INDIAN ENERGY EXCHANGE ANNOUNCES AUDITED FINANCIAL RESULTS FOR THE FOURTH QUARTER AND YEAR ENDED MARCH 31, 2021

- IEX delivers unprecedented performance in fiscal year 2021 with 37.3% YoY growth in the electricity volumes.
- FY'21 PAT grows 17.3% YoY with PAT margin at 57.9%
- 62.1% YoY growth in electricity volumes in Q4 FY'21.
- Digital transformation and new market segments – RTM and GTAM, were the key growth drivers for Company in the fiscal year 2021.

New Delhi, May 14, 2021:

The key highlights of the audited consolidated* financial results for the Fourth quarter ended March 31, 2021 as declared by the Company on May 13, 2021 are as below:

(Amount in Rs crores)

Particulars	Q4FY21	Q3FY21	QoQ%	Q4FY20	YoY%	FY21	FY20	YoY%
Electricity Volume (MU)	22428.4	20,174.7	11.2%	13,835.1	62.1%	73,965.4	53,861.6	37.3%
REC Volume (in '000)	-	-	-	2,374.0	-100.0%	696.7	6,027.4	-88.4%
Total Revenue	100.3	96.1	4.4%	79.6	26.0%	356.2	297.4	19.8%
Total Operating Expense	16.3	15.6	4.5%	17.0	-4.1%	67.2	55.0	22.2%
EBITDA	83.9	80.5	4.4%	62.6	34.2%	289.0	242.4	19.2%
Finance Cost, Depreciation & Amortization	4.1	4.8	-14.6%	5.0	-18.0%	18.6	16.8	10.7%
Income Tax Expense	19.0	17.6	8.0%	12.0	58.3%	65.0	49.9	30.3%
PAT	60.8	58.1	4.8%	45.6	33.6%	205.4	175.7	16.9%
PAT Attributable to:								
IEX	61.5	58.1	6.0%	45.6	35.1%	206.1	175.7	17.3%
Non-Controlling interests	-0.7	-	-	-	-	-0.7		
Basic EPS (Not Annualized)	2.1	1.9	5.8%	1.5	34.7.%	6.9	5.9	17.1%
Diluted EPS (Not Annualized)	2.1	1.9	5.8%	1.5	34.7%	6.9	5.9	17.1%

* above financials are consolidated to include financials of Indian Gas Exchange - subsidiary of Indian Energy Exchange incorporated on November 06, 2019.

*all volume nos. are based on traded quantity.

POWER SECTOR HIGHLIGHTS

The electricity consumption saw a robust increase of 8.9% YoY while the peak demand also saw 7.4% YoY growth in Q4FY'21. Overall, for the fiscal year 2021, the peak demand grew 4% YoY reaching 189 GW in February'21 whereas the electricity consumption remained at par with the previous fiscal year. The first six months saw a significant decline in electricity consumption with April 2020 showcasing the steepest decline of -23.2% YoY. The recovery

was led by improvement in economic activities due to the relaxation of lockdown restrictions across the country. Manufacturing PMI rebounded to 58.9 – the highest over the last eight years in October 2021, from -57.3 in April 2020.

As of March 2021, the installed power generation capacity at 382 GW saw 3.3% YoY growth. The renewable capacity saw about 9% YoY growth with cumulative capacity at 94 GW in fiscal year 2021. This considerable growth in green power reiterates the fast-paced energy shift that has been underway and an increased impetus on building a sustainable energy economy.

On the policy and regulatory front, the Government introduced many futuristic initiatives to support the revival of the power sector. To ensure viability of the distribution segment, the Power Ministry introduced Electricity (Amendment) Bill 2020 proposing amendments to the Electricity Act 2003 introducing distribution reforms and facilitating competition and consumer choice. Further, during the Union Budget 2021-22, the Honourable Finance Minister introduced the revamped reforms-based result-linked power distribution sector scheme with an outlay of Rs 3 lakh crores over 5 years. More recently, the Ministry of Power issued the Draft National Electricity Policy, 2021 underlining the most pertinent issues of the power sector and further increasing the role of power markets – aiming at market to represent 25% share by the year 2023-24.

Other key developments undertaken by the Ministry of Power included introduction of a proposal enabling the distribution utilities to exit the Power Purchase Agreement after completion of the term of the Agreement and notification of Electricity (Rights of Consumers) Rules, 2020. These initiatives are pro-power market and are expected to increase sale of power by the generators as well as increased procurement by the utilities through the Exchange Market.

To further develop the power markets, CERC notified key regulations including: Power Market Regulations 2020 which allows introduction of electricity contracts beyond 11 days; procedure for Cross Border Trade of Electricity which allows Exchanges to facilitate trading of electricity with neighbouring countries such as Nepal, Bhutan and Bangladesh,. Besides, several State Regulators notified a Merit Order Dispatch & Power Purchase Optimization Regulations.

On the gas markets front, PNGRB introduced the Gas Exchange Regulations in September 2020. Apart from this, other reforms measures introduced include simplification of pipeline tariff structure, CGD Access Code regulations, and the Imbalance Management Services regulation. These developments are expected to facilitate the development of the gas markets in the country.

BUSINESS AND FINANCIAL PERFORMANCE HIGHLIGHTS

On a standalone basis revenue for the quarter grew by 28.2% YoY from Rs 79.4 Cr in Q4FY'20 to Rs 101.8 Cr in Q4 FY'21 largely attributed to a 41.0% increase in transaction

revenue. For the fiscal year 2021, this growth was 20.3% YoY with revenue at Rs 357.4 Cr. for the year. Q4FY'21 saw the highest ever quarterly electricity volume at 22.4 BU and also highest ever growth of 62.1% on YoY basis. Fiscal 2021 saw the highest ever yearly volume of 73.9 BU traded at the Exchange since 2008, resulting in 37.3% YoY growth. The growth was driven by the competitive power prices creating traction with the distribution utilities as well as the industrial consumers, growing consumption of electricity, availability of adequate domestic coal, besides commencement of the new and much awaited market segments such as the real time market and the green market. The day-ahead market saw an average market clearing price of Rs 2.82 per unit in the fiscal year 2021, about 6% lower than the previous year price. Low power prices, and ample sell-side liquidity through the year helped the distribution utilities and industrial consumers to optimize their power procurement and maintain good financial liquidity amidst the COVID crisis.

The real-time electricity market which commenced trading on 1 June 2020 has received an incredible response from the market participants. The market crossed the 1 BU benchmark for four consecutive months i.e., from December 2020 to March 2021. On a cumulative basis in Q4 FY'21, the market traded 3,766 MU. Since its commencement, the market traded 9,468 MU till 31st March 2021.

Another key market segment - green term ahead market, which commenced trading on 21 August 2020 has cumulatively traded 785 MU since commencement.

As per the APTEL order, the stay in REC trading has been continuing since June 2020. During the fiscal, the REC market could only cumulatively trade 6.97 lakh certificates.

IEX remains committed to developing the energy markets and undertake investments in technology innovation, products, analytics as well as the automating processes. We remain committed to support the economic and industry resurgence afflicted by Covid-19 pandemic, and are of the firm view that deepening the power market could potentially lead the much-needed transformation towards an efficient, competitive, and sustainable energy and power ecosystem.

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ABOUT IEX

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

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