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.



## INDEPENDENT AUDITOR'S REPORT

### Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.:116231W/W-100024

Sd/-

**Ashwin Bakshi**

Partner

Membership No. 506777

UDIN: 22506777AHWSCK8596

Place: New Delhi

Date: 27 April 2022

# CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

	Note No.	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	1,203.27	1,429.67
Capital work-in progress	4	-	16.79
Right-of-use assets	4(a)	821.03	1,037.07
Other intangible assets	5	8,962.74	9,680.01
Intangible assets under development	5	488.11	647.66
<b>Financial Assets</b>			
Investments	6	10,608.82	11,216.19
Other financial assets	7	130.52	321.39
Deferred tax assets (net)	20	-	340.26
Non-current tax assets (net)	8	55.85	75.70
Other non-current assets	9	24.63	62.68
<b>Total non-current assets</b>		<b>22,294.97</b>	<b>24,827.42</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Investments	10	114,202.63	60,064.81
Trade receivables	11	8,737.11	319.55
Cash and cash equivalents	12	22,417.55	4,604.67
Other Bank balance	13	846.31	5,782.10
Other financial assets	14	324.72	207.03
Other current assets	15	795.95	2,710.33
<b>Total current assets</b>		<b>147,324.27</b>	<b>73,688.49</b>
<b>TOTAL ASSETS</b>		<b>169,619.24</b>	<b>98,515.91</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	16	8,977.88	2,985.04
Other equity	17	61,363.11	49,626.01
<b>Equity attributable to shareholders of the Company</b>		<b>70,340.99</b>	<b>52,611.05</b>
Non-controlling interests		-	2,968.99
<b>Total equity</b>		<b>70,340.99</b>	<b>55,580.04</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities		799.54	1,000.86
Other financial liabilities	18	94.62	146.35
Provisions	19	779.42	749.63
Deferred tax liabilities (net)	20	2,225.11	2,698.20
Other non-current liabilities	21	9.34	115.55
<b>Total non-current liabilities</b>		<b>3,908.03</b>	<b>4,710.59</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities		201.32	172.29
Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	22	4.75	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		63,511.85	16,590.47
Other financial liabilities	23	29,243.72	19,058.73
Current tax liabilities (net)	24	342.42	422.78
Provisions	25	45.75	11.20
Other current liabilities	26	2,020.41	1,969.81
<b>Total current liabilities</b>		<b>95,370.22</b>	<b>38,225.28</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>169,619.24</b>	<b>98,515.91</b>
Significant accounting policies	3		

The accompanying notes referred to form an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W/W-100024

Sd/-

**Ashwin Bakshi**

Partner

Membership No.: 506777

Place : New Delhi

Date : 27 April 2022

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

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 27 April 2022

Sd/-

**Vineet Harlalka**

Chief Financial Officer &  
Company Secretary

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>REVENUE</b>			
Revenue from operations	27	43,103.51	31,785.06
Other income	28	5,336.67	3,838.04
<b>Total revenue</b>		<b>48,440.18</b>	<b>35,623.10</b>
<b>EXPENSES</b>			
Employee benefits	29	4,175.63	4,438.10
Finance costs	30	197.49	205.48
Depreciation and amortisation	31	1,722.77	1,651.01
Other expenses	32	2,562.35	2,283.58
<b>Total expenses</b>		<b>8,658.24</b>	<b>8,578.17</b>
<b>Profit before share of profit of associates, exceptional items and tax</b>		<b>39,781.94</b>	<b>27,044.93</b>
Share in profit of associate		144.27	-
<b>Profit before tax and exceptional items</b>		<b>39,926.21</b>	<b>27,044.93</b>
Exceptional items (Profit on loss of control of subsidiary)		597.77	-
<b>Profit before tax</b>		<b>40,523.98</b>	<b>27,044.93</b>
<b>Tax expense</b>	33		
Current tax		10,185.45	6,587.97
Tax for earlier years		79.16	5.17
Deferred tax charge/ (credit)	20	(604.21)	(91.33)
<b>Total income tax expense</b>		<b>9,660.40</b>	<b>6,501.81</b>
<b>Total Profit for the year (A)</b>		<b>30,863.58</b>	<b>20,543.12</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	35	12.63	25.02
- Income tax relating to above		(3.18)	(6.30)
<b>Other comprehensive income for the year, net of income tax (B)</b>		<b>9.45</b>	<b>18.72</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>30,873.03</b>	<b>20,561.84</b>
<b>Profit for the year attributable to:</b>			
Shareholders of the Company		30,925.55	20,609.33
Non-controlling interests		(61.97)	(66.21)
		<b>30,863.58</b>	<b>20,543.12</b>
<b>Other comprehensive income for the year attributable to:</b>			
Shareholders of the Company		10.31	17.87
Non-controlling interests		(0.86)	0.85
		<b>9.45</b>	<b>18.72</b>
<b>Total comprehensive income for the year attributable to:</b>			
Shareholders of the Company		30,935.86	20,627.20
Non-controlling interests		(62.83)	(65.36)
		<b>30,873.03</b>	<b>20,561.84</b>
<b>Earnings per equity share [face value ₹ 1/- per share] (refer to note 16 (a))</b>	34		
Basic (₹)		3.45	2.30
Diluted (₹)		3.45	2.30
Significant accounting policies	3		

The accompanying notes referred to form an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W/W-100024

Sd/-

**Ashwin Bakshi**

Partner

Membership No.: 506777

Place : New Delhi

Date : 27 April 2022

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

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 27 April 2022

Sd/-

**Vineet Harlalka**

Chief Financial Officer &

Company Secretary

# CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>A. Cash flows from operating activities</b>		
Profit before tax	40,523.98	27,044.93
Adjustments for:		
Depreciation and Amortisation	1,722.77	1,651.01
Interest expense on financial liabilities (settlement guarantee fund) measured at amortised cost	22.86	22.79
Interest expenses on overdraft, lease liability and others	174.63	182.69
Loss on sale/write off of property, plant and equipment ('PPE')	-	19.17
Employee stock option scheme expense	25.39	27.93
Interest income from bank deposits	(259.05)	(236.59)
Interest income from financial assets at amortised cost	(11.77)	(55.81)
Amortisation of deferred settlement guarantee fund	(21.13)	(24.27)
Fair value gain on investments	(2,448.06)	(2,710.32)
Net gain on sale of investments	(1,251.48)	(670.98)
Provision/liabilities no longer required written back	27.95	29.82
Other interest income	(1,217.66)	(113.20)
Share in profit of associate	(144.27)	-
Exceptional items (Profit on loss of control of subsidiary)	597.77	-
Dividend income	(37.54)	-
<b>Operating profit before working capital changes</b>	<b>37,704.39</b>	<b>25,167.17</b>
Adjustments for:		
(Increase)/decrease in trade receivables	(8,417.56)	(301.01)
(Increase)/ decrease in loans, other financial assets and other assets	122.24	(751.26)
Increase/ (decrease) in trade payables, other financial liabilities, provisions and other liabilities	57,148.11	13,010.81
<b>Cash generated from operating activities</b>	<b>86,557.18</b>	<b>37,125.71</b>
Income tax paid	(10,325.12)	(6,489.43)
<b>Net cash generated from operating activities</b>	<b>76,232.06</b>	<b>30,636.28</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, plant and equipment and other intangible assets	(1,107.09)	(2,096.44)
Maturity/( investment) of / (in) bank deposits including unpaid dividend (net)	5,059.03	(4,197.66)
Inflow/ (outflow) from sale / (purchase) of investments (net)	(49,824.54)	(13,465.70)
Interest received on bank deposits	221.97	125.00
Interest income from investments	771.16	29.55
Dividend income	37.54	-
<b>Net cash flow from/ (used in) investing activities</b>	<b>(44,841.93)</b>	<b>(19,605.25)</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022 (CONT...)

(All amounts in Rupees lakhs, unless otherwise stated)

## C. Cash flows from financing activities

Interest expenses on overdraft, lease liability and others	(68.41)	(63.48)
Principal repayment of lease liability	(172.29)	(258.76)
Interest paid on lease liability	(106.23)	(112.98)
Proceeds from issue of shares on exercise of stock option	222.18	194.46
Dividend paid (net of dividend received (net of tax) by ESOP trust)	(13,452.50)	(7,471.48)
<b>Net cash used in financing activities</b>	<b>(13,577.25)</b>	<b>(7,712.24)</b>

<b>D. Net (decrease) / increase in cash and cash equivalents during the year (A+B+C)</b>	<b>17,812.88</b>	<b>3,318.79</b>
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<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>4,604.67</b>	<b>1,285.88</b>
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<b>F. Cash and cash equivalents as at the end of the year (D+E)</b>	<b>22,417.55</b>	<b>4,604.67</b>
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## Notes:

(i) Cash and cash equivalents consists of the following

### Cash and cash equivalents as at the end of the year

Balance with banks		
In current accounts	889.35	728.83
In settlement accounts	21,528.20	3,875.84
	<b>22,417.55</b>	<b>4,604.67</b>

(ii) The Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act 2013, read with the relevant rules thereunder.

The accompanying notes referred to form an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W /W-100024

Sd/-

**Ashwin Bakshi**

Partner

Membership No.: 506777

Place : New Delhi

Date : 27 April 2022

For and on behalf of the Board of Directors of

**Indian Energy Exchange Limited**

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 27 April 2022

Sd/-

**Vineet Harlalka**

Chief Financial Officer &

Company Secretary



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## (A) Equity share capital

Particulars	Note No.	Number of shares	Amount
Opening as at 01 April 2020		298,324,941	2,983.24
Add: Equity stock option exercised during the year	16 (a)	180,400	1.80
<b>Balance as at 31 March 2021</b>		<b>298,505,341</b>	<b>2,985.04</b>
Add: Equity stock option exercised before bonus issue	16 (a)	119,400	1.19
Add: Bonus Issue of equity shares	16 (a)	597,249,482	5,991.13
Add: Equity stock option exercised post bonus issue	16 (a)	150,000	0.50
<b>Balance as at 31 March 2022</b>		<b>896,024,223</b>	<b>8,977.88</b>

## (B) Other equity

Particulars	Attributable to the equity holders of the parent						Non-Controlling interests	Total Equity
	Note No.	Retained earnings	Employee stock options outstanding account	ESOP Trust reserve #	Capital redemption reserve	Total		
Opening as at 01 April 2020		34,896.42	91.42	786.78	37.30	35,811.92	-	35,811.92
Profit for the year		20,609.33	-	-	-	20,609.33	(66.21)	20,543.12
Re-measurement gain/ (loss) on defined benefit obligations (net of tax)		17.87	-	-	-	17.87	0.85	18.72
<b>Total comprehensive income for the year</b>		<b>20,627.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,627.20</b>	<b>(65.36)</b>	<b>20,561.84</b>

### Transactions with owners in their capacity as owners:

Employee stock options expense	17 (a)	-	27.93	-	-	27.93	-	27.93
Profit/ Loss on issue of shares to employees #	17 (c)	-	-	192.66	-	192.66	-	192.66
Interim dividend paid on equity shares	17 (b)	(7,488.91)	-	-	-	(7,488.91)	-	(7,488.91)
Dividend on shares held by ESOP Trust	17 (c)	-	-	17.43	-	17.43	-	17.43
Transfer to ESOP trust reserve #	17 (c)	(32.30)	-	32.30	-	-	-	-
Sale of investment to non- controlling interests		437.78	-	-	-	437.78	-	437.78
Acquisition of non-controlling interests		-	-	-	-	-	3,034.35	3,034.35

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022 (CONT...)

(All amounts in Rupees lakhs, unless otherwise stated)

Particulars	Attributable to the equity holders of the parent						Non-Controlling interests	Total Equity
	Note No.	Retained earnings	Employee stock options outstanding account	ESOP Trust reserve #	Capital redemption reserve	Total		
<b>Profit as at 31 March 2021</b>		<b>48,440.19</b>	<b>119.35</b>	<b>1,029.17</b>	<b>37.30</b>	<b>49,626.01</b>	<b>2,968.99</b>	<b>52,595.00</b>
Profit for the year		30,925.55	-	-	-	30,925.55	(61.97)	30,863.58
Re-measurement gain/ (loss) on defined benefit obligations (net of tax)		10.31	-	-	-	10.31	(0.86)	9.45
<b>Total comprehensive income for the year</b>		<b>30,935.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,935.86</b>	<b>(62.83)</b>	<b>30,873.03</b>

## Transactions with owners in their capacity as owners:

Employee stock options expense	17 (a)	-	25.39	-	-	25.39	-	25.39
Profit/ Loss on issue of shares to employees #	17 (c)	-	-	219.49	-	219.49	-	219.49
Interim dividend paid on equity shares	17 (b)	(8,986.70)	-	-	-	(8,986.70)	-	(8,986.70)
Final dividend paid on equity shares for FY21	17 (b)	(4,493.35)	-	-	-	(4,493.35)	-	(4,493.35)
Bonus Issue of equity shares	17 (b), 17 (d)	(5,953.83)	-	-	(37.30)	(5,991.13)	-	(5,991.13)
Dividend on shares held by ESOP Trust	17 (c)	-	-	27.54	-	27.54	-	27.54
Transfer to ESOP trust reserve #	17 (c)	(12.63)	-	12.63	-	-	-	-
Derecognition of non-controlling interests		-	-	-	-	-	(2,906.15)	(2,906.15)
<b>Profit as at 31 March 2022</b>		<b>59,929.53</b>	<b>144.74</b>	<b>1,288.83</b>	<b>(0.00)</b>	<b>61,363.11</b>	<b>-</b>	<b>61,363.11</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 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

Place : New Delhi

Date : 27 April 2022

For and on behalf of the Board of Directors of

**Indian Energy Exchange Limited**

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 27 April 2022

Sd/-

**Vineet Harlalka**

Chief Financial Officer &

Company Secretary

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

## 1. BACKGROUND INFORMATION

Indian Energy Exchange Limited ("IEX" or "the Company") was incorporated on March 26, 2007 and domiciled in India as a public limited company and limited by shares (CIN: L74999DL2007PLC277039). The address of the Company's registered office is First Floor, Unit No. 1.14(a) Avanta Business Centre, Southern Park, D-2, District Centre, Saket, New Delhi – 110017 and address of the corporate office is Plot No. C-001/A/1, 9th Floor, Max Towers, Sector 16 B, Noida, Gautam Buddha Nagar, Uttar Pradesh – 201301.

The Company is a Power Exchange, licensed by the Central Electricity Regulatory Commission ("CERC") for spot trading in power / electricity and trading of Renewal Energy Certificate (REC) and Energy Saving Certificates (ESCs). The main activity of the Company is to provide an automated platform and infrastructure for carrying out trading in electricity units for physical delivery of electricity.

The equity shares of the Company were listed on BSE Limited ('BSE') and National Stock Exchange ('NSE') with effect from 23 October 2017.

Indian Gas Exchange Limited ("IGX" or "the Associate") is India's first automated national level gas exchange to promote and sustain an efficient and robust gas market and to foster gas trading in the country. The exchange features multiple buyers and sellers to trade in spot and forward contracts at designated physical hubs. IGX enables efficient and competitive discovery of gas prices.

IGX has obtained approval from Petroleum and Natural Gas Regulatory Board (PNGRB) on 02 December 2020 to operate as Gas Exchange.

IGX was subsidiary (52.21%) of Indian Energy Exchange Limited (IEX) till 16 Jan 2022. After 16 Jan 2022, IGX became an Associate (47.28%) of IEX.

The Consolidated financial statements for the year ended 31 March 2022 were approved by Board of Directors of the Company and authorized for issue on 27 April 2022.

## 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") include financial information of IEX and its Associate and 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

#### Investments in subsidiary

The Company is able to exercise control over the operating decisions of the investee company, resulting in variable returns to the 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 Company have been prepared on the following basis:

- a. The financial statements of the subsidiary used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31 March 2022.
- b. The financial statements of the 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-Company balances, intra-Company 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 Company's separate financial statements.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for an equity transaction. If the Company loses control over a subsidiary, it:

- a. Derecognizes the assets and liabilities of the subsidiary at their carrying amounts at the date when control is lost.
- b. Derecognizes the carrying amount of any non-controlling interests.
- c. Derecognizes the cumulative translation differences recorded in equity

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

- d. Recognizes the fair value of the consideration received
- e. Recognizes the fair value of the investment received
- f. Recognizes any surplus or deficit in profit or loss

## Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Company's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

## Loss of Control

When the Company loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in the statement of profit or loss. On 17 January 2022, the Company executed a transaction for sale of 4.93% stake in Indian Gas Exchange Limited (IGX), to Indian Oil Corporation Limited (IOCL) consisting of 36,93,750 equity shares, having a face value of ₹ 10 each. This transaction has consequently resulted in cessation of Holding-Subsidiary Relationship between Indian Energy Exchange Limited and Indian Gas Exchange Limited from that date. The total shareholding of IEX in IGX has reduced from 52.21% to 47.28% on account of the said transaction and accordingly IGX has been treated as an Associate from 17 January 2022.

## Investments in associate

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate is initially recognized in the consolidated balance sheet at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate.

Distributions received from an associate reduce the carrying amount of the investment. When the Company's share of losses of an associate exceeds the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Company determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognize impairment loss with respect to the Company's investment in an associate.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Company discontinues the use of the equity method from the date when the investment ceases

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

to be an associate, or when the investment is classified as held for sale. When the Company retains an interest in the former associate and the retained interest is a financial asset, the Company measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate had directly disposed off the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Company reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

### 2.3 Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for certain financial assets (mutual funds and Market linked debentures) that are measured at fair value (refer to accounting policy on financial instruments) and share-based payments. The methods used to measure fair values are discussed further in the respective notes to consolidated financial statements.

### 2.4 Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest lakhs (up to two decimals), except as stated otherwise.

### 2.5 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

**An asset is current when it is:**

- Expected to be realized or intended to be sold

or consumed in normal operating cycle;

- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is current when:**

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

*Operating cycle*

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the above definition and nature of business, the Company has ascertained its operating cycle as less than 12 months for the purpose of current/non-current classification of assets and liabilities.

### 2.6 Figures for the corresponding period

The corresponding figures as at and for the year ended 31 March 2022 were prepared on line by line consolidation basis till 16 January 2022. Post this date retained interest in IGX has been accounted for as an associate using equity method.

### 2.7 Use of estimates and judgements

In preparing these consolidated financial statements, Management of the Company has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

## Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2022 is included in the following notes:

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of item which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

- i. Recognition of deferred tax assets/ (liabilities) – note 20
- ii. Provision for employee benefits - note 19, note 25 & note 35

## 2.8 Measurement of fair values

The Company's accounting policies and disclosures require/ may require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. This includes a team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3:** inputs for the asset or liability that are

not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company measures financial instruments, such as, investments, at fair value at each reporting date.

## 2.9 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.

## 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 and accumulated impairment losses, if any. 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 3.1.2 Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

### 3.1.3 Derecognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

### 3.1.4 Depreciation

Depreciation is calculated on the depreciable amount of property, plant and equipment over their estimated useful lives using the straight-line method and is generally recognized in the statement of profit and loss.

For assets acquired under leases, at the date of commencement of the lease, the 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, if any.

Depreciation on the following assets is provided based on their estimated useful life ascertained on technical evaluation:

Category of assets	Estimated useful life of assets	Useful life as per schedule II
Furniture and Fixtures	3-10 Years	10 Years
<b>Office Equipment</b>		
Mobile Phones	2 Years	5 Years
Others	5 Years	5 Years

Category of assets	Estimated useful life of assets	Useful life as per schedule II
<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 off.

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 and 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 and eligible for capitalizations with respect to intangible assets is carried as intangible asset under development till the asset is ready for its intended use.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 3.2.2 Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

### 3.2.3 Amortization

Amortization is computed to write off the depreciable amount of intangible assets over their estimated useful lives using the straight-line method and is included in amortization in Statement of Profit and Loss.

Software license is amortized over seven to fifteen years and Computer software is amortized over six years considering their respective useful lives.

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if required.

### 3.3 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### 3.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another.

#### 3.4.1 Financial assets

##### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

##### Subsequent measurement

#### A. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. 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:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. 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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

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 amortized 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:

- 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 recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to trade payables and other contractual liabilities.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

## B. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the 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 recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events

and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 3.6 Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

## 3.7 Revenue

Revenue is measured at the fair value of the consideration received or receivable for services provided in the normal course of business. The Company recognizes revenue when it is probable



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that the collectability of the related receivables is reasonably assured.

Transaction fee for power trades 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, Green 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 Despatch Centre. Fee charged in relation to transactions under the Term-Ahead Market segment and Green Term-Ahead Market is accrued when orders placed on the network are matched, confirmed by Regional Load Despatch Centre and delivered. Fee charged in relation to transactions under the Real Time Market segment is accrued when orders placed on the network are matched, confirmed by National Load Despatch Centre and delivered.

Transaction fee for gas trades is charged based on the volume of transactions entered into by the respective member or client of trading and clearing/ proprietary/City Gas Distribution members through the exchange. Fee charged in relation to transactions, is accrued when the orders placed on the network are matched and confirmed by transporter.

Membership fees charged from a member of the exchange at the time of admission to the exchange is recognized on a pro-rata basis over the estimated period of time over which the services are expected to be provided.

Annual subscription fee, in the year when the member/ client is registered for the first time, is recognized on a pro rata basis on commencement of trading which coincides with the registration of trader member/ client of trader/professional member. Annual subscription fee, in any year subsequent to the year of registration, is recognized on an accrual basis on a pro-rata basis.

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

Dividend income is recognized in profit or loss on the date that the 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 at the time of disposal of these investments.

### 3.8 Employee Benefits

#### 3.8.1 Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, bonus, etc. are recognized in the Statement of Profit and Loss in the period in which the employee renders the related services. Such obligations are measured on an undiscounted basis.

#### 3.8.2 Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in profit or loss in the period during which services are rendered by employees.

The Company pays fixed contribution to Provident Fund at predetermined rates to regional provident fund commissioner. The contributions to the fund for the year are recognized as expense and are charged to the profit or loss.

#### 3.8.3 Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Company's liability towards gratuity is in the nature of defined benefit plans.

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

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs. Any actuarial gains or losses are recognized in Other Comprehensive Income (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 benefits.

Cost of long-term benefit by way of accumulating compensated absences arising during the tenure of the service is calculated taking into account the pattern of availment of leave. In respect of encashment of leave, the defined benefit is calculated taking into account all types of decrements and qualifying salary projected up to the assumed date of encashment. The present value of obligations under such long-term benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method as at period end.

## 3.8.5 Share based payment

The grant date fair value of equity settled share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in other equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcome.

## 3.9 Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For assets that are not yet available for use, the

recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

## 3.10 Foreign currency transactions and translation

Transactions in foreign currencies are translated at the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences

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

### 3.11 Leases

#### 3.11.1 Accounting for operating leases- As a lessee

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

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

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated

for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payment that depends on index or a rate, and amount to be paid under residual value guarantees. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Company uses incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

### 3.12 Income Tax

Income tax expense comprises current and deferred tax. Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

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.

## 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 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards

under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022. Key amendments are as below:

- a. Ind AS 16 Property, Plant and Equipment – The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss.
- b. Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.
- c. Ind AS 103 – Business Combination – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.
- d. Ind AS 109 Financial Instruments – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognize a financial liability.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 4. Property, plant and equipment and Capital work-in-progress(CWIP)

Assets	Leasehold improvements	Office equipment	Electrical Equipment	Computer hardware/equipment	Furniture and Fixtures	Vehicles	Total	Capital work in progress
<b>Gross Block</b>								
As at 1 April 2020	260.99	79.89	131.48	806.32	67.27	247.98	1,593.93	2.55
Additions/ Adjustments during the year	500.38	35.17	149.43	172.80	76.49	59.52	993.79	695.41
Disposals/ Adjustments during the year	(241.13)	(15.91)	(120.15)	(48.11)	(56.90)	(32.94)	(515.14)	-
Transfers during the year	-	-	-	-	-	-	-	(681.17)
<b>As at 31 March 2021</b>	<b>520.24</b>	<b>99.15</b>	<b>160.76</b>	<b>931.01</b>	<b>86.86</b>	<b>274.56</b>	<b>2,072.58</b>	<b>16.79</b>
As at 1 April 2021	520.24	99.15	160.76	931.01	86.86	274.56	2,072.58	16.79
Additions/ Adjustments during the year	7.11	14.71	-	55.60	1.96	141.31	220.69	-
Disposals/ Adjustments during the year	-	(7.11)	-	(9.63)	-	(67.75)	(84.49)	-
Transfers during the year	-	-	-	-	-	-	-	(16.79)
Derecognition due to loss of control over subsidiary during the year	-	(1.93)	-	(24.10)	-	(12.13)	(38.16)	-
<b>As at 31 March 2022</b>	<b>527.35</b>	<b>104.82</b>	<b>160.76</b>	<b>952.89</b>	<b>88.82</b>	<b>335.99</b>	<b>2,170.63</b>	<b>-</b>
<b>Accumulated Depreciation</b>								
As at 1 April 2020	194.57	45.93	86.97	300.47	39.90	76.92	744.76	-
Depreciation charge for the year	87.78	16.15	32.48	165.11	24.64	51.16	377.32	-
Disposals/ adjustments for the year	(241.13)	(13.70)	(104.69)	(43.40)	(55.43)	(20.82)	(479.17)	-
<b>As at 31 March 2021</b>	<b>41.22</b>	<b>48.38</b>	<b>14.76</b>	<b>422.18</b>	<b>9.11</b>	<b>107.26</b>	<b>642.91</b>	<b>-</b>
As at 1 April 2021	41.22	48.38	14.76	422.18	9.11	107.26	642.91	-
Depreciation charge for the year	101.96	19.07	30.65	161.03	18.34	60.80	391.85	-
Disposals/ adjustments for the year	-	(6.10)	-	(7.02)	-	(45.15)	(58.26)	-
Derecognition due to loss of control over subsidiary during the year	-	(0.81)	-	(7.53)	-	(0.80)	(9.13)	-
<b>As at 31 March 2022</b>	<b>143.18</b>	<b>60.54</b>	<b>45.41</b>	<b>568.67</b>	<b>27.45</b>	<b>122.11</b>	<b>967.36</b>	<b>-</b>
<b>Net Block</b>								
<b>As at 31 March 2021</b>	<b>479.02</b>	<b>50.77</b>	<b>146.00</b>	<b>508.83</b>	<b>77.75</b>	<b>167.30</b>	<b>1,429.67</b>	<b>16.79</b>
<b>As at 31 March 2022</b>	<b>384.17</b>	<b>44.28</b>	<b>115.35</b>	<b>384.22</b>	<b>61.37</b>	<b>213.88</b>	<b>1,203.27</b>	<b>-</b>

## Capital work-in-progress ageing (CWIP)

Ageing for capital work-in-progress as at 31 March 2022 is as follows:

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Ageing for capital work-in-progress as at 31 March 2021 is as follows:

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	16.79	-	-	-	16.79
<b>Total</b>	<b>16.79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16.79</b>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 4(a). Right-of-use assets

Assets	Total
<b>Gross Block</b>	
As at 1 April 2020	1,652.96
Additions/ Adjustments during the year	108.18
Disposals/ Adjustments during the year	-
<b>As at 31 March 2021</b>	<b>1,761.14</b>
As at 1 April 2021	1,761.14
Additions/ Adjustments during the year	-
Disposals/ Adjustments during the year	-
Transfers during the year	-
<b>As at 31 March 2022</b>	<b>1,761.14</b>
<b>Accumulated Amortization</b>	
As at 1 April 2020	321.75
Amortization charge for the year	343.13
Transfer to CWIP during the year	59.19
Disposals/ adjustments for the year	-
<b>As at 31 March 2021</b>	<b>724.07</b>
As at 1 April 2021	724.07
Amortization charge for the year	216.04
Transfer to CWIP during the year	-
Disposals/ adjustments for the year	-
<b>As at 31 March 2022</b>	<b>940.11</b>
<b>Net Block</b>	
<b>As at 31 March 2021</b>	<b>1,037.07</b>
<b>As at 31 March 2022</b>	<b>821.03</b>

## 5. Other intangible assets and intangibles assets under development (IAUD)

Assets	Computer Software	Software License	Total	Intangible assets under development
<b>Gross Block</b>				
As at 1 April 2020	870.86	11,543.00	12,413.86	380.64
Additions during the year	893.50	-	893.50	822.11
Disposals/ Adjustments during the year	(2.26)	-	(2.26)	-
Transfers during the year	-	-	-	(555.09)
<b>As at 31 March 2021</b>	<b>1,762.10</b>	<b>11,543.00</b>	<b>13,305.10</b>	<b>647.66</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 5. Other intangible assets and intangibles assets under development (IAUD) (Cont...)

Assets	Computer Software	Software License	Total	Intangible assets under development
As at 1 April 2021	1,762.10	11,543.00	13,305.10	647.66
Additions during the year	971.14	-	971.14	473.07
Disposals/ Adjustments during the year	-	-	-	-
Transfers during the year	-	-	-	(632.62)
Derecognition due to loss of control over subsidiary during the year	(719.94)	-	(719.94)	-
<b>As at 31 March 2022</b>	<b>2,013.30</b>	<b>11,543.00</b>	<b>13,556.30</b>	<b>488.11</b>

### Accumulated Depreciation

As at 1 April 2020	516.21	2,179.74	2,695.95	-
Amortization charge for the year	155.52	775.04	930.56	-
Disposals/ adjustments for the year	(1.42)	-	(1.42)	-
<b>As at 31 March 2021</b>	<b>670.31</b>	<b>2,954.78</b>	<b>3,625.09</b>	<b>-</b>

As at 1 April 2021	670.31	2,954.78	3,625.09	-
Amortization charge for the year	340.28	774.60	1,114.88	-
Disposals/ adjustments for the year	-	-	-	-
Derecognition due to loss of subsidiary control over during the year	(146.41)	-	(146.41)	-
<b>As at 31 March 2022</b>	<b>864.18</b>	<b>3,729.38</b>	<b>4,593.56</b>	<b>-</b>

### Net Block

As at 31 March 2021	1,091.79	8,588.22	9,680.01	647.66
As at 31 March 2022	1,149.12	7,813.62	8,962.74	488.11

### Intangible Assets under development ageing

Ageing for Intangible Assets under development as at 31 March 2022 is as follows:

IAUD	Amount in IAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	380.00	26.70	81.41	-	488.11
<b>Total</b>	<b>380.00</b>	<b>26.70</b>	<b>81.41</b>	<b>-</b>	<b>488.11</b>

Ageing for Intangible Assets under development as at 31 March 2021 is as follows:

IAUD	Amount in IAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	562.35	85.31	-	-	647.66
<b>Total</b>	<b>562.35</b>	<b>85.31</b>	<b>-</b>	<b>-</b>	<b>647.66</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 6. Investments

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Non-current investments</b>		
<b>Investments in Equity of Associate Company (from 17 January 2022, Refer note no 48)</b>		
Equity Instruments (Unquoted ) at Cost	3,690.27	-
35,460,000 (31 March 2021: Nil) Shares of ₹ 10 each fully paid up (Indian Gas Exchange Limited)		
<b>Investments in Units of InvITs</b>		
Power Grid Invit Trust Units (Quoted)	2,026.71	-
1,513,600 (31 March 2021: Nil) units of face value of ₹ 100 each.		
<b>Investments measured at amortised cost</b>		
<b>Bonds (Quoted )</b>		
7.74% SBI Perpetual Bonds	2,110.26	2,116.70
200 (31 March 2021: 200) units of face value of ₹ 1,000,000 each.		
7.11% Tax Free Bonds Power Finance Corporation Ltd.	52.97	52.98
5,134 (31 March 2021: 5,134) units of face value of ₹ 1,000 each.		
7.04% Tax Free Bonds Housing and Urban Development Corporation Ltd.	153.69	153.69
15,058 (31 March 2021: 15,058) units of face value of ₹ 1,000 each.		
7.04% Tax Free Bonds Indian Railway Finance Corporation Ltd.	121.36	121.38
11,757 (31 March 2021: 11,757) units of face value of ₹ 1,000 each.		
7.04% Tax Free Bonds National Bank for Agriculture and Rural Development	100.37	100.37
10,020 (31 March 2021: 10,020) units of face value of ₹ 1,000 each.		
9.55% Tata Motors Finance Ltd	2,037.68	2,037.68
200 (31 March 2021: 200) units of face value of ₹ 1,000,000 each.		
<b>Investments measured at fair value through profit and loss</b>		
<b>Market Linked Debentures (MLD) (quoted)</b>		
L&T Financial Services	-	2,576.57
Nil (31 March 2021: 245) units of face value of ₹ 1,000,000 each.		
Shriram Transport Finance Company Ltd	-	2,063.88
Nil (31 March 2021: 200) units of face value of ₹ 1,000,000 each.		
Arka Fincap Ltd	315.51	-
30 (31 March 2021: Nil) units of face value of ₹ 1,000,000 each.		
<b>Mutual funds (quoted)</b>		
Axis Fixed Term Plan - Series 102 (1133 Days) Direct Growth	-	605.44
Nil (31 March 2021: 5,000,000) units of face value of ₹ 10 each.		
HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44	-	1,211.79
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44	-	175.71
Nil (31 March 2021: 1,450,000) units of face value of ₹ 10 each.		
<b>Total</b>	<b>10,608.82</b>	<b>11,216.19</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 6. Investments (Cont...)

Particulars	As at 31 March 2022	As at 31 March 2021
Aggregate value of quoted investments in bonds	4,576.33	4,582.80
Market value of quoted investments in bonds	4,671.22	4,692.36
Aggregate value of quoted investments in InvIT, mutual funds and MLD	2,342.22	6,633.39
Aggregate value of unquoted investments	3,690.27	-

## 7. Other financial assets - Non Current

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured, considered good, unless otherwise stated</i>		
Security deposits	130.52	119.30
Bank deposits due for maturity after twelve months from the reporting date (refer note 13)	-	202.09
<b>Total</b>	<b>130.52</b>	<b>321.39</b>

## 8. Non-current tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current tax assets (net)	55.85	75.70
<b>Total</b>	<b>55.85</b>	<b>75.70</b>

## 9. Other non-current assets

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured, considered good, unless otherwise stated</i>		
Capital advances	0.11	32.21
Prepaid expenses	24.52	30.47
<b>Total</b>	<b>24.63</b>	<b>62.68</b>

## 10. Current investments

Particulars	As at 31 March 2022	As at 31 March 2021
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### A) Investments measured at fair value through profit and loss

#### Market Linked Debentures (MLD) (Quoted)

L&T Financial Services	2,757.44	-
245 (31 March 2021: Nil) units of face value of ₹ 1,000,000 each.		
Shriram Transport Finance Company Ltd	2,228.99	-
200 (31 March 2021: Nil) units of face value of ₹ 1,000,000 each.		
Shriram City Union Finance Ltd	1,080.26	-
100 (31 March 2021: Nil) units of face value of ₹ 1,000,000 each.		
Muthoot Fincorp Ltd	1,093.67	-
100 (31 March 2021: Nil) units of face value of ₹ 1,000,000 each.		

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 10. Current investments (Cont...)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Mutual funds Quoted</b>		
Aditya Birla Sun Life Fixed Term Plan - Series PJ (1135 Days) - Direct Growth*	-	1,509.19
Nil (31 March 2021: 12,000,000) units of face value of ₹ 10 each.		
HDFC FMP 1143D March 2018 (1) - Direct - Growth -Series -39*	-	1,507.36
Nil (31 March 2021: 12,000,000) units of face value of ₹ 10 each.		
HDFC FMP 1122 D August 2018 (1)-Direct - Growth - Series 42	-	1,243.76
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
HDFC FMP 1134D May 2018 (1) - Direct - Growth - Series-40	-	21.49
Nil (31 March 2021: 170,000) units of face value of ₹ 10 each.		
HDFC FMP 1133D July 2018 (1) - Direct - Growth - Series 41	-	47.25
Nil (31 March 2021: 380,000) units of face value of ₹ 10 each.		
Axis Fixed Term Plan - Series 102 (1133 Days) Direct Growth*	631.26	-
5,000,000 (31 March 2021: Nil) units of face value of ₹ 10 each.		
HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44*	1,261.83	-
10,000,000 (31 March 2021: Nil) units of face value of ₹ 10 each.		
HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44	182.97	-
1,450,000 (31 March 2021: Nil) units of face value of ₹ 10 each.		
ICICI Prudential Fixed Maturity Plan Series 82 - 1175 Days Plan Q Direct Plan Cumulative*	-	1,258.37
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
ICICI Prudential Fixed Maturity Plan Series 84 - 1101 Days Plan A-Direct Plan Cumulative	-	1,243.77
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
ICICI Prudential Fixed Maturity Plan Series 83 - 1101 Days Plan Z-Direct Plan Cumulative	-	624.59
Nil (31 March 2021: 5,000,000) units of face value of ₹ 10 each.		
IDFC Fixed Term Plan Series 142 Direct Plan -Growth (1139 Days)*	-	1,254.81
Nil (31 March 2021: 10,000,000 ) units of face value of ₹ 10 each.		
IDFC Fixed Term Plan Series 161 -Direct Plan - Growth (1098 Days)	-	1,249.40
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
Nippon India Fixed Horizon Fund-XXXVIII- Series 07-Direct Growth Plan formerly known as Reliance Fixed Horizon Fund- XXXVIII- Series 07- Direct Growth Plan*	-	2,508.18
Nil (31 March 2021: 20,000,000) units of face value of ₹ 10 each.		
SBI Debt Fund Series - C - 12 (1122 Days) - Direct Growth*	-	1,229.02
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
SBI Debt Fund Series C-21 (1100 Days) - Direct Growth	-	2,454.30
Nil (31 March 2021: 20,000,000) units of face value of ₹ 10 each.		
TATA Fixed Maturity Plan Series 55 Scheme I - Direct Plan - Growth	-	1,255.23
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		
UTI-Fixed Term Income Fund Series XXVIII—XII (1154 Days) -Direct Growth Plan*	-	1,257.63
Nil (31 March 2021: 10,000,000) units of face value of ₹ 10 each.		



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 10. Current investments (Cont...)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Unquoted</b>		
Aditya Birla Sun Life Arbitrage Fund - Growth-Direct Plan*	4,430.88	1,302.82
19,472,894.472 (31 March 2021: 5,981,387.766) units of face value of ₹ 10 each.		
Aditya Birla Sun Life Money Manager Fund - Growth-Direct Plan*	2,223.00	1,401.49
743,699.835 (31 March 2021: 488,030.441) units of face value of ₹ 100 each.		
Aditya Birla Sun Life Floating Rate Fund - Growth-Direct Plan*	2,484.92	2,372.17
876,364.154 (31 March 2021: 876,364.154) units of face value of ₹ 100 each.		
Aditya Birla Sun Life Savings Fund - Growth-Direct Plan*	3,366.93	3,227.24
756,083.591 (31 March 2021: 756,083.591) units of face value of ₹ 100 each.		
Aditya Birla Sunlife Overnight Fund - Direct Growth	-	500.02
Nil (31 March 2021: 44,928.016) units of face value of ₹ 1000 each.		
Aditya Birla Sunlife Liquid Fund - Direct Growth	3000.56	-
874,480.171 (31 March 2021: Nil) units of face value of ₹ 100 each.		
Axis Overnight Fund - Direct Growth	-	1,799.83
Nil (31 March 2021: 165,437.889) units of face value of ₹ 1000 each.		
Axis Overnight Fund - Direct Growth	-	49.55
Nil (31 March 2021: 4,554.282) units of face value of ₹ 1000 each.		
Axis Arbitrage Fund - Direct Growth*	4,934.29	1,300.94
30,484,186.635 (31 March 2021: 8,424,287.809) units of face value of ₹ 10 each.		
Axis Liquid Fund - Direct Growth	4,804.18	-
203,215.29 (31 March 2021: Nil) units of face value of ₹ 1000 each.		
Axis Arbitrage Fund - Direct Growth	185.08	-
1,143,414.232 (31 March 2021: Nil) units of face value of ₹ 10 each.		
Axis Treasury Advantage Fund - Direct Growth*	903.66	2,362.81
34,890.243 (31 March 2021: 95,175.396) units of face value of ₹ 1000 each.		
Axis Banking & PSU Debt Fund - Direct Growth	-	2,534.58
120,821.36 (31 March 2020: 62,140.321) units of face value of ₹ 1000 each.		
Axis Banking & PSU Fund - Direct Growth	197.45	515.90
9,027.989 (31 March 2021: 24,592.337) units of face value of ₹ 1000 each.		
Axis Short Term Fund - Direct Growth	-	1,560.99
Nil (31 March 2021: 6,145,158.733) units of face value of ₹ 10 each.		
HDFC Liquid Fund-Direct Growth	5,001.03	-
119,506.173 (31 March 2021: Nil) units of face value of ₹ 1000 each.		
HDFC Liquid Fund-Direct Growth	-	51.42
Nil (31 March 2021: 1,271.138) units of face value of ₹ 1000 each.		
HDFC Money Market Fund - Direct Growth	18.48	110.89
396.945 (31 March 2021: 2,478.488) units of face value of ₹ 1000 each.		
ICICI Prudential Equity Arbitrage Fund - Direct Plan-Growth	-	350.56
Nil (31 March 2021: 1,249,656.331) units of face value of ₹ 10 each.		

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 10. Current investments (Cont...)

Particulars	As at 31 March 2022	As at 31 March 2021
ICICI Prudential Liquid Fund - Direct Plan-Growth 1,464,341.536 (31 March 2021: Nil) units of face value of ₹ 100 each.	4,616.43	-
ICICI Prudential Overnight Fund - Direct Plan-Growth 2,617,761.534 (31 March 2021: Nil) units of face value of ₹ 100 each.	3,000.16	-
ICICI Prudential Savings Fund - Direct Plan - Growth (formerly ICICI Prudential Mutual Fund- Flexible Income Plan)* Nil (31 March 2021: 485,395.239) units of face value of ₹ 100 each.	-	2,037.15
ICICI Prudential Banking & PSU Fund - Direct Growth Nil (31 March 2021: 7,233,831.616) units of face value of ₹ 10 each.	-	1,853.04
ICICI Prudential Short Term Fund - Direct Growth Nil (31 March 2021: 3,189,280.513) units of face value of ₹ 10 each.	-	1,550.60
IDBI Liquid Fund- Direct Plan - Growth Nil (31 March 2021: 22,592.912) units of face value of ₹ 1000 each.	-	500.04
IDFC Banking & PSU Fund - Direct Growth Nil (31 March 2021: 2,729,262.669) units of face value of ₹ 10 each.	-	533.31
Kotak Equity Arbitrage Fund - Direct Plan-Growth 16,009,753.67 (31 March 2021: 8,246,338.928) units of face value of ₹ 10 each.	5,070.13	2,497.08
Kotak Bond Short Term Fund-Direct Growth Nil (31 March 2021: 683,643.332) units of face value of ₹ 10 each.	-	297.24
Kotak Money Market Fund-Direct Growth Nil (31 March 2021: 8,698.796) units of face value of ₹ 1000 each.	-	303.05
Kotak Liquid Direct Plan Growth 109,682.289 (31 March 2021: 12,048.454) units of face value of ₹ 1000 each.	4,719.72	501.10
Nippon India Arbitrage Fund - Direct Growth* 20,397,533.459 (31 March 2021:10,980,600.721) units of face value of ₹ 10 each.	4,656.35	2,396.74
Nippon India Liquid Fund-Direct Growth 75,246.072 (31 March 2021: 42,752.935) units of face value of ₹ 1000 each.	3,918.84	2,151.58
Nippon India Floating Rate Fund - Direct Growth Nil (31 March 2021: 7,784,717.211) units of face value of ₹ 10 each.	-	2,801.57
Nippon India Low Duration Fund - Direct Growth Nil (31 March 2021: 50,340.047) units of face value of ₹ 1000 each.	-	1,520.38
SBI Liquid Fund- Direct Growth 14,614.438 (31 March 2021: 14,165.696) units of face value of ₹ 1000 each.	487.11	456.36
SBI Overnight Fund- Direct Growth 86,675.954 (31 March 2021: Nil) units of face value of ₹ 1000 each.	3,000.16	-
SBI Saving Fund-Direct Growth Nil (31 March 2021: 2,955,074.715 ) units of face value of ₹ 10 each.	-	1,010.51
Tata Arbitrage Fund - Direct Growth* 40,981,023.471 (31 March 2021:13,509,132.173) units of face value of ₹ 10 each.	4,911.78	1,549.50
Tata Liquid Fund - Direct Growth 137,034.481 (31 March 2021: Nil) units of face value of ₹ 1000 each.	4,604.98	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 10. Current investments (Cont...)

Particulars	As at 31 March 2022	As at 31 March 2021
Tata Money Market Fund - Direct Growth*	2,040.46	-
53,340.528 (31 March 2021: Nil) units of face value of ₹ 1000 each.		
Tata Arbitrage Fund - Direct Growth	336.36	-
2,806,424.885 (31 March 2021: Nil) units of face value of ₹ 10 each.		
UTI Overnight Fund - Direct Growth	810.47	-
27,851.587 (31 March 2021: Nil) units of face value of ₹ 1000 each.		
UTI Arbitrage Fund - Direct Growth*	1,548.66	-
5,210,587.762 (31 March 2021: Nil) units of face value of ₹ 10 each.		
<b>Commercial Papers</b>		
<b>Quoted</b>		
7.75% Adani Enterprise Limited	2,475.05	-
500 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
6.30% IIFL Home Finance Ltd	2,464.98	-
500 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
7.30% Navi Finserv Pvt Ltd	2,483.30	-
500 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
6.80% Piramal Enterprises Ltd	4,914.90	-
1,000 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
7.50% IIFL Samasta Microfinance Ltd	2,521.77	-
518 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
7.65% Trust Investment Advisors Private Limited	2,478.39	-
500 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
7.50% Adani Enterprise Limited	4,910.24	-
1,000 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
6.85% Arka Fincap Ltd	2,490.81	-
500 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
<b>Unquoted</b>		
7.40% Adani Enterprise Limited	2,498.00	-
500 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
7.15% Angel One Ltd	2,456.70	-
500 (31 March 2021: Nil) units of face value of ₹ 5,00,000 each.		
<b>Total</b>	<b>114,202.63</b>	<b>60,064.81</b>
Aggregate market value of quoted investments	33,975.86	18,664.34
Aggregate value of unquoted investments	80,226.77	41,400.46

\*Investments includes ₹ 22,867 (cost) [(31 March 2021: ₹ 6,400) (cost)] under lien with banks for overdraft and Standby letter of credit (SBLC facilities).

## 11. Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables		
Secured, considered good	8,737.11	319.55
<b>Total</b>	<b>8,737.11</b>	<b>319.55</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 11. Trade receivables (Cont...)

Ageing for trade receivables outstanding as at 31 March 2022 is as follows:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	8,737.05	0.06	-	-	-	8,737.11
<b>Total</b>						<b>8,737.11</b>

Ageing for trade receivables outstanding as at 31 March 2021 is as follows:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	315.82	-	-	3.73	-	319.55
<b>Total</b>						<b>319.55</b>

## 12. Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks		
- in current accounts	889.35	728.83
- in settlement accounts	21,528.20	3,875.84
<b>Total</b>	<b>22,417.55</b>	<b>4,604.67</b>

## 13. Other Bank balance

Particulars	As at 31 March 2022	As at 31 March 2021
Bank deposits having original maturity of more than three months but due to mature in less than twelve months from the reporting date*	830.50	5,766.02
<b>In earmarked accounts</b>		
- Current Accounts (unpaid dividend)#	15.81	16.08
<b>Total</b>	<b>846.31</b>	<b>5,782.10</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"	830.50	5,766.02
Fixed Deposits due to mature after 12 months of reporting date included under "Other financial assets"	-	202.09
<b>Total</b>	<b>830.50</b>	<b>5,968.11</b>

\*Bank deposits includes ₹ 200 (31 March 2021: ₹ 200) under lien with banks for overdraft facilities.

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

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 14. Other financial assets - Current

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured, considered good, unless otherwise stated</i>		
Security deposits	227.84	183.82
Other recoverable*	76.73	17.66
Other advances	20.15	5.55
<b>Total</b>	<b>324.72</b>	<b>207.03</b>

\* includes ₹ 72.70 (Previous year ₹ Nil ) from Indian Gas Exchange Limited (refer note 44)

## 15. Other current assets

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured, considered good, unless otherwise stated</i>		
SGF Contribution	-	1,675.00
Prepaid expenses	159.99	123.63
Balance with government authorities	40.77	364.86
Other advances	595.19	546.84
<b>Total</b>	<b>795.95</b>	<b>2,710.33</b>

## 16. Equity share capital

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Authorised equity share capital</b>		
1,000,000,000 Equity shares of face value of Re.1 each (31 March 2021:	10,000.00	4,025.00
402,500,000 Equity shares of face value of Re.1 each )		
	<b>10,000.00</b>	<b>4,025.00</b>
<b>Issued, subscribed and fully paid up equity share capital</b>		
898,669,533 Equity shares of face value of Re.1 each (31 March 2021:	8,986.70	2,995.56
299,556,511 Equity shares of face value of Re.1 each )		
Less: 2,645,310* Equity shares of face value of Re 1 each (31 March 2021:	(8.82)	(10.52)
1,051,170 Equity shares of face value of Re. 1 each) held by IEX ESOP Trust		
	<b>8,977.88</b>	<b>2,985.04</b>

\* Includes 17,63,540 bonus equity shares issued to IEX ESOP trust

### a) Movements in equity share capital outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares</b>				
Outstanding at the beginning of the year (face value of Re.1 each)#	298,505,341	2,985.04	298,324,941	2,983.24
Add: Option vested and exercised before bonus issue (refer note 16 (f))	119,400	1.19	180,400	1.80
Add: Bonus share issued during the year (excluding 1,863,540 shares issued to IEX ESOP Trust)	597,249,482	5,991.13	-	-
Add: Option vested and exercised during the year (refer note 16 (f))	150,000	0.50	-	-
<b>Outstanding at the end of the year (Face value 31 March 2022: Re. 1 each, 31 March 2021 : Re. 1 each)</b>	<b>896,024,223</b>	<b>8,977.88</b>	<b>298,505,341</b>	<b>2,985.04</b>

# Excluding 1,051,170 shares held by IEX ESOP Trust (previous year 1,231,570 shares)



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity share. The par value of the shares is ₹1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

The Company has declared final dividend for the year ended 31 March 2021 @ Re. 1.5 per equity share as recommended by the Board of Directors in its meeting held on 22 July 2021 and approved at the AGM held on 02 September 2021. The same has been paid before the year-end.

Further, during the current year, the Company has declared interim dividend Re. @ 1.0 per equity share in their meeting held on 24 January 2022. The same has been paid before the year-end.

Further, the Board of Directors of the Company have recommended a final dividend of Re. 1/- per equity share of face value of Re. 1 each for the financial year ended 31 March 2022, subject to the approval of the Shareholders at the ensuing Annual General Meeting.

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

Particulars	31 March 2022		31 March 2021	
	No. of shares	% holding	No. of shares	% holding
<b>Equity shares of ₹ 1 each, fully paid up held by:</b>				
DPVL Ventures LLP (Previously TVS Shriram Growth Fund 1B LLP)	62,587,206	6.96	23,003,351	7.68
Dalmia Power Limited	33,310,083	3.71	24,503,361	8.18

## d) Details of shares issued for consideration other than cash / bonus shares / bought back

During the current year, the Company has issued 599,113,022 equity shares of Re.1 each as fully paid-up bonus shares representing ratio of 2 (Two) equity share for every 1 (One) equity share outstanding on the record date. Accordingly, as required by Ind AS-33 Earnings per share, the EPS of current and previous period have been restated. There are no shares issued for consideration other than cash and no shares were bought back during the period of 5 years immediately preceding the reporting date, except that, the Company had on 10 April 2019 completed the buyback of 3,729,729 fully paid-up equity shares of Re.1 each (representing 1.23% of the total number of equity shares in the paid-up share capital of the Company) at a price of ₹ 185 (Rupees One Hundred Eighty Five only) per equity share (the "Maximum Price") paid in cash aggregating to the total consideration of ₹ 6,900 lakhs.

## e) Employee stock options

Terms attached to stock options granted to employees are described in Note 46.

## f) During the current year, 119,400 options (previous year 180,400) (pre bonus) and 150,000 options (previous year : nil) (post bonus) out of the options granted earlier, have been exercised.

## g) Promoter shareholding as on 31 March 2022 is Nil (Previous year : Nil)

## 17. Other equity

Particulars	As at 31 March 2022	As at 31 March 2021
Employee stock options outstanding account	144.74	119.35
Retained earnings	59,929.54	48,440.19
ESOP trust reserve	1,288.83	1,029.17
Capital redemption reserve	-	37.30
<b>Total</b>	<b>61,363.11</b>	<b>49,626.01</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 17. Other equity (Cont...)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>(a) Employee stock options outstanding account</b>		
Opening balance	119.35	91.42
Add: Employee stock option expense (refer note 46)	25.39	27.93
<b>Closing balance</b>	<b>144.74</b>	<b>119.35</b>
<b>(b) Retained earnings</b>		
Opening balance	48,440.19	34,896.42
Add: Profit for the year	30,925.55	20,609.33
Add: Re-measurement gain/(loss) on defined benefit obligations (net of tax) (Refer note 35)	10.31	17.87
Less: Interim dividend paid on equity shares (Refer note 17 (e)) *	(8,986.70)	(7,488.91)
Final dividend paid on equity shares for FY21 (Refer note 17 (e)) *	(4,493.35)	-
Transfer to ESOP trust reserve	(12.63)	(32.30)
Utilised for Bonus share issued during the year	(5,953.83)	-
Sale of investment to non- controlling interests	-	437.78
<b>Closing balance</b>	<b>59,929.54</b>	<b>48,440.19</b>
* includes dividend paid on shares held by ESOP trust		
<b>(c) ESOP Trust reserve</b>		
Opening balance	1,029.17	786.78
Add: Addition during the year	12.63	32.30
Add: Profit earned on sale of shares to employees by ESOP Trust	219.49	192.66
Add: Dividend on shares held by the ESOP Trust from retained earnings	27.54	17.43
	<b>1,288.83</b>	<b>1,029.17</b>
<b>(d) Capital redemption reserve</b>		
Opening balance	37.30	37.30
Add: Adjustment on account of buyback of equity shares	(37.30)	-
<b>Closing balance</b>	<b>-</b>	<b>37.30</b>

### Nature of reserves:

#### Employee stock options outstanding account

Employee stock options outstanding account is used to record the impact of employee stock option scheme. Refer note 46 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 ₹ Nil (31 March 2021 :Nil). The opening balance has been utilised during the current year for Bonus share issue.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 17. Other equity (Cont...)

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Equity shares</b>		
Interim Dividend for the year ended 31 March 2022 of Re. 1.00 (31 March 2021 is ₹ 2.50 per share)	8986.70 <sup>#</sup>	7,488.91
Final Dividend for the year ended 31 March 2021 of Re. 1.50 (31 March 2021 is ₹ Nil per share)	4,493.35	-
<b>Total</b>	<b>13,480.05</b>	<b>7,488.91</b>
<sup>#</sup> Paid post Bonus issue of equity shares		

## 18. Other financial liabilities - Non Current

Particulars	As at 31 March 2022	As at 31 March 2021
Deposits towards settlement guarantee fund (Refer Note 49)	49.22	119.05
Deposit from employees	45.40	27.30
<b>Total</b>	<b>94.62</b>	<b>146.35</b>

## 19. Provisions - Non Current

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Provision for employee benefits (Refer Note 35)</b>		
Gratuity	377.97	398.15
Compensated absences	401.45	351.48
<b>Total</b>	<b>779.42</b>	<b>749.63</b>

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

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Deferred tax assets rising on timing differences on account of:</b>		
Provisions for employee benefits	207.68	191.48
Fair valuation of financial assets/ liabilities	59.52	51.91
Deduction u/s 35 D of Income Tax Act, 1961	-	14.48
Carryforward of unused tax losses	-	365.97
<b>Deferred tax liabilities rising on timing differences on account of:</b>		
Deferred tax liabilities on account of difference between WDV of property, plant and equipment and other intangible assets as per books and under Income Tax Act, 1961.	(1,765.19)	(1,825.86)
Investments at fair value through profit or loss	(727.11)	(1,155.92)
<b>Total</b>	<b>(2,225.11)</b>	<b>(2,357.94)</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 20. Deferred tax assets/ (Deferred tax liabilities) (net) (Cont...)

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

As at 31 March 2022

Particulars	Net balance 1 April 2021	Recognised in profit or loss	Recognised in OCI	Derecognition due to loss of control over subsidiary	Net balance 31 March 2022
<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.	(1,825.86)	13.46	-	47.21	(1,765.19)
Investments at fair value through profit or loss	(1,155.92)	415.36	-	13.45	(727.11)
<b>Less: Deferred tax assets</b>					
Provisions for employee benefits	191.48	40.45	(3.18)	(21.07)	207.68
Fair valuation of financial assets/ liabilities (including impact on Right of Use and Lease liability)	51.91	7.61	-	-	59.52
Deduction u/s 35 D of Income Tax Act, 1961	14.48	-	-	(14.48)	-
Carryforward of unused tax losses	365.97	127.34	-	(493.31)	-
<b>Deferred tax assets/(liabilities)</b>	<b>(2,357.94)</b>	<b>604.22</b>	<b>(3.18)</b>	<b>(468.20)</b>	<b>(2,225.11)</b>

As at 31 March 2021

Particulars	Net balance 1 April 2020	Recognised in profit or loss	Recognised in OCI	Derecognition due to loss of control over subsidiary	Net balance 31 March 2021
<b>Deferred tax liability</b>					
Deferred tax liabilities on account of difference between WDV of property, plant and equipment and intangible assets as per books and under Income Tax Act, 1961.	(1,734.18)	(91.68)	-	-	(1,825.86)
Investments at fair value through profit or loss	(882.36)	(273.56)	-	-	(1,155.92)
<b>Less: Deferred tax assets</b>					
Provisions for employee benefits	132.44	65.34	(6.30)	-	191.48
Fair valuation of financial assets/ liabilities (including impact on Right of Use and Lease liability)	41.13	10.78	-	-	51.91
Deduction u/s 35 D of Income Tax Act, 1961	-	14.48	-	-	14.48
Carryforward of unused tax losses	-	365.97	-	-	365.97
<b>Deferred tax assets/(liabilities)</b>	<b>(2,442.97)</b>	<b>91.33</b>	<b>(6.30)</b>	<b>-</b>	<b>(2,357.94)</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 20. Deferred tax assets/ (Deferred tax liabilities) (net) (Cont...)

Reflected in the Consolidated Balance Sheet as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax assets (A)	-	340.26
Deferred tax liabilities (B)	2,225.11	2,698.20
<b>Deferred tax liabilities (net) (B-A)</b>	<b>2,225.11</b>	<b>2,357.94</b>

## 21. Other liabilities - Non Current

Particulars	As at 31 March 2022	As at 31 March 2021
Unamortised subscription and admission fee income	-	107.26
Deferred income settlement guarantee fund	9.34	8.29
<b>Total</b>	<b>9.34</b>	<b>115.55</b>

## 22. Trade Payables

Particulars	As at 31 March 2022	As at 31 March 2021
-Total outstanding dues of micro enterprises and small enterprises*	4.75	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	63,511.85	16,590.47
<b>Total</b>	<b>63,516.60</b>	<b>16,590.47</b>

Ageing for trade payables outstanding as at 31 March 2022 is as follows:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME*	4.75	-	-	-	4.75
Others	63,331.05	147.47	22.17	11.17	63,511.85
<b>Total</b>	<b>63,335.80</b>	<b>147.47</b>	<b>22.17</b>	<b>11.17</b>	<b>63,516.60</b>

Ageing for trade payables outstanding as at 31 March 2021 is as follows:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME*	-	-	-	-	-
Others	16,535.21	23.64	18.13	13.49	16,590.47
<b>Total</b>	<b>16,535.21</b>	<b>23.64</b>	<b>18.13</b>	<b>13.49</b>	<b>16,590.47</b>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 22. Trade Payables (Cont...)

\* Disclosure in respect of the amounts payable to Micro and Small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier	4.75	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued for unpaid principal at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

## 23. Other financial liabilities - Current

Particulars	As at 31 March 2022	As at 31 March 2021
Deposits towards settlement guarantee fund* (Refer Note 49)	26,811.15	15,520.92
Deposit from employees	4.84	-
Creditors for capital goods	71.19	218.83
Advance from customers	-	299.77
Unpaid dividends	15.81	16.08
Other liabilities	-	0.01
Employee related payables	1,040.73	903.12
Deposit from clearing and settlement bankers	1,300.00	2,100.00
<b>Total</b>	<b>29,243.72</b>	<b>19,058.73</b>

\*includes Nil (31 March 2021: 2,022.87) as per PNGRB regulations.

## 24. Current tax liabilities (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Current tax liabilities(net)	342.42	422.78
<b>Total</b>	<b>342.42</b>	<b>422.78</b>

## 25. Provisions - Current

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Provision for employee benefits (Refer Note 35)</b>		
Gratuity	3.78	3.52
Compensated absences	41.97	7.68
<b>Total</b>	<b>45.75</b>	<b>11.20</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 26. Other liabilities - Current

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred income settlement guarantee fund	17.95	15.60
Unamortised subscription and admission fee income	774.58	689.07
Advance from customers	300.43	458.43
Statutory dues payables	927.45	806.71
<b>Total</b>	<b>2,020.41</b>	<b>1,969.81</b>

## 27. Revenue from operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Sale of services</b>		
Transaction fees	40,813.17	29,898.09
Annual subscription fees	2,074.22	1,773.56
Membership, processing and transfer fees	194.99	89.14
	<b>43,082.38</b>	<b>31,760.79</b>
<b>Other operating revenues</b>		
Amortisation of deferred settlement guarantee fund	21.13	24.27
<b>Total</b>	<b>43,103.51</b>	<b>31,785.06</b>

## 28. Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income from bank deposits	259.05	236.59
Interest income from financial assets at amortised cost (security deposits)	11.77	55.81
Other interest income	1,217.66	113.20
Dividend income	37.54	-
Net gain on sale of investments	1,251.48	670.98
Fair value gain on investments	2,448.06	2,710.32
Provision/liabilities no longer required written back	27.95	29.82
Business support services	45.55	-
Miscellaneous income	37.61	21.32
<b>Total</b>	<b>5,336.67</b>	<b>3,838.04</b>

## 29. Employee benefits

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	3,595.13	3,921.99
Contribution to provident fund	160.55	135.74
Gratuity	104.87	112.13
Compensated absences	172.13	141.86
Employee stock options expense (refer note 46)	25.39	27.93
Staff welfare	117.56	98.45
<b>Total</b>	<b>4,175.63</b>	<b>4,438.10</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 30. Finance Costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on financial liabilities (settlement guarantee fund) measured at amortised cost	22.86	22.79
<b>Interest</b>		
- on bank overdraft	11.11	7.87
- on members security guarantee fund	57.30	55.60
- on lease liability	106.22	119.21
- on others	-	0.01
<b>Total</b>	<b>197.49</b>	<b>205.48</b>

## 31. Depreciation and Amortisation

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment	391.85	377.32
Amortisation of Right-of-use assets	216.04	343.13
Amortisation of intangible assets	1,114.88	930.56
<b>Total</b>	<b>1,722.77</b>	<b>1,651.01</b>

## 32. Other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Rent	102.26	115.59
Technology	609.50	446.69
Business promotion/ development	62.09	123.21
Training and coaching	43.32	13.49
Legal and professional *	464.40	437.33
Travelling and conveyance	61.37	6.76
Market Communication	103.35	151.81
Insurance	9.55	11.48
Communication	83.40	87.16
CERC regulatory fee	69.00	56.06
Printing and stationery	5.45	2.44
Directors sitting fees	62.10	98.40
Repairs and maintenance - building	110.09	88.74
Repairs and maintenance - others	12.11	8.65
Electricity	19.41	28.88
Loss on sale/write off of property, plant and equipment ('PPE')	-	19.17
Contribution towards corporate social responsibility	456.38	420.00
Contribution to SGF	29.59	1.73
Rates and taxes	188.00	91.78
Miscellaneous	70.98	74.22
<b>Total</b>	<b>2,562.35</b>	<b>2,283.58</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 32. Other expenses (Cont...)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>* Includes Audit fees as follows :</b>		
- Statutory audit fee	25.25	28.00
- Other services	16.50	14.50
- Reimbursement of expenses	2.16	1.81
<b>Total</b>	<b>43.91</b>	<b>44.31</b>

## 33. Income taxes

This note provides an analysis of the Company's income tax expense, and how the tax expense is affected by non-assessable and non-deductible items.

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Current tax expense</b>		
Current tax	10,185.45	6,587.97
<b>Total current tax expense</b>	<b>10,185.45</b>	<b>6,587.97</b>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	(604.21)	(91.33)
	<b>(604.21)</b>	<b>(91.33)</b>
Income tax expense for current year	9,581.24	6,496.64
Tax for earlier years	79.16	5.17
<b>Total income tax expense charged to P&amp;L</b>	<b>9,660.40</b>	<b>6,501.81</b>

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

Particulars	31 March 2022			31 March 2021		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
Re-measurement gain/(loss) on defined benefit obligations	12.63	(3.18)	9.45	25.02	(6.30)	18.72
	<b>12.63</b>	<b>(3.18)</b>	<b>9.45</b>	<b>25.02</b>	<b>(6.30)</b>	<b>18.72</b>

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

Particulars	As at 31 March 2022	As at 31 March 2021
Profit before income tax expense	40,523.98	27,044.93
Enacted tax rates in India	25.17%	25.17%
<b>Computed expected tax (expenses)/credit</b>	<b>10,199.89</b>	<b>6,807.21</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 33. Income taxes (Cont...)

Particulars	As at 31 March 2022	As at 31 March 2021
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible tax expenses	145.14	127.95
Tax-exempt income	(10.49)	(7.45)
Others	(753.29)	(431.08)
<b>Income tax expense for current year</b>	<b>9,581.24</b>	<b>6,496.64</b>

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

### (a) Basic and diluted earnings per share (in ₹)

Particulars	As at 31 March 2022	As at 31 March 2021
Basic earnings per share*	3.45	2.30
Diluted earnings per share*	3.45	2.30
Nominal value per share	1.00	1.00

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

	As at 31 March 2022	As at 31 March 2021
<b>Profit attributable to equity holders</b>	<b>30,925.55</b>	<b>20,609.33</b>

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

Particulars	As at 31 March 2022	As at 31 March 2021
Weighted average number of equity shares used in calculation of basic earnings per share	89,58,53,573	29,83,99,071
Add: Number of potential equity shares in respect of stock option	1,39,469	1,38,149
Weighted average number of equity shares used in calculation of diluted earnings per share	89,59,93,042	29,85,37,220

\* During the current year, the Company has issued 599,113,022 equity shares of Re.1 each as fully paid-up bonus shares in the ratio of 2 (Two) equity share for every 1 (One) equity share outstanding on the record date i.e. 6 December 2021. Accordingly, as required by Ind AS-33 Earnings per share, the EPS of current and previous period have been restated.

## 35. Employee benefits

### (i) Defined contribution plans:

#### Provident fund

The Company makes contributions, determined as a specified percentage of employees' 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 ₹ 160.55 (31 March 2021 ₹ 135.74).



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 35. Employee benefits (Cont...)

### (ii) Defined benefit plans:

#### Gratuity

The Company has a defined benefit plan that provides for 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:

Particulars	As at 31 March 2022	As at 31 March 2021
<b>a) Net defined benefit liability:</b>		
Gratuity (unfunded)	381.75	401.67
	<b>381.75</b>	<b>401.67</b>
<b>b) Classification of defined benefit liability in current and non-current:</b>		
Non-current	377.97	398.15
Current	3.78	3.52
<b>c) Reconciliation of present value of defined benefit obligation:</b>		
Particulars	31 March 2022	31 March 2021
Balance at the beginning of the year	401.67	320.82
Benefits paid	(58.93)	(6.25)
Current service cost	80.39	89.13
Interest cost	24.48	23.00
Derecognition on Loss of control of subsidiary	(50.83)	-
Actuarial (gain)/ loss recognised in other comprehensive income		
- Demographic assumptions	-	-
- Financial assumptions	(31.04)	3.25
- Experience adjustment	16.01	(28.27)
<b>Balance at the end of the year</b>	<b>381.75</b>	<b>401.67</b>
<b>d) Expense recognised in profit or loss:</b>		
Particulars	31 March 2022	31 March 2021
Current service cost	80.39	89.13
Interest Cost	24.48	23.00
	<b>104.87</b>	<b>112.13</b>
<b>e) Remeasurement recognised in other comprehensive income:</b>		
Particulars	31 March 2022	31 March 2021
Actuarial (gain)/ loss on defined benefit obligation	(12.63)	(25.02)
	<b>(12.63)</b>	<b>(25.02)</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 35. Employee benefits (Cont...)

### f) Actuarial assumptions

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

Particulars	31 March 2022	31 March 2021
Discount rate	7.26%	6.76%
Salary escalation rate	10.00%	10.00%
Retirement age (years)	60	60
Mortality rates inclusive of provision for disability	IALM(2012-14)	IALM(2012-14)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### g) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31 March 2022		31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(28.60)	31.52	(29.56)	32.70
Salary escalation rate (0.5% movement)	30.55	(28.05)	31.54	(28.85)

The sensitivity analysis is based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these have not been calculated.

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

### h) Risk exposure:

#### i) Changes in discount rate

A decrease in discount yield will increase plan liabilities.

#### ii) Mortality table

The gratuity plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in plan liabilities.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 35. Employee benefits (Cont...)

### Expected maturity analysis of gratuity in future years

Particulars	Less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
As at 31 March 2022	3.78	6.24	19.39	352.34	381.75
As at 31 March 2021	3.51	6.51	53.23	338.42	401.67

Expected contributions to post-employment benefit plans for the next annual reporting period as on 31 March 2022 are ₹ 116.21 (31 March 2021: ₹ 128.32).

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 19.81 years (31 March 2021: 19.73 years).

## 36. Leases

### i) Leases where Company is a lessee:

The Company has entered into lease transactions mainly for leasing of office premise for a period between 1 to 9 years. The terms of lease include terms of renewal, increase in rents in future periods, which are in line with general inflation, and terms of cancellation. None of the leases consists of any variable lease payment terms. Extension and termination options are included in a number of property lease arrangements of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable based on mutual consent of the Company and respective lessors and uses to assess the short term leases. The aggregate depreciation expense on Right of Use assets is included under depreciation and amortization expense in the Statement of Profit and Loss. (Also, refer note-4(a)).

### (A) The movement in lease liabilities during the year ended 31 March 2022 is as follows :

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	1,173.15	1,390.96
Additions during the year	-	34.72
Finance cost accrued during the year	106.22	119.21
Payment of lease liabilities during the year	(278.51)	(371.74)
<b>Closing Balance</b>	<b>1,000.86</b>	<b>1,173.15</b>

### (B) The break-up of current and non-current lease liabilities as at 31 March 2022 is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Current lease liabilities	201.32	172.29
Non-current lease liabilities	799.54	1,000.86
<b>Total</b>	<b>1,000.86</b>	<b>1,173.15</b>

### (C) Discount rate

Discount rate at which the lease liability is recognised as on the initial application is 10%

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

### 36. Leases (Cont...)

(D) Amount recognised in statement of profit and loss during the year for:

Particulars	As at 31 March 2022	As at 31 March 2021
Depreciation and Amortisation	216.04	343.13
Interest expenses	106.22	119.21
Expenses related to low value assets	-	-
Expenses related to short term leases	102.26	115.59

(E) Actual cash outflow during the year for:

Particulars	As at 31 March 2022	As at 31 March 2021
Rent paid during the year	380.78	487.33

### 37. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 165.03 (previous year ₹ 463.12).

### 38. Provisions and contingent liabilities

- a) The Company's pending litigations comprise proceedings pending with Income Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required. This provision has been created only as a matter of abundant caution. Management continues to believe that it has a strong case and that the demands against it are not tenable.
- b) The Company is directly or indirectly (through its members/other parties) involved in other lawsuits, claims, and proceedings, which arise in the ordinary course of business. The Company or its members/other parties have challenged these litigation with respective authorities. Based on the facts currently available, management believes that likelihood of outflow of resources is remote.
- c) During the financial year 2018-19, the Company had received a show cause notice from the service tax department for reversal of Cenvat credit of ₹ 170.88. During the year, against this show cause notice, the Additional commissioner (Adj.) CGST Delhi has issued an order raising demand of ₹ 170.88 and also imposed penalty of equivalent amount of ₹ 170.88, against which the Company had filed an appeal before the Hon'ble Custom, Excise & Service Tax appellate Tribunal, Delhi (CESTAT). As on date, matter is pending for hearing before CESTAT. 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 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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 39. Corporate social responsibility

a) Pursuant to section 135 of the Companies Act, 2013, the Company has incurred expenditure in respect of various projects/ programs as covered under Schedule VII of the Companies Act. Details of expenses incurred are given below:-

### 31 March 2022

a) Gross amount required to be spent by the Company during the year was ₹ 456.38.

b) The Company has brought forward ₹ 546.84 excess CSR spend from previous year and further spend ₹ 504.73 towards CSR activities during the year FY22. Out of total amount of ₹ 1051.57, the company utilised ₹ 456.38 toward current year CSR obligation, and carried forward balance ₹ 595.19 for set off in subsequent years. Amount approved by the Board to be spent during the year 2021-22 was ₹ 504.73 (including administrative overheads).

c) Amount recognised in P&L during the year on

Particulars	In cash	Yet to be paid	Total
Construction/acquisition of any assets	-	-	-
On purpose other than (i) above	456.38	-	456.38
<b>Total</b>	<b>456.38</b>	<b>-</b>	<b>456.38</b>

### 31 March 2021

a) Gross amount required to be spent by the Company during the year was ₹ 415.73.

b) Amount approved by the Board to be spent during the year 20-21 was ₹ 966.84, out of which ₹ 546.84 approved by the Board to be carried forward for next years.

c) Amount recognised in P&L during the year on

Particulars	In cash	Yet to be paid	Total
Construction/acquisition of any assets	-	-	-
On purpose other than (i) above	420.00	-	420.00
<b>Total</b>	<b>420.00</b>	<b>-</b>	<b>420.00</b>

### b) Details of Amount available for set off in succeeding financial years

S.No	Particulars	As at 31 March 2022	As at 31 March 2021
(i)	Two percent of average net profit of the company as per section 135(5)	456.38	415.73
(ii)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	546.84	-
(iii)	Total amount spent for the year	504.73	966.84
(iv)	Amount utilised for current year obligation from carried forward balance	(434.65)	-
(v)	Amount utilised for current year obligation from current year spent	(21.73)	(420.00)
(vi)	Amount available for set off in succeeding financial years [(ii)+(iii)+(iv)+(v)]	595.19	546.84



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 40. 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 2022

Particulars	Carrying amount				Fair value		
	FVTPL	Amortised cost	At Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
Investments (bonds)	-	4,576.32	-	4,576.32	-	-	4,576.32
Investments in Units of InvITs	2,026.71	-	-	2,026.71	2,026.71	-	-
Investments in Equity of Associate	-	-	3,690.27	3,690.27	-	-	-
Market Linked Debentures (MLD)	315.51	-	-	315.51	-	-	315.51
Other financial assets	-	130.52	-	130.52	-	-	-
<b>Current</b>							
<b>Investments</b>							
- Mutual funds	1,04,585.56	-	-	1,04,585.56	-	1,04,585.56	-
- Commercial paper	2,456.70	-	-	2,456.70	-	-	2,456.70
- Market Linked Debentures (MLD)	7,160.37	-	-	7,160.37	-	-	7,160.37
Trade receivables	-	8,737.11	-	8,737.11	-	-	-
Cash and cash equivalents	-	22,417.55	-	22,417.55	-	-	-
Other Bank balances*	-	846.31	-	846.31	-	-	-
Other financial assets	-	324.72	-	324.72	-	-	-
	<b>1,16,544.85</b>	<b>37,032.53</b>	<b>3,690.27</b>	<b>1,53,577.37</b>	<b>2,026.71</b>	<b>1,04,585.56</b>	<b>14,508.90</b>
<b>Financial liabilities</b>							
<b>Non-current</b>							
Lease liability	799.54	-	-	799.54	-	-	799.54
<b>Other financial liabilities</b>							
- Settlement guarantee fund #	-	49.22	-	49.22	-	-	49.22
- Deposits from employees	-	45.40	-	45.40	-	-	-
<b>Current</b>							
Trade payables	-	63,516.60	-	63,516.60	-	-	-
Lease liability	201.32	-	-	201.32	-	-	201.32
<b>Other financial liabilities</b>							
- Settlement guarantee fund #	-	26,811.15	-	26,811.15	-	-	26,811.15
- Others (excluding settlement guarantee fund)*	-	2,432.57	-	2,432.57	-	-	-
	<b>1,000.86</b>	<b>92,854.94</b>	<b>-</b>	<b>93,855.80</b>	<b>-</b>	<b>-</b>	<b>27,861.23</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 40. Fair Value Measurements (Cont...)

As at 31 March 2021

Particulars	Carrying amount				Fair value		
	FVTPL	Amortised cost	At Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
Investments (bonds)	-	4,582.80	-	4,582.80	-	-	4,582.80
Mutual fund	1,992.94	-	-	1,992.94	-	1,992.94	-
Market Linked Debentures (MLD)	4,640.45	-	-	4,640.45	-	-	4,640.45
Other financial assets	-	321.39	-	321.39	-	-	-
<b>Current</b>							
Investments							
- Mutual funds	60,064.81	-	-	60,064.81	-	60,064.81	-
Trade receivables	-	319.55	-	319.55	-	-	-
Cash and cash equivalents	-	4,604.67	-	4,604.67	-	-	-
Other Bank balances	-	5,782.10	-	5,782.10	-	-	-
Other financial assets	-	207.03	-	207.03	-	-	-
	<b>66,698.20</b>	<b>15,817.54</b>	<b>-</b>	<b>82,515.74</b>	<b>-</b>	<b>62,057.75</b>	<b>9,223.24</b>
<b>Financial liabilities</b>							
<b>Non-current</b>							
Lease liability	1,000.86	-	-	1,000.86	-	-	1,000.86
Other financial liabilities							
- Settlement guarantee fund #	-	119.05	-	119.05	-	-	119.05
- Deposits from employees	-	27.30	-	27.30	-	-	-
<b>Current</b>							
Trade payables	-	16,590.47	-	16,590.47	-	-	-
Lease liability	172.29	-	-	172.29	-	-	172.29
Other financial liabilities							
- Settlement guarantee fund #	-	15,520.92	-	15,520.92	-	-	15,520.92
- Others (excluding settlement guarantee fund)*	-	3,537.81	-	3,537.81	-	-	-
	<b>1,173.15</b>	<b>35,795.55</b>	<b>-</b>	<b>36,968.70</b>	<b>-</b>	<b>-</b>	<b>16,813.12</b>

The carrying amounts of the above mentioned financial assets and financial liabilities approximate their fair value due to their short-term nature.

#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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 40. Fair Value Measurements (Cont...)

**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 using an appropriate discounting rate

## 41. Financial Risk Management

The Company's activities expose it to the followings risks arising from 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 Board of Directors ("the Board") of the Company and associate Company has overall responsibility for the establishment and oversight of the respective company's risk management framework. The risk management policies are established to identify and analysis the risk faced by the respective entities, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The board provides written principles for overall risk management, as well as policies covering specific areas, such as regulatory risk, compliance risk, technology related risk, IT risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. Risk management is carried out by an Enterprise Risk Management Committee under risk policy approved by the Board.

The Audit Committee of Company and associate 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 Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. 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 invests in deposits with banks with high credit ratings assigned by domestic credit agencies. Investments primarily include investments in mutual fund units, fixed maturity plans and investment in bonds with fixed interest income. The management actively monitors the net asset value of investments in mutual funds, interest rate and maturity period of these investments. The Company does not expect the counterparty to fail to meet its obligations. However, investment in fixed maturity plans of mutual funds are exposed to uncertainties as regards to fulfilment of obligations by counter-party. The Company has not experienced any significant impairment losses in respect of any of the investments. Security deposit given for facilities taken on rent 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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 41. Financial Risk Management (Cont...)

### (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 2022	31 March 2021
<b>Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)</b>		
Investments (Non current and current)	1,24,811.45	71,281.00
Other non-current financial assets	130.52	321.39
Cash and cash equivalents	22,417.55	4,604.67
Other Bank balance	846.31	5,782.10
Other current financial assets	324.72	207.03
<b>Total</b>	<b>1,48,530.55</b>	<b>82,196.19</b>
<b>Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)</b>		
Trade receivables	8,737.11	319.55

### (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 2022	-	8,737.05	-	-	-	0.06	8,737.11
Gross carrying amount as 31 March 2021	-	316.48	-	-	-	3.07	319.55

### 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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 41. Financial Risk Management (Cont...)

The Company believes that its liquidity position, comprising 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 2022	31 March 2021
<b>Floating-rate borrowings</b>		
Overdraft (including SBLC) facilities from banks*	17,180.00	5,180.00
<b>Total</b>	<b>17,180.00</b>	<b>5,180.00</b>

\* the overdraft (including SBLC) 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 2022

Contractual maturities of financial liabilities	Carrying amount	Contractual cash flows					
		3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Trade payables	63,516.60	63,516.60	-	-	-	-	63,516.60
Deposits towards settlement guarantee fund- Non current	49.22	-	-	60.00	76.00	-	136.00
Deposits towards settlement guarantee fund- Current	26,811.15	26,706.15	105.00	-	-	-	26,811.15
Deposit from employees- Non Current	45.40	-	-	2.08	43.32	-	45.40
Deposit from employees- Current	4.84	-	4.84	-	-	-	4.84
Employee related payables	1,040.73	1,040.73	-	-	-	-	1,040.73
Deposit from clearing and settlement bankers	1,300.00	1,300.00	-	-	-	-	1,300.00
Creditors for capital goods	71.19	71.19	-	-	-	-	71.19
Unpaid dividend	15.81	15.81	-	-	-	-	15.81
Lease liability	1,000.86	75.96	213.94	320.28	597.36	-	1,207.54
<b>Total</b>	<b>93,855.80</b>	<b>92,726.44</b>	<b>323.78</b>	<b>382.36</b>	<b>716.68</b>	<b>-</b>	<b>94,149.26</b>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 41. Financial Risk Management (Cont...)

31 March 2021

Contractual maturities of financial liabilities	Carrying amount	Contractual cash flows					Total
		3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Trade payables	16,590.47	16,590.47	-	-	-	-	16,590.47
Deposits towards settlement guarantee fund- Non current	119.05	-	-	105.00	60.00	-	165.00
Deposits towards settlement guarantee fund- Current	15,520.92	13,423.05	2,097.87	-	-	-	15,520.92
Deposit from employees- Non Current	27.30	-	-	8.92	18.38	-	27.30
Employee related payables	903.12	903.12	-	-	-	-	903.12
Deposit from clearing and settlement bankers	2,100.00	2,100.00	-	-	-	-	2,100.00
Advance from customers	299.77	299.77	-	-	-	-	299.77
Creditors for capital goods	218.83	218.83	-	-	-	-	218.83
Unpaid dividend	16.08	16.08	-	-	-	-	16.08
Other liabilities	0.01	0.01	-	-	-	-	0.01
Lease liability	1,173.15	75.96	202.55	289.90	917.64	-	1,486.05
<b>Total</b>	<b>36,968.70</b>	<b>33,627.28</b>	<b>2,300.42</b>	<b>403.82</b>	<b>996.02</b>	<b>-</b>	<b>37,327.55</b>

### Market risk

Market risk is the risk that future cash flows of financial instruments will fluctuate because of change in market price. Market comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### A. Currency risk

Currency Risk is the risk that the future cash flows of a financial instrument will fluctuate because of change in foreign exchange rates. The Company is not exposed to the effects of fluctuations in the prevailing foreign exchange rates on its financial position and cash flows since all financial assets / liabilities are receivable / payable in Indian currency.

#### B. Interest rate risk

Interest rate risk is the risk that future cash flows of financial instruments will fluctuate because of change in market interest rates. 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 2022	31 March 2021
<b>Financial Assets</b>		
Investments in bonds	4,576.33	4,582.80
Commercial paper	29,694.14	-
Bank deposits	830.50	5,968.11
	<b>35,100.97</b>	<b>10,550.91</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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 42. Capital Management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits 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, current investments and other bank balance. Adjusted equity refers to total equity and includes issued equity share capital and other equity comprising securities premium, retained earnings etc.

Particulars	As at 31 March 2022	As at 31 March 2021
Total Liabilities	99,278.25	42,935.87
Less : Cash and cash equivalents, current investments and Other bank balance	1,37,466.49	70,653.67
<b>Adjusted net debt (A)</b>	<b>(38,188.24)</b>	<b>(27,717.80)</b>
<b>Adjusted equity (B)</b>	<b>79,327.69</b>	<b>55,580.04</b>
<b>Adjusted net debt to adjusted equity ratio (A/B)</b>	<b>-48.14%</b>	<b>-49.87%</b>

## 43. Operating segments

The Managing Director of the Company along with the Board of Directors have been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 "Operating Segments". Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of each segment and to make decision about allocation of resources. Accordingly, the Company has determined reportable segments by the nature of its products and services, which are as follows:

- a) Power exchange
- b) Gas exchange

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Company as a whole.

No operating segments have been aggregated to form the above reportable operating segments.

Information related to each reportable segment is set out below. Segment results (profit/(loss) before interest and tax is used to measure performance because management believes that this information is most relevant in evaluating the results of the respective segments.

**Year ended 31 March 2022**

Particulars	Power Exchange	Gas Exchange	Unallocated	Total	Elimination	Consolidated
<b>Revenue</b>						
External Customers	47,539.02	901.16	-	48,440.18	-	48,440.18
Inter-Segment	248.73	-	-	248.73	(248.73)	-
<b>Total revenue</b>	<b>47,787.75</b>	<b>901.16</b>	<b>-</b>	<b>48,688.91</b>	<b>(248.73)</b>	<b>48,440.18</b>
<b>Segment results before tax, interest and exceptional items</b>	<b>40,158.15</b>	<b>(178.72)</b>	<b>-</b>	<b>39,979.43</b>	<b>-</b>	<b>39,979.43</b>
Finance cost	197.49	-	-	197.49	-	197.49

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 43. Operating segments (Cont...)

Particulars	Power Exchange	Gas Exchange	Unallocated	Total	Elimination	Consolidated
Profit before share of profit of associate, exceptional items and tax	39,960.66	(178.72)	-	39,781.94	-	39,781.94
Share in profit of associates, net of tax	-	-	144.27	144.27	-	144.27
Exceptional items (Profit on loss of control of subsidiary)	-	-	597.77	597.77	-	597.77
Profit before tax	39,960.66	(178.72)	742.04	40,523.98	-	40,523.98
Tax expense	9,709.44	(49.04)	-	9,660.40	-	9,660.40
<b>Segment Profit after tax</b>	<b>30,251.22</b>	<b>(129.68)</b>	<b>742.04</b>	<b>30,863.58</b>	<b>-</b>	<b>30,863.58</b>
<b>Segment Assets</b>	<b>1,69,474.97</b>	<b>-</b>	<b>144.27</b>	<b>1,69,619.24</b>	<b>-</b>	<b>1,69,619.24</b>
<b>Segment Liabilities</b>	<b>99,278.25</b>	<b>-</b>	<b>-</b>	<b>99,278.25</b>	<b>-</b>	<b>99,278.25</b>

## Year ended 31 March 2021

Particulars	Power Exchange	Gas Exchange	Total	Elimination	Consolidated
<b>Revenue</b>					
External Customers	35,402.99	220.11	35,623.10	-	35,623.10
Inter-Segment	335.56	-	335.56	(335.56)	-
<b>Total revenue</b>	<b>35,738.55</b>	<b>220.11</b>	<b>35,958.66</b>	<b>(335.56)</b>	<b>35,623.10</b>
<b>Segment Profit before tax, interest</b>	<b>28,385.01</b>	<b>(1,134.60)</b>	<b>27,250.41</b>	<b>-</b>	<b>27,250.41</b>
Finance cost	205.48	-	205.48	-	205.48
<b>Segment Profit before tax</b>	<b>28,179.53</b>	<b>(1,134.60)</b>	<b>27,044.94</b>	<b>-</b>	<b>27,044.93</b>
Tax expense	6,830.71	(328.90)	6,501.82	-	6,501.81
<b>Segment Profit after tax</b>	<b>21,348.82</b>	<b>(805.70)</b>	<b>20,543.12</b>	<b>-</b>	<b>20,543.12</b>
<b>Segment Assets</b>	<b>92,719.81</b>	<b>9,802.93</b>	<b>1,02,522.74</b>	<b>(4,006.83)</b>	<b>98,515.91</b>
<b>Segment Liabilities</b>	<b>39,579.64</b>	<b>3,447.70</b>	<b>43,027.34</b>	<b>(91.47)</b>	<b>42,935.87</b>

Inter-segment revenues are eliminated upon consolidation and reflected in the "eliminations" column.

## Information about Geographical segments:

Revenue by geographical markets	As at 31 March 2022	As at 31 March 2021
- India	48,440.18	35,623.10
- Outside India	-	-
<b>Total</b>	<b>48,440.18</b>	<b>35,623.10</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 43. Operating segments (Cont...)

Non-current assets (by geographical location of assets)*	As at 31 March 2022	As at 31 March 2021
- with in India	11,686.15	13,270.97
- Outside India	-	-
<b>Total</b>	<b>11,686.15</b>	<b>13,270.97</b>

\*Non-current assets are excluding financial investments and deferred tax assets.

## 44. Related Party Disclosures

### a) List of Related parties:

#### i) Key Managerial Personnel (KMP) of Company (IEX):

Name	Relationship
Satyanarayan Goel (w.e.f. 19 Feb 2021)	Chairman & Managing Director
Satyanarayan Goel (till 18 Feb 2021)	Chairman & Non-Executive Director
Sudha Pillai	Independent Director
Kayyalathu Thomas Chacko	Independent Director
Tejpreet Singh Chopra	Independent Director
Gautam Dalmia	Non-Executive Director
Amit Garg	Non-Executive Director
Rajiv Srivastava (till 24 August 2020)	Managing director & CEO
Vineet Harlalka	Chief Financial Officer & Company Secretary

#### ii) Key Managerial Personnel (KMP) of: Indian Gas Exchange Limited (IGX) [Subsidiary till 16 January 2022, Associate w.e.f 17 Jan 2022]:

Name	Relationship
Vaidyanathan Ramamurthy	Chairman
Radhey Shyam Sharma	Independent Director
Satyanarayan Goel	Non Executive Director
Gautam Dalmia	Non Executive Director
Ravi Varanasi	Non Executive Director
Rajesh Kumar Mediratta (w.e.f. 02 November 2021)	Managing Director & Chief Executive Officer
Rajesh Kumar Mediratta (till 06 October 2021)	Manager
Jyoti Kiran Shukla (w.e.f. 19 April 2021)	Independent Director
Bharathi Sivaswami Sihag (2 Nov 2021)	Independent Director
Vineet Harlalka (w.e.f. 19 April 2021)	Chief Financial Officer
Priyanka Nautiyal	Company Secretary and Compliance officer

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 44. Related Party Disclosures (Cont...)

b) Transactions with the related parties are as follows:

Transactions during the year	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>i. Compensation to Key managerial personnel (S.N. Goel) - Chairman &amp; MD (IEX)</b>		
Salary & wages <sup>1</sup>	364.00	32.76
Perquisites	0.48	-
<b>Compensation to Key managerial personnel (S.N. Goel) - Chairman &amp; Non-executive director (IEX)</b>		
Commission <sup>2</sup>	-	195.01
Sitting fees	-	20.70
<b>ii. Compensation to Key managerial personnel (Rajiv Srivastava) - MD &amp; CEO (IEX)</b>		
Salary & wages	-	379.20
Gratuity and leave encashment paid	-	10.02
Perquisites	-	0.24
<b>iii. Compensation to Key managerial personnel (Vineet Harlalka) - CFO &amp; CS (IEX)</b>		
Salary & wages <sup>3</sup>	139.12	101.63
Leave encashment	-	3.72
Perquisites	0.43	0.49
<b>iv. Compensation to Key managerial personnel (Priyanka Nautiyal) - CS &amp; Compliance Officer (IGX) (till 16 January 2022)</b>		
Salary & wages	19.88	11.36
Perquisites	0.10	0.03
<b>v. Compensation to Key managerial personnel (Rajesh Kumar Mediratta) - MD &amp; CEO (till 16 January 2022)</b>		
Salary & wages	41.59	-
Perquisites	0.14	-
<b>vi. Sitting fees (IEX)</b>		
Tejpreet Singh Chopra	6.30	8.10
Sudha Pillai	15.30	23.70
K.T.Chacko	15.30	23.10
Amit Garg	12.30	15.00



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 44. Related Party Disclosures (Cont...)

Transactions during the year	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>vii. Sitting fees (IGX) (till 16 January 2022)</b>		
Vaidyanathan Ramamurthy	4.70	2.60
Radhey Shyam Sharma	4.70	2.60
Satyanarayan Goel	-	2.60
Jyoti Kiran Shukla	3.50	-
<b>viii. Transaction with Indian Gas Exchange Limited (w.e.f 17 January 2022)</b>		
Business support services	62.07	-

### Note:

Above amounts does not include provision for gratuity and compensated absences, since these are determined for the Company as whole.

<sup>1</sup> Includes ₹ 180 lakhs towards provision for variable /special pay, payable post requisite approvals. ( Previous year included ₹ 11.95 lakhs towards variable pay provision, against which ₹ 11.99 lakhs was paid in current year)

<sup>2</sup> Previous year included ₹ 97.07 lakhs towards variable commission, against which ₹ 97.29 lakhs was paid in current year.

<sup>3</sup> Includes ₹ 56.43 lakhs towards provision for variable /special pay, payable post requisite approvals. ( Previous year included ₹ 26.54 lakhs towards variable pay provision, against which ₹ 42.09 lakhs was paid in current year)

### c) Outstanding balances with related parties are as follows:

Particulars	31 March 2022	31 March 2021
<b>Payable to key management personnel</b>		
Satyanarayan Goel (IEX) #	180.00	109.44
Vineet Harlalka (IEX) #	56.43	26.54
Priyanka Nautiyal (IGX)	-	1.73
<b>Recoverable from Associate Company</b>		
Indian Gas Exchange Limited	72.70	-

# Shall be paid post requisite approvals.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 45. Additional Regulatory Information

### Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year	% Variance	Reason for variance
Current ratio (in times)	Total Current Assets	Total Current Liabilities	1.54	1.93	-19.87%	-
Return on equity (ROE) (in %)	Net Profits	Average Shareholder's Equity	49.02%	43.53%	12.60%	-
Trade receivables turnover ratio (in times)	Revenue from Operations excl. transaction fee	Avg. Trade Receivable excluding settlement balances receivable from members	188.77	118.14	59.78%	As revenue from operations (excluding transaction fees) is higher in comparison to previous year, ratio has improved.
Trade payables turnover ratio (in times)	Other expenses less non cash expense items	Average Trade Payables excluding settlement balances payable to members	4.43	3.68	20.59%	
Net capital turnover ratio (in times)	Revenue from Operations	Working Capital	0.83	0.90	-7.43%	-
Net profit ratio (in %)	Net Profit	Revenue from Operations	71.60%	64.63%	10.79%	-
Return on capital employed (ROCE) (in %)	Earning before interest and taxes	Capital Employed	50.40%	49.03%	2.79%	-
Return on investment: Mutual Funds (in %)	Mutual Fund Income	Average Mutual Fund Investment	4.25%	6.24%	-31.81%	During FY21 there was higher than average return on Company' long duration mutual funds, this higher return was mainly due to significant rate cut by the RBI during FY21 (Repo rate 5.15% to 4.00%) and infusing high liquidity to support the economy from Covid -19 pandemic impact.
Return on investment: Fixed income instruments (in %)	Fixed Income	Average Investment in Fixed Income Instruments	7.30%	7.14%	2.19%	
Return on investment: Market linked Debentures (in %)	Market linked Debentures Income	Average Market linked Debentures Investment	7.86%	7.20%	9.30%	
Return on investment: Powergrid (in %)	Income related to Powergrid investment	Average Powergrid investment	41.17%	-	0.00%	

### Notes:

(a) Considering the nature of Company's business, the following ratios cannot be meaningfully calculated:

- (i) Debt service coverage ratio
- (ii) Inventory turnover ratio
- (iii) Debt-Equity ratio

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 46. 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 ₹ 10 each (post sub division equivalent to 60,65,720 of ₹ 1 each) to IEX ESOP Trust ("ESOP Trust") which 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 ₹ 10 each to nominal value of Re. 1 each, thereby all the numbers have been reinstated.

During the year, the Company has issued bonus equity shares of Re.1 each as fully paid-up bonus shares in the ratio of 2 (Two) equity share for every 1 (One) equity share outstanding on the record date i.e December 6, 2021, accordingly the outstanding options were adjusted for this corporate action.

Detail of options granted by the IEX ESOP Trust ("ESOP Trust") is as under:

Grant Date	No. of Options	Exercise Price	Vesting Conditions	Vesting Period	Method of Settlement
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
4 16/12/2011*	1,00,000	53	-55% on completion of first year -45% on completion of second year	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 46. Share based payment arrangements: (Cont...)

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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
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	12 months from the date of vesting	Equity
13	15/12/2021***	1,50,000	272	25% on completion of first year 25% on completion of second year 25% on completion of third year 25% on completion of fourth year	12 months from the date of vesting	Equity
<b>Total</b>		<b>1,049,900</b>				

\* each option entitle the holder to get one equity share of ₹ 10 each (before sub-division of equity shares of the Company from face value of ₹ 10 to ₹ 1)

\*\* each option entitle the holder to get one equity share of ₹ 1 each (post sub-division of equity shares of the Company from face value of ₹ 10 to ₹ 1)

\*\*\* The outstanding ESOPs & Exercise Price (as on record date of bonus issue) were adjusted for issuance of bonus shares as per following details:

Grant Date	Options Granted	Exercise Price	Options vested & exercised till 06-Dec-21	Options outstanding on 07-Dec-21	Options outstanding on 07-Dec-21 were adjusted for Bonus Shares 2:1	Exercise Price post Bonus adjustment
		Pre-Bonus				
15-Nov-18	1,00,000	160	70,000	30,000	90,000	54
18-Dec-18	50,000	166	30,000	20,000	60,000	56
5-Aug-19	1,00,000	142	40,000	60,000	1,20,000	48

\*\*\* granted post issuance of Bonus shares

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 (₹)
<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

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 46. Share based payment arrangements: (Cont...)

Particulars	Method of Valuation	Weighted average fair value as on the grant date (₹)
<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
15-Dec-21	Black Scholes option pricing model	63.77

The inputs used in the measurement of grant date fair value are as follows:

Particulars	Share Price (₹)	Exercise Price (₹)	Expected Volatility	Expected Life (in years)	Expected Dividend	Risk free Interest Rate
<b>Employee stock option plan -2010</b>						
21/01/2014*	148	150	0.00%	1.5 to 4.5 years	Based on dividend declared prior to the date of grant	8.52%
24/06/2014*	148	535	0.00%	1.50 years	Based on dividend declared prior to the date of grant	8.83%
17/04/2017*	555	750	0.00%	1.5 to 3.5 years	Based on dividend declared prior to the date of grant	6.49%
19/06/2017*	647	750	25.54%	1.5 to 3.5 years	Based on dividend declared prior to the date of grant	6.34%
16/08/2017*	647	750	25.54%	1.5 to 3.88 Years	Based on dividend declared prior to the date of grant	6.32%
15/11/2018**	158.5	160	24.25%	2.5 to 4.51 years	Based on dividend declared prior to the date of grant	7.45%
18/12/2018**	164.55	166	24.55%	2.5 to 4.51 years	Based on dividend declared prior to the date of grant	7.16%
05/08/2019**	142	142	24.55%	1.5 to 3.5 years	Based on dividend declared prior to the date of grant	6.13%
15/12/2021**	272	272	23.29%	2 to 5 years	Based on dividend declared prior to the date of grant	5.51%

\* each option entitle the holder to get one equity share of ₹ 10 each (before sub-division of equity shares of the Company from face value of ₹ 10 to ₹ 1)

\*\* each option entitle the holder to get one equity share of ₹ 1 each (post sub-division of equity shares of the Company from face value of ₹ 10 to ₹ 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 zero coupon yield on Government bonds. Expected volatility calculation is based on the standard deviations of historical stock prices.

### c. Effect of employee stock option scheme on the Statement of Profit and loss:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Employee stock option expenses	25.39	27.93
<b>Total</b>	<b>25.39</b>	<b>27.93</b>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 46. Share based payment arrangements: (Cont...)

### d. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programs were as follows

Particulars	31 March 2022**		31 March 2021**	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
	70,000	160	1,00,000	160
Options outstanding as at the beginning of the year (including exercisable)	35,000	166	50,000	166
	70,000	142	1,00,000	142
	54,400	75	1,59,800	75
<b>Pre Bonus from 1 April 2021 to 6 December 2021</b>				
	40,000	160	30,000	160
	54,400	75	1,05,400	75
Less: Options vested and exercised	15,000	166	15,000	166
	10,000	142	30,000	142
	30,000	160	-	-
Options outstanding as on December 06, 2021 (Record date for Bonus Issue)	20,000	166	-	-
	60,000	142	-	-
<b>Post Bonus from 7 December 2021 to 31 March 2022:</b>				
Options outstanding on record date were adjusted for issuance of bonus shares in the ratio of 2:1	90,000	54	-	-
	60,000	56	-	-
	1,80,000	48	-	-
Add: Options granted during the year	1,50,000	272	-	-
Less: Options forfeited and expired during the year	-	-	-	-
Less: Options vested and exercised post bonus (December 7, 2021 till 31 March 2022)	90,000	54	-	-
	60,000	48	-	-
	-	-	54,400	75
Options outstanding as at the end of the year (including exercisable)	60,000	56	70,000	160
	1,20,000	48	35,000	166
	1,50,000	272	70,000	142
Exercisable at the end of the year (included under option outstanding as well)	-	-	54,400	75
	-	-	30,000	160
	60,000	56	15,000	166

\*\* representing figures post-sub-division adjustment of equity shares, each option entitle the holder to get one equity share of ₹ 1 each (post sub-division of equity shares of the Company from face value of ₹ 10 to ₹ 1)

The options outstanding at 31 March 2022 have an exercise price in the range of ₹ 48 to ₹ 272, each option entitle the holder to get one equity share of ₹ 1 each (31 March 2021: ₹ 75 to ₹ 166, each option entitle the holder to get one equity share of ₹ 1 each) and a weighted average remaining contractual life of 2.27 years (31 March 2021: 0.80 years).

The weighted average share price at the date of exercise for share options exercised in 2021-22 was ₹120.52 for 1,19,400 shares vested prior to issuance of Bonus shares and ₹51.6 for 1,50,000 shares vested post issuance of Bonus shares ₹ 1 each (2020-21: ₹ 107.84 for 180,400 shares of ₹ 1 each).

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 47. Loss of control over subsidiary : Indian Gas Exchange Limited (IGX)

On 17 January 2022, the Company has executed a transaction for sale of 4.93% stake in Indian Gas Exchange Limited (IGX), to Indian Oil Corporation Limited (IOCL) consisting of 36,93,750 equity shares, having a face value of INR 10 each. This transaction has consequently resulted in cessation of Holding-Subsidiary Relationship between Indian Energy Exchange Limited and Indian Gas Exchange Limited. Shareholding of Company has been reduced to 47.28% as at 31 March 2022.

The dilution of the Company's interest in IGX constituted a loss of control of the Company's equity interest and consequently IGX is no longer a subsidiary of the Company. Accordingly, consolidated statement of profit and loss includes income and expenses of IGX consolidated on a line by line basis till it was a subsidiary. Post loss of control, assets and liabilities of IGX were derecognised from the consolidated financial statements and thereafter retained interest in IGX has been accounted for as an associate using equity method.

(i) Carrying amounts of net assets over which control was lost were 6,223.74 lakhs as on 16 January 2022.

(ii) Consideration received and gain on disposal:

Particulars	As at 16 January 2022
Consideration received	369.38
Fair value of retained interest	3,546.00
Non Controlling interest derecognised	2,906.13
Net assets derecognised	(6,223.74)
<b>Gain on disposal</b>	<b>597.77</b>

## 48. Interest in other entities : Indian Gas Exchange Limited (associate w.e.f. 17 Jan 2022)

During the year, the Company lost control over IGX and thereafter its retained interest has been accounted for as an associate using equity method with effect from 17 January 2022. The details as listed below have share capital consisting solely of equity shares, which are held directly by the Company. The country of incorporation or registration is also their principle place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Company name	Place of business/ country of incorporation	% of ownership interest	Accounting method	Carrying amount		Principal activities
				As at 31 March 2022	As at 31 March 2021	
Indian Gas Exchange Limited (IGX)	India	47.28%	Equity method	3,690.27	-	Gas Exchange

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 48. Interest in other entities : Indian Gas Exchange Limited (associate w.e.f. 17 Jan 2022) (Cont...)

### Summarised financial information:

Set out below is summarised financial information for IGX as on 16 January 2022 :

Summarised Balance Sheet:	As at 16 January 2022
Non- Current Assets	1,081.10
Current Assets	29,345.86
<b>Total Assets</b>	<b>30,426.96</b>
Non- Current Liabilities	199.69
Current Liabilities	24,003.53
<b>Total Liabilities</b>	<b>24,203.22</b>
<b>Net Assets</b>	<b>6,223.74</b>

### Summarised statement of profit and loss and reconciliation to carrying amounts

Particulars	As at 16 January 2022
Carrying amount of retained interest as on 16 January 2022	3,546.00
Company's share in profit of IGX for the period from 17 January 2022 to 31 March 2022	144.27
<b>Carrying amount of retained interest as on 31 March 2022</b>	<b>3,690.27</b>

49. 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 ₹ 26,860.37 (previous year ₹ 13,617.10) and same has been disclosed under note 23 - Other current financial liabilities i.e. ₹ 26,811.15 (previous year ₹ 13,498.05) under Deposits towards Settlement Guarantee Fund and note 18 - Other non current financial liabilities - Deposits towards Settlement Guarantee Fund i.e. ₹ 49.22 (previous year ₹ 119.05). 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 ₹ 1,605.00 (previous year ₹ 1,405.00) which does not form part of the Balance Sheet.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

## 50. Additional information required as at and for the year ended 31 March 2022 as per Schedule III of the Act in respect of the entities consolidated in these financial statements:

Name of the Entity	Net Assets		Share in profit and loss		Share in other Comprehensive income		Share in Total Comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated Profit	Amount	As % of other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>Indian Energy Exchange Limited</b>								
Balance as at 31 March 2022	97.96%	68,907.89	97.78%	30,238.59	109.11%	11.25	97.78%	30,249.84
Balance as at 31 March 2021	99.05%	52,110.99	103.43%	21,316.52	142.50%	25.46	103.47%	21,341.98
<b>Indian Gas Exchange Limited (subsidiary till 16.01.2022)</b>								
Balance as at 31 March 2022	-	-	-0.42%	(129.69)	-17.46%	(1.80)	-0.43%	(131.49)
Balance as at 31 March 2021	12.08%	6355.23	-3.91%	(805.70)	-37.72%	(6.74)	-3.94%	(812.44)
<b>Indian Gas Exchange Limited (associate w.e.f. 17.01.2022)</b>								
Balance as at 31 March 2022	0.21%	144.27	0.47%	144.27	-	-	0.47%	144.27
Balance as at 31 March 2021	-	-	-	-	-	-	-	-
<b>IEX ESOP Trust</b>								
Balance as at 31 March 2022	1.83%	1,288.83	0.04%	12.63	-	-	-	12.63
Balance as at 31 March 2021	1.96%	1,029.18	-	32.30	-	-	-	32.30
<b>Eliminations/Adjustments arising out of consolidation</b>								
Balance as at 31 March 2022*	-	-	1.93%	597.77	-	-	-	597.77
Balance as at 31 March 2021	-7.44%	(3,915.36)	-	-	-	-	-	-
<b>Non-controlling interest</b>								
Balance as at 31 March 2022	-	-	0.20%	61.97	8.34%	0.86	0.20%	62.83
Balance as at 31 March 2021	-5.64%	(2,968.99)	0.32%	66.21	-4.78%	(0.85)	0.32%	65.36
<b>Balance as at 31 March 2022</b>	<b>100.00%</b>	<b>70,340.99</b>	<b>100.00%</b>	<b>30,925.55</b>	<b>100%</b>	<b>10.31</b>	<b>100%</b>	<b>30,935.86</b>
<b>Balance as at 31 March 2021</b>	<b>100.00%</b>	<b>52,611.05</b>	<b>100.00%</b>	<b>20,609.33</b>	<b>100%</b>	<b>17.87</b>	<b>100%</b>	<b>20,627.20</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Rupees lakhs, unless otherwise stated)

\* Profit on loss of control of subsidiary (Refer note 47)

51. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.
52. During the current year, the Board of Directors (the "Board") of Indian Gas Exchange Limited (IGX) ("associate company") appointed Mr. Rajesh K. Mediratta as the Managing Director & CEO of the IGX for a period of three years. The Board approved his remuneration to be ₹ 200 Lakh per annum together with other benefits as per the provisions of Sections 196, 197 read with Schedule V of the Companies Act, 2013. The remuneration paid to Mr. Mediratta for the year ended 31 March 2022 is ₹ 95.11 lakhs which is higher than the prescribed limits under Section 197 read with Schedule V to the Companies Act, 2013 by ₹ 60.59 lakhs. Consequently, the IGX shall seek approval of its shareholders for payment of such excess remuneration at the ensuing 3rd Annual General Meeting by way of a special resolution.
53. In view of pandemic related to COVID-19, the Company has considered internal and external information and has performed its own analysis based on current estimates in assessing the recoverability of its investment, right of assets use and other financial assets, for possible impact on the Consolidated Financial Statements. However, the actual impact of COVID-19 on the Company's consolidated financial statements may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.

The accompanying notes referred to form an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W /W-100024

Sd/-

**Ashwin Bakshi**

Partner

Membership No.: 506777

Place : New Delhi

Date : 27 April 2022

For and on behalf of the Board of Directors of

**Indian Energy Exchange Limited**

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 27 April 2022

Sd/-

**Vineet Harlalka**

Chief Financial Officer &

Company Secretary



