Twitter Thread by **Smart Sync Services**





Indian Energy Exchange, like a toll bridge, connects power generators with power consumers & distributors. The alternative to IEX like alternatives to toll bridges is more expensive bilateral agreements.

Fasten your seatbelts as we'll take you through the 19-20 AR of IEX.



ANNUAL REPORT 2019-2020



LEADING the FUTURE of ENERGY

1/

Megatrends for Energy

- ~Decarbonization
- ~Decentralization
- ~Digitization
- ~Democratization

DECARBONIZATION

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

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

2/

Transformation in the energy sector

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



3/

Key points

~Customer Centricity driven by intuitive, secure, & responsive design

- ~Efficiency through efficient matching algorithms, automation, & low latency
- ~State-of-the-Art analytics-based solutions that are future-ready.



4/

IGX

- ~ Launched on 15th June 2020
- ~ India's 1st nation-wide automated gas trading platform
- ~ Govt plans to increase the share of natural gas from 6% to 15% by 2022
- ~Enabler in making India transition towards a gas-based economy.



5/

Products Offering

- ~Day Ahead Markets
- ~Term Ahead Markets
- ~Real Time Market
- ~Renewabe Energy Certificates
- ~Energy Saving Certificates

6/

All Stakeholders

- ~Ecosystem
- ~Customers
- ~Share-ownership
- ~Active/Registered Participants

IEX Ecosystem

6700+

Registered Participants 50+

Distribution companies

500 +

Electricity generators

Customers

4200+

Industries

50+

Discoms

Active industrial participants in FY'20



Textile **397**



Automobiles

141

1700+

RE Generators & Obligated entities 100+

ESCert Entities



Metal 196



Cement

84



Chemical 138



Others 290

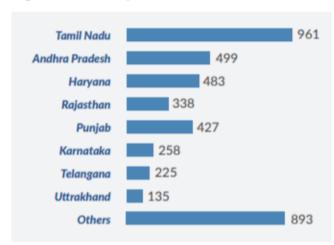
Ownership

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

36.3%
Non-institutional investors

11.7% Foreign Corporate Bodies

Registered OA Participants in FY'20



7.2%

Other domestic institutional investors

12.3% Mutual Funds

31.9% Foreign Portfolio Investors

IEX : Journey Over The Years

I IEX Over the Years

Launched Day Ahead Market (DAM)

Commenced Operations with 58 participants

Daily cleared volume in DAM -20 million units

Registered first Open Access Consumer(OA)

Introduced Term Ahead Market (TAM)

Registered participants in DAM crossed 500

Signed MOU with EPEX SPOT (France)

Introduced 15mins contract in DAM

First solar REC trade Signed MOU with

PJM Technologies

Introduced Renewable Energy Certificate (REC) in the market

Traded first nonsolar REC

clock TAM

Launched round the

Launched two new bid types and TAM contract enhancements

Signed MOU with Power Ledger, Australia

Incorporated Indian Gas Exchange (wholly owned subsidiary of IEX)

First Indian energy exchange to get ISO certification

Highest DAM vols in a day reached 306 MU

Launched Energy Saving Certificate

Publically listed its securities

Signed MOU with JPEX (Japan)

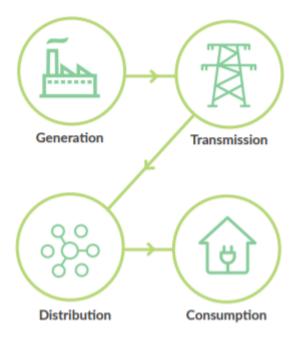
Daily cleared volume in DAM crossed alltime high

8/

Factors Driving Growth in Consumption

- ~Core Sector Growth
- ~Rapid Urbanization
- ~Growth in Consumer Demand

Electricity Value Chain



9/

Govt Initiatives

- ~Demand Augmentation
- ~PSM for Generating Companies
- ~Smart Prepaid Metering to improve Distribution Efficiency
- ~Deepening of the Market
- ~REC Addition and Grid Integration through REMCs
- ~Cost Optimization through National level Merit Order Dispatch

10/

Core Business Growth by

- ~DISCOM Maximization
- ~Open Access Maximization
- ~New Market Products and Segments

11/

Extensive Risk Management Policy Framework

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



12/

Financials

- ~Balance Sheet
- ~Profit& Loss
- ~Cash Flow Statement

CONSOLIDATED BALANCE SHEET

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

Particulars	Note	As at	As at 31 March 2019
ASSETS	No.	31 March 2020	31 March 2019
Non-current assets			
Property, plant and equipment	4 a	2,180.37	716.42
	4 a	2,100.57	35.00
Capital work-in progress Other intangible assets	4 a	9.717.91	10.420.90
Intangible assets	4 b	380.64	89.90
Financial Assets	4 D	380.04	89.90
Investments	-	19.674.94	20.221.87
mires directors	5		170.88
Loans Coth of formal decorate hards describe	6 7	46.08	170.88
Other financial assets- bank deposits	-	202.50	-
Non-current tax assets (net)	9	21.16	98.84
Other non-current assets	10	39.19	63.81
Total non-current assets		32,265.34	31,817.62
Current assets			
Financial assets			
Investments	11	31,182.12	27,243.52
Trade receivables	12	18.54	4,588.65
Cash and cash equivalent	13	1,285.88	5,081.51
Other Bank balance	13A.	1,478.24	1,680.02
Loans	6	208.16	3.24
Other financial assets- Other recoverable	7	29.79	13.12
Other current assets	10	257.70	128.53
Total current assets		34,460.43	38,738.59
Total Assets		66,725.77	70,556.21
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	2,983.24	3,019.19
Other equity	15	35,811.92	34,007.71
Total equity		38,795.16	37,026.90
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	16	1.361.19	171.60
Provisions	17	570.88	365.23
Deferred tax liabilities (net)	8	2,442.97	2,441.28
Other non-current liabilities	18	17.57	16.90
Total non-current liabilities	10	4.392.61	2.995.01
Current liabilities		4,072,01	2,775.01
Financial liabilities			
Trade payables	19		
(a) total outstanding dues of micro enterprises and small enterprises	19		
		7 457 05	42 202 42
(b) total outstanding dues of creditors other than micro enterprises and small enterprises Other financial liabilities	16	7,657.25 13,941.72	13,382.63 15,355.67
	9		
Current tax liabilities (net)		264.53	272.63
Provisions Other control line like in the	17	8.93	35.74
Other current liabilities	18	1,665.57	1,487.63
		23,538.00	30,534.30
Total current liabilities TOTAL EQUITY AND LIABILITIES		66,725.77	70,556.21

13/

What Uber did to the highly inefficient passenger taxi market in the world, IEX has the potential to do something similar in the highly inefficient power market in India.

- ~Liquidity (Available on Demand)
- ~Cheap Energy Prices
- ~Network effects to kick in as users increase

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To deep dive, check

@Dhruvapandey Posts

~https://t.co/xPKOban4oi

~https://t.co/g9mK5v78LF

You may also check SSS resource on IEX: 5 Min Stock Idea https://t.co/FYBkl8xKdo Infographic https://t.co/jxFQcz2ihR Concall Notes: https://t.co/qrB3bRM46d

L&R for wider reach■