Dated: November 5, 2026

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

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

Sub: Transcript of the Earnings Conference call with analysts and investors held on October 30, 2026.

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find the attached transcript of the earnings conference call held with analysts and investors on October 30, 2026, to discuss the financial results of the Company for the quarter ended September 30, 2026.

The above information will also be made available on the website of the Company: www.iexindia.com

You are requested to take the above information on record.

Thanking You.

Yours faithfully,

For Indian Energy Exchange Limited

VINEET HARLALKA
Digitally signed by VINEET HARLALKA
Date: 2026.11.05 11:06:43 +05'30'

Vineet Harlalka
CFO, Company Secretary & Compliance Officer
Membership No. ACS-16264

Encl: as above

"Indian Energy Exchange Limited

Q2 FY27 Earnings Conference Call"

October 30, 2026

MANAGEMENT: **MR. SATYANARAYAN GOEL – CHAIRMANAND MANAGING DIRECTOR –INDIAN ENERGY EXCHANGE LIMITED**
MR. ROHIT BAJAJ -- JOINT MANAGING DIRECTOR – INDIAN ENERGY EXCHANGE LIMITED
MR. VINEET HARLALKA – CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY – INDIAN ENERGY EXCHANGE LIMITED
MS. APARNA GARG – HEAD, INVESTOR RELATIONS AND CORPORATE COMMUNICATIONS –INDIAN ENERGY EXCHANGE LIMITED
AMIT KUMAR – HEAD OF OPERATIONS, NEW PRODUCT INITIATIVES AND TECHNOLOGY – INDIAN ENERGY EXCHANGE LIMITED
MR. ADITYA WALI –INVESTOR RELATIONS – INDIAN ENERGY EXCHANGE LIMITED

MANAGEMENT: **MR. ROHAN GHEEWALA– AXISCAPITAL**

Moderator: Ladies and gentlemen, good day and welcome to Indian Energy Exchange Q2 FY27 Earnings Conference Call hosted by Axis Capital Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rohan Gheewala from Axis Capital. Please go ahead.

Rohan Gheewala: Thank you. Good afternoon, ladies and gentlemen. On behalf of Axis Capital, I am pleased to welcome you all to the IEX Q2 FY27 earnings conference call. We have with us the management team of IEX, which is represented by Mr. Rohit Bajaj, Joint Managing Director, Mr. Satyanarayan Goel, Chairman and Managing Director, Mr. Vineet Harlalka, Chief Financial Officer, Mr. Amit Kumar, Head of Operations, New Product Initiatives and Exchange Technology, and Ms. Aparna Garg, Head Investor Relations and Corporate Communications.

We will begin with the opening remarks from Mr. Rohit Bajaj, followed by an interactive Q&A session. Thank you, and over to you, Sir.

Rohit Bajaj: Thank you. Good afternoon, friends. I welcome you all to the IEX earning call for Q2 FY 2027. With me today on this call are Mr. Satyanarayan Goel, CMD, IEX, Mr. Vineet Harlalka, CFO and Company Secretary, Mr. Amit Kumar, Head of Market Operations and Exchange Technology, Ms. Aparna Garg, Head of Investor Relations and Corporate Communications; and Mr. Aditya Wali.

Friends, amid global uncertainty and inflationary pressures driven by oil supply volatility, India continues to remain the fastest growing major economy in the world, having recorded strong GDP growth of 7.8% in Q1 FY27. Reinforcing this outlook, the IMF recently revised its forecast upwards and projects India's GDP to grow by 7% in each of the next 2 years.

This growth trajectory is powered by strong domestic demand, robust services activity, and favourable demographic trends. Notably, this performance comes despite severe El Nino conditions, which led to the fourth lowest performing monsoon season this century, with rainfall at just 87% of the long-period average.

Looking at the bigger picture, India is steadily progressing toward a USD5 trillion economy by FY30, driven by reforms like GST rationalization, new labor codes, and FTAs with the UK, Switzerland, New Zealand, and the forthcoming one with EU and some other countries. Together, they are advancing the vision of a *Viksit Bharat* by 2047. This growth story will be fueled by electricity at its core.

The power sector witnessed sustained demand growth during the first half of the year supported by strong industrial activity and higher irrigation demand amid the weak monsoon. In the first half of FY27, power demand grew 10.2% Y-o-Y to touch 897 billion units. Elevated temperatures due to El Nino and deficient monsoon rainfall drove Q2 electricity demand to 502 billion units, marking a record 11.5% year-on-year increase.

While peak demand during the summer reached 271 gigawatt, it remained elevated at 269 gigawatt in September. The demand and supply scenario remained volatile during the quarter. A weak monsoon increased buy bids in IEX day-ahead market by nearly 120% Y-o-Y in Q2, pushing up average DAM prices nearly 46% Y-o-Y to INR5.72 per unit and average RTM price higher by 49% Y-o-Y to INR5.24 per unit.

With prices touching INR20 per unit in certain time blocks during the quarter, the high-priced day-ahead market, (HP DAM), played a critical role by enabling unmet demand bids to transition into the high-price segment, ensuring supply for buyers with urgent power requirements.

However, cyclones and unseasonal rains during the later part of the quarter moderated demand in several regions, providing ample supply liquidity and driving RTM prices to near zero in multiple time blocks on a few days.

In the first half of fiscal, prices during solar hour touched an average of INR2.3 per unit pushing up arbitrage opportunity to over INR6.5 per unit for both 2-hour, 2 cycles per day and 4-hour, 1 cycle per day battery storage systems and providing further opportunity for addition of BESS capacity.

On the fuel side, domestic coal production was largely flat at 445 million ton in H1 FY27 compared with H1 FY26. Summer demand strained plant inventories and weather disruption tightened availability further. As of 22nd October 2026, coal inventory stood at nearly 8 days with stock at about 100 plants at a critical 3 days level.

The Ministry of Power has been closely monitoring coal stocks and has taken various measures to improve coal availability, and some of these measures can be seen on the ground. Further, MoP has invoked Section 11 of the Electricity Act to direct over 100 captive coal-fired plants as well as Coastal Gujarat Power Limited, CGPL, imported coal-based plant to maximize generation till 31st December 2026.

Let us now talk about few important regulatory updates and policy initiatives during the quarter.

- Earlier this May, CERC issued a discussion paper on strengthening and scheduling timelines for real-time market. The paper proposes reduction of RTM auction window from 15 minutes to 5 minutes, and thereby reducing gate closure time from 75 minutes to 50 minutes.

  The objective is to enable better forecasting, more efficient management of renewables, and enhance liquidity on the exchange platform. The same has now been proposed in draft grid code, (IEGC), and public comments on the proposal were invited and closed last week.

- The CERC issued amendments to the Sharing of Inter-State Transmission Charges and Losses Regulation 2020, providing ISGF charges waiver for up to 25 years for battery energy storage systems integrated with renewable or hybrid generating stations.

This should expectedly reduce the cost of power trading for BESS players and increase liquidity on exchanges.

- In other developments, CERC has identified the Green Day Ahead market as a source of green power for energy storage systems such as BESS and PSP to procure power and meet eligibility criteria to qualify as green storage. This classification should increase trading in G-DAM segment at exchanges.

- The CEA made draft amendment to Technical Standards for Construction of Electric Plants and Electric Lines, Second Amendment 2026. The draft proposes that solar and onshore wind projects commissioned after July 1st, 2027 would have to be equipped with co-located energy storage system with a minimum 2-hour storage duration and capacity equivalent to at least 10% of the plant installed capacity. It further proposes an increase in storage duration for projects commissioned after July 1st, 2029, and up to July 30th, 2031. These solar and onshore wind projects would be required to install co-located ESS with a minimum 4-hour storage duration with storage capacity equal to at least 10% of the plant installed capacity. These measures would help in grid stability going forward as countrywide renewable capacity increases and provide liquidity on the exchanges.

- With regards to the carbon market wherein carbon credit certificates are to be traded on power exchanges, Bureau of Energy Efficiency, (BEE), in consultation with Grid India, has issued draft procedures for trading of these certificates under the compliance mechanism. In conjunction, IEX has filed a petition with the CERC for approval of carbon credit certificate trading on the exchanges.

On market coupling, in July 2025, CERC issued an order proposing implementation of market coupling in the Day-Ahead Market, pursuant to which IEX filed an appeal before APTEL and subsequently in the Supreme Court. Both forums observed that market coupling cannot be implemented by this order and it can only be implemented after the regulations are issued. And hence, IEX is not an aggrieved party yet, and they do not wish to interfere at this stage.

If IEX is aggrieved by the final regulation, they can approach the appropriate forum, including the grounds raised in the appeal made. Meanwhile, CERC issued draft regulation for market coupling in the month of April, and proposed Grid India as the market coupling operator. Submission of comments by stakeholders and public hearing on draft regulation was completed in the month of June. There has been no further development on this during this particular quarter.

CERC in its order of July 2025 had also mentioned that in case of Real-Time Market, since the timelines are very tight for bidding and the auction process, this would be considered subsequently. In light of the CERC discussion paper for shortening the scheduling in Real-Time Market, that is, reducing the gate closure time from 75 to 50 minutes, where RTM bidding will be reduced from 15 to 5 minutes, coupling is likely to become more challenging.

Further, over the last 3 years, we have undertaken several initiatives to strengthen our customer relationships and technology capabilities, including extensive customer interactions and feedback, providing API-based bidding tools, back-office integration through APIs, data analytics, enhanced web portal, customer-centric digital solutions, and reinforced cybersecurity safeguards.

With our customer-centric initiative track record of trust and deep customer engagement, we shall be able to retain and strengthen our market position post coupling.

Moving on to IEX performance in this quarter. During Q2 FY27, IEX recorded electricity trading volume of 39.7 billion units, a year-on-year growth of 12.7%. For H1 FY27, electricity traded volume reached 77 billion units, a growth of 14.2% over the first half of FY26.

Revenue for the company grew by 10.7% year-on-year, increasing from INR 183.3 crores in Q2 FY26 to INR 203 crores in Q2 FY27. Profit after tax increased by 12.9%, rising from INR 123 crores in Q2 FY26 to INR 139 crores in Q2 FY27.

In Q2 FY27, 15.3 lakhs Renewable Energy Certificates were traded, considerably lower than 44 lakhs certificates traded over the same quarter in FY26.

The RTM segment continued to demonstrate strong growth with nearly 42% share in electricity volume at IEX, surpassing the share of the DAM segment for the second quarter in succession. The segment witnessed the highest ever single day volume of 315 million units during the month of September.

For Q2 FY27, RTM volumes at nearly 16.5 billion units were higher by 10.5% on a year-on-year basis, highlighting the segment's critical role in helping distribution companies and open access consumers efficiently manage their short-term requirements. RTM's ability to offer flexibility and immediate responsiveness underlines the opportunity to efficiently integrate renewables with the grid and weather-related volatilities.

With regard our product pipeline, we continue to await approval from the CERC on our petitions to extend the Term-Ahead Market contract from 3 months to 11 months; to introduce the Green RTM contract; and third, with regard to introduction of Peak DAM and Peak RTM segments.

Moving on to IGX numbers. IGX traded gas volumes of 42 million MMBtu in Q2 FY27, a growth of 160% over Q2 FY26, led by volumes from domestic gas producers and heightened power demand being met by gas power plants during the month of August and September. In Q2 FY27, nearly 30% of the traded gas volumes were from the power sector. For the first half of the year, traded gas volume reached around 70 million MMBtu, higher by nearly 71% over H1 FY26.

For Q2 FY27, IGX recorded a profit after tax of INR23.4 crores, which was higher by 144% compared with INR9.6 crores in Q2 FY26. PAT in H1 FY27 stood at INR39.7 crores, an increase of 67.4% over H1 FY26.

As you may be aware, we had filed a DRHP, (Draft Red Herring Prospectus), for an IPO of IGX earlier in July this financial year. As per PNGRB regulations, (Petroleum and Natural Gas Board), we have to lower our existing holding from 47.3% to 25% by end of December 2026, and the IPO process remains on track.

Our other diversification initiatives are also gradually gathering momentum. For Q2 FY27, ICX Private Limited issued nearly 52 lakhs I-RECs, a growth of 38.4% Y-o-Y. Issuance in the first half of FY27 reached 94 lakhs, a growth of 15% over H1 FY26. Revenue for ICX in Q2 FY27 stood at INR2.3 crores, higher by 20.8% on a year-on-year basis. I-REC is a globally recognized digital certificate that serves as a transferable proof of generation of 1 megawatt hour of energy from renewable sources.

With regards our initiative to build a coal exchange in India, IEX has incorporated Indian Coal Exchange Limited as a wholly owned subsidiary for this purpose. Recently in September, Indian Coal Exchange Limited applied for a license with Coal Controller Organisation, CCO, the regulatory body for coal exchanges.

Indian Coal Exchange aims to be a physical delivery-based coal trading exchange, providing an organized, transparent and technology-enabled marketplace for coal trading in accordance with the Coal Exchange Rules, 2026. The exchange will facilitate trades at designated delivery points, enabling efficient price discovery and wider market access.

Further in line with the Government's vision of bringing transparency in trades of all commodities, Ministry of Mines has also notified final regulations for a mineral exchange. This development is being explored and should provide us with another diversification opportunity.

With the power consumption forecast to hit nearly 2,700 billion units going forward with peak demand of 388 gigawatt by 2032, we believe power demand growth will continue to drive exchange volume growth in the coming few years. In response to this expected demand growth, the MoP has been regularly monitoring the road map of thermal capacity addition, which has now been revised from an earlier 80 gigawatt by 2032 to 115 gigawatt by 2035.

In addition, the Government and regulators continue to take policy measures to ease supply liquidity to rationalize power prices on exchange. India's power sector continues to experience fast-paced transition. The government focus on green hydrogen, data centers, AI economy, electric vehicles, pump storage, battery energy storage, all this will lead to innovation of new products and market segment on the exchanges.

Battery Energy Storage Systems and FDRE round-the-clock tenders are gaining traction. To further deepen the green markets, we have continued to advocate market-based options like CfDs, virtual PPAs and merchant models for RE capacity addition.

And going forward, with large-scale rooftop solar, we see emergence of local energy markets and ecosystem where exchanges will play a central role. These developments are poised to become key enablers in expanding and deepening the country's power market to support a successful energy transition.

As envisaged by Honorable Prime Minister, India aims to achieve energy independence by the year 2047. And as India marches towards its net zero target of 2070, power exchanges will have a significant role to play in shaping the country's energy ecosystem.

Thank you. And now we can move for question and answers.

Moderator: Thank you, Sir. We will now begin the question-and-answer session. The first question is from the line of Bharani V from Avendus.

Bharani V: Yes. Am I audible?

Satyanarayan Goel: Yes. You're audible.

Bharani V: Yes. Good afternoon, Sir. This is Bharani. My first question is on the draft regulations by CERC. In your opinion, why do you think there is no decision yet or any movement there so far? And when do you think there will be final regulations that will be coming out on this, Sir?

Satyanarayan Goel: We are in no hurry. So we are waiting. We don't know when it will come.

Bharani V: Okay. Related question to that is for the stakeholder comments that was sought and in which Grid India had given their comments. In your opinion, their readiness and the ability to implement the way CERC is asking them to implement by being a sole market coupling operator, all those things, is it feasible? Are they ready? Will there be any delays in implementing because Grid India seems not to be ready to implement it in the way CERC wants them to do?

Satyanarayan Goel: See, first of all, the regulations need to be notified. And depending on what is notified in the regulations, thereafter, the necessary preparation will start. And this is a major change. So I think all this will require a lot of preparation, a lot of activities to be done, software to be developed, hardware to be ensured uniformity in all three exchanges and settlement system to be developed, mock trials to be done. All these things will need time.

It is difficult to say any definite timeline about it, but definitely not in this calendar year. My own estimate is that it may take another 1.5 to 2 years also, but it all depends on after the regulations, how is the regulations and in what way they want to implement it.

Bharani V: Okay. Understood. My second question is on the quarter that has gone by. We have seen the country's base power demand growth at around 13%. Our electricity volumes have also grown at the same rate. Here, we have seen kind of a slow or sluggish growth in the DAM volumes, while TAM volumes and Real-Time product volumes have been much higher.

So, in your opinion, what is driving this particular behavior of buyers and sellers in this quarter where TAM volumes are growing more, DAM volumes are sluggish? And how do you think this will play out for the remaining part of the year?

Satyanarayan Goel: See, whenever demand is higher than the supply, there is shortage and there is increase in the price. And availability of power particularly during the evening hours is slightly uncertain. That

is why many of the distribution companies, when they get into the bilateral contracts and that leads to shifting of volume from the DAM to the TAM and to bilateral contracts.

This phenomenon typically happens during 3, 4 months in a year, during the monsoon season. If there is a good monsoon, like last year we had a good monsoon, so bilateral contracts were much lower. This year, right at the beginning of April, May, it was clear that El Nino impact is going to happen, and we are going to have less rains. So, right from the month of July, August, we started seeing these bilateral contracts. But now end of October and the prices have again corrected, they are down to almost about INR4 per unit, and there is enough availability of power in both DAM and RTM. So, volumes have started increasing in DAM and RTM now.

Bharani V: Understood. Related question to that, of the TAM volumes, is it possible to give a split of how much is intraday, how much is 1 month, how much is 3-month kind of volume?

Rohit Bajaj: See, in the TAM, majority of the volume is traded under daily and monthly contracts. DAC and ITD is also there, which is about 20%-25% of the total volume, which is there in bilateral segment. So, there is monthly, weekly contracts which are there, which is about 70% of the total, a little over 70%. And then there are volumes which are in DAC and ITD, the intraday segment, which is less than 30%.

Bharani V: Sure. One more question, if I may, on the RECs. Here, we have seen a decline in volumes because of the recent buyout regulation. So, first question there is, of the REC volumes we have seen in FY26, that is last year, how much was contributed by the designated consumers now who need not come and buy in the market and who are buying directly?

Rohit Bajaj: Almost 80% of the volume was contributed by the bigger ones, which are major distribution companies, those who are buying and some of the big C&I consumers, those who were buying. Now with the new policy being in place, it is impacting the volume and precisely for this reason, we have seen the volume going down drastically.

But many of these buyers are sitting on the fences. They are watching the market. They are observing the prices. And suppose there is further correction in the prices, we expect some of these to come on the market and start buying again.

Bharani V: Understood. So, the answer is 80% of FY26 volumes contributed by designated consumers…

Rohit Bajaj: Yes.

Bharani V: Who will probably not be buying in the market right now? Okay.

Rohit Bajaj: So, I won't say they are not being buying, but yes, the buying has reduced a lot. And some of them are sitting and waiting for the right prices. If there is correction in prices by another 10%-15%, possibly some of this will start to buy.

Bharani V: Sure. One last question. What is the status of the appeal or case which is sub-judice in Supreme Court that we have filed for?

Satyanarayan Goel: I think Mr. Rohit in his opening address, he mentioned that Supreme Court has already said that this is premature now because coupling cannot be implemented by this order of CERC. Coupling can be implemented only by the regulations. So IEX will be aggrieved only as and when the regulations are issued.

So, they have said that, and if you are not satisfied with the regulations, you can approach the appropriate authority against the regulations, including all the grounds which were raised in the appeal.

Bharani V: Understood. Thank you so much.

Moderator: Thank you. The next question is from the line of Sumit Kishore from Axis Capital.

Sumit Kishore: Good afternoon. My first question is that as FDRE and storage push continues, energy transition and new market models have contributed how much to your electricity traded volumes in Q2 FY27, say, versus Q2 FY26, if you could give us some sense? Basically, the idea is to understand how will growth in volumes linked to new market models evolve over the next 2 years? And how does this impact IEX? That's the first question.

Satyanarayan Goel: See, if you look at the increase in volume in the RTM market, it is continuing from the last 2, 3 years at a very high rate. This year also, our RTM volume have increased significantly. And in the RTM segment, quite a good part of it is from the renewable generators, renewable power supply. It is very difficult to segregate whether it is from the FDRE contracts or from the solar or wind contracts. But definitely, a good part of the volume growth is happening because of the renewables.

And as the energy transition takes place, I'm sure exchanges will have a very important role to play because we have seen this whenever there is a variability in the power generation, exchanges play a very important role. –It has happened in other countries. And in India also, we are sure we will have an important role to play and the volumes will keep on increasing.

Rohit Bajaj: I will add something here. See, on the basis of our discussions with various developers, we have observed that when you are signing PPA for an FDRE contract, you have to create huge additional capacity. In some of the cases, this is 4x, 5x of the energy that you want to deliver as per the profile given in the FDRE contract. So there is a lot of excess capacity is created there, and this capacity is quite volatile. It is not a fixed quantum.

So there is no way you can enter into another PPA to sell this contract. So what you do is wherever there is surplus generation, you bring that on the exchange platform. Similarly, on the BESS, if you see, out of the capacity which has been commissioned till now, about 4 gigawatt of capacity which is there in the country, majority of that capacity is created under merchant route.

Now this is very different from what we have seen in case of thermal capacity addition, or for that matter, renewable capacity addition. So developers are seeing value in the markets. They

are creating this capacity and then bringing it on exchange and trying to take best arbitrage which is available.

Sumit Kishore: Yes. So the exchanges can accommodate, how much of this merchant trade? Will the arbitrage weaken or will it remain strong for the next two years, three years?

Rohit Bajaj: See, the gap is huge when you compare daytime prices and the evening prices. There is huge gap and shortage that we have seen particularly this year has been very high. Deficit has been very high. So there is a lot of room available in the exchanges to absorb the arbitrage play which is there for BESS plants. And one more thing is today FDRE has become possible, or merchant BESS has become possible, because there are liquid markets already in place.

So if you do not have this market available, you cannot think of having FDRE contracts or merchant-based contracts.

Sumit Kishore: Sure. My second question is on IGX, ICX. So basically IGX, Q2 performance has been quite good. In fact, more than half the profit of FY26 in just one quarter. What is the outlook on growth in volume for FY27, FY28, FY29? And similarly for ICX, you had a profit of INR4.7 crores in FY26. What is the profit in first half of this year and what is the outlook?

Satyanarayan Goel: Our exchange IEX, we have been growing at a rate of almost about 14%-15%, and I am sure this year we should achieve a growth rate of 15%. IGX also has done as far as the volumes are concerned, I think the volume growth is almost about 70% in the first half of the year. And the demand from the power sector was quite high. So in the second half also, we expect a reasonably good volume growth.

So overall, I think IGX should be able to achieve 40%-50% of volume growth on a year-to-year basis. ICX, there we are only doing the registry of I-RECs and there I think a growth of almost about 20%-25% in the revenues would happen.

Sumit Kishore: Is there any profit number for ICX for first half of the year?

Satyanarayan Goel: ICX, Yes. Vineet?

Vineet Harlalka: First half year profit is INR2.7 crores.

Sumit Kishore: Okay, thank you, and wish you all the best.

Moderator: Thank you. The next question is from the line of Saksham Tyagi from Desvelado Advisory. Please go ahead.

Saksham Tyagi: Hi, am I audible?

Satyanarayan Goel: Yes, we can hear you.

Saksham Tyagi: Okay, thanks for the opportunity, Sir. My first question is that since we are expecting the peak demand of 388 gigawatt by 2032, right, so how are we planning to fulfil that demand? Like, how are we approaching towards that?

Satyanarayan Goel: There is a lot of capacity addition which is planned, which is in the pipeline, and I am sure we should be able to meet that because government is already taking action on that. All this planning work is going on. I think almost about 80 gigawatt of thermal capacity is under construction. Similarly for batteries, BESS, also under the viability gap funding scheme, BESS of 43 gigawatt is already awarded. And then many of the States have also awarded Battery Energy Storage Systems. Under the merchant route also many of the IPPs are awarding it. So we expect by 2032 battery itself will be more than 100 gigawatts. So all these things should be able to meet the demand.

Saksham Tyagi: Okay, Sir, understood. And so my second question is on the AI adoption. Like, as you mentioned in the investor presentation, like, almost everything related to AI adoption is in progress currently. So I just wanted to get an insight on the progress so far. Like, where have we reached so far in building these AI bidding assistants, or you can say AI chatbots, etcetera? Like, where do we currently stand? And also, what's going to be the impact once these AI adoption has been completed?

Rohit Bajaj: Yes. So this is one area where we, in fact, we have been working for a couple of years now. Certain things have been delivered and certain things are in the pipeline. So our wish list, the things which we are working upon, is that we are creating AI bidding assistant for DISCOMs. The work is under progress where there would be an agent sort of a thing which will help them in placing their bid and it would be seamlessly connected with our systems.

So we already have APIs in place, and with the help of APIs and on the other end having assistants, we would be able to get them on board very smoothly. Similarly, there are automated solutions which are being created for customers, including industrial users, where they can take advantage of these things and integrate with us on a seamless basis.

Another important thing here is data has big role. And through our web portal already many of the participants, are able to see that data and they can use this data in taking decisions with regards to putting price on the bids. So they are already using it and there is no end to the innovation on the data side. We are constantly working on it and ensuring that more and more analytics can be shared with the customers, and then they should be able to take advantage of these things.

So the list is long, but these are some of the points which will give you some idea on which direction we are working on the AI as well as on the data side.

Saksham Tyagi: Okay, sir. Understood. Thank you very much.

Moderator: Thank you. The next question is from the line of Harsh. Please go ahead.

Harsh: Hello, am I audible?

Satyanarayan Goel: Yes, loud and clear.

Harsh: Yes, so I just wanted to know this quarter we saw a lot of growth in our DAC and Term Ahead markets, so I just wanted to know what can that be attributed to?

Satyanarayan Goel: DAC and ITD volume growth happens basically in the second quarter. The second quarter this year the monsoon was weak, so there was a lot of uncertainty and people wanted to secure power, so they bought that power under the ITD and DAC.

Harsh: Okay, and in terms of the different markets that we have, what is the scope of one market cannibalizing volumes from other markets? So let's say if coupling happens in the day-ahead market, then what is the scope of some of that volume shifting to the Real-Time Markets instead of going to other exchanges maybe?

Satyanarayan Goel: See, if you see we introduced Real-Time Market in June 2020, and if you see (compare) growth of volume in the Real-Time Market and growth of volume in the DAM market, DAM market volume growth is hardly about 4%, 5%, 2%on CAGR basis . And in the RTM market, the volume growth is almost about 30%-35% on CAGR basis. So RTM market volumes are growing at a significant rate, and with high renewable, I am very sure that RTM market volume will further continue to increase. So RTM is as of now, in the first seven months of the year, RTM volume is far more than the Day-Ahead Market volume. I am sure in future also. Today the RTM volume is about 41% of the total volume and DAM is only 35% of the total volume.

Harsh: So my question was more about, is this volume gain happening organically or is there some component of RTM markets eating away some of Day-Ahead Market volume?

Satyanarayan Goel: Yes, some shifting is definitely happening because before 2020 the growth was in the Day-Ahead Market only. Now the growth is happening in the RTM market because many of the buyers are shifting to the RTM market. RTM market prices are always lower than the Day-Ahead Market price. And in the RTM market, the sellers are desperate sellers, so the prices are lower, and then you can do a better estimate of your demand and meet the demand. So the trend is that.

Harsh: And if there was to be coupling in the Day-Ahead Market, hypothetically, then is there a chance of, buyers simply shifting from day-ahead to RTM on our exchange instead of going to other exchanges? What are the chances of something like that happening?

Satyanarayan Goel: See, I think in the earlier call also we have explained that in the last two years, three years we have done a lot of activities in the company to ensure to retain the buyers with the exchange. And we have done a lot of use of technology also. We have done a lot many developments, customer interactions, product development, API integration. So with all that, I am sure that we do not apprehend any shifting of buyers from IEX to the other exchanges.

And shifting from DAM to RTM, this is all basically based on the price and availability of power. So I do not think coupling has any role to play in this. But one thing I can tell you, in time to come RTM will definitely have a better role to play and the volume growth in RTM will

be more. And coupling in RTM is definitely going to be challenging. Earlier also (in RTM) when we had 15 minutes of bidding time and 15 minutes of market clearing time, the timelines were tight. Now as per CERC staff, if the bidding time is reduced to five minutes and clearing time to ten minutes from 1st of April (2027), I think the timelines will be further tight.

Harsh: Okay. Understood, thank you.

Moderator: Thank you. The next question is from the line of Akshit Shetty, an individual investor. Please go ahead.

Akshit Shetty: Good afternoon, Sir, and thank you for taking my question. So my first question is related to settlement funds and treasury income. I see that as of 30th September 2026, standalone investment stood at around INR2,170 crores compared with the shareholder equity of approximately INR1,388 crores. And the current other financial liabilities were around INR1,051 crores, largely comprising settlement obligation and members' margin deposit.

So with inter-exchange settlement under market coupling and the proposed separation of clearing function also being discussed. So could you clarify how much of this investment corpus and other income is linked to this member fund? And might this development affect the treasury investment and interest income going forward?

Satyanarayan Goel: So Mr. Vineet Harlalka will respond to this question, but one clarification I would like to give you. There is no proposal of separating clearing function from the exchange. The clearing function will continue clearing and settlement will continue to happen the way it was happening. Okay? Vineet?

Vineet Harlalka: Look, there are the two components as you have said, one is the shareholders fund and one is the flow of funds from the trading margin and the settlements obligation. So the treasury returns is a composition of all these things. And second, the market, how the money market is behaving, what is the interest rate cycle around the market sentiment.

To predict how much these numbers will be there will be quite difficult. But looking at the way the volumes and all the things are going, and presently it is in the range of 15% to 18%, so we think the treasury income should be remaining in that that range. And we are hopeful and we try to get the maximum value out of the investment.

And regarding how much this float is going to remain, it will totally depend because the float we do not control. It totally is (dependent on) the market role. So what is that price trading, the volumes and all. So it will be depending upon that structure only. And returns will be mainly market driven because we invest in the market securities and the money market components. So that is (depending on) how the market behaves we will try to get value out of it.

Akshit Shetty: Okay, fine, got it. I have another question related to DISCOM. So I see that DISCOM account for around 80% to 85% of purchases on IEX. And could you share how much of your large DISCOM buyers or the trading member bidding on their behalf? I mean are already registered or active on other power exchanges. Also, in the term-ahead market where IEX market share is

lower, what are primary drivers of buyer choice on exchange? I mean liquidity, transaction fees, or rest of this relationship?

Rohit Bajaj: So you are right in saying so. DISCOMs or distribution utilities are the major buyers. They are contributing to about 80% of the total volumes on the buy side that is being done. Majority of them are participating directly. Except for few DISCOMs, all of them are our members and they themselves participate. They do not participate through any of the trader member as such. So you also wanted to know about who are the big participants?

Akshit Shetty: Yes.

Rohit Bajaj: It changes with the season. Now in Q2 particularly, where the demand in the Southern region was very high, all the Southern region participants were buying very heavily. Then all the big states like Maharashtra, Gujarat, UP, Rajasthan, they are also regular buyers. Top five, it keeps on changing depending on the season, depending on the month, depending on their requirement. But generally, top ten are the top big States which are there in the country. They are generally the biggest buyer. Second thing you wanted...

Akshit Shetty: Yes. Please continue.

Rohit Bajaj: Okay. So second thing you wanted to know about TAM. TAM, our market share is lower. It hovers around 35% and it has been there for many years. The point there is that it is not dependent on the DISCOMs as such. It is being done by, generally the distribution companies, they have tendency to put something everywhere in all the exchanges. And then, as you know, this is not a very highly liquid market. Wherever there is a participation, it gets through. So that's the reason why it is spread across all the exchanges and ….

Satyanarayan Goel: And in fact, you know, Day-Ahead Market and Real-Time Market are our flagship products. So we are concentrating more on these products than in the TAM market.

Akshit Shetty: Okay. Got it. Okay, Sir, thank you for answering my questions.

Moderator: Thank you. The next question is from the line of Abhishek Sinha from Bodh Capital. Please go ahead.

Abhishek Sinha: Yes, I hope I am audible.

Satyanarayan Goel: Yes.

Abhishek Sinha: So my question is about capital allocation. In January '23, the board bought back shares in the open market. I think the price was close to around INR200. And the profit, FY23 profit itself was around INR300 crores. This year we should be doing double the profit, mostly close to that, and the (stock) price is nearly half. So I wanted to understand the direction that the board is taking in terms of distributing the cash, because I am assuming, removing the members' margin money also, we should have around INR1,000 crores odd plus of cash in hand. So I would like some inputs on that?

Vineet Harlalka: So we had been regularly paying around 60%-65% of our profits as a dividend, and the float money definitely is something which is regulated as per the rules and bylaws and the CERC regulations. It cannot be done. Regarding the market side, the board always looks at what is the best value we can create for our stakeholders.

And that's how we are distributing 65% of the profit. And going forward also, we will look into it. regarding the surplus cash, we are looking and exploring all the options. As in the AGM speech also, the Chairman had said that. So we look at the best possible options to create value for the stakeholders.

Satyanarayan Goel: Buyback, yes, the price is low and we will definitely consider this option also. So we will evaluate all the options and whatever is best in the interest of shareholders, we will use that.

Abhishek Sinha: All right, thank you.

Moderator: Thank you. The next question is from the line of Piyush Garodia from Smart Sync Services. Please go ahead. Hello, Sir. The current participant seems to have disconnected. The next question is from the line of Ronak Singhvi from NAFA Asset Managers. Please go ahead.

Ronak Singhvi: Hello, am I audible?

Satyanarayan Goel: Yes.

Moderator: Yes, sir.

Ronak Singhvi: So, I wanted to have your comments on the CERC draft regulations on cutting the ceiling price of INR0.02 per unit to INR0.015 flat fixed rate on Term-Ahead market.

Satyanarayan Goel: There isno draft regulation on this.

Ronak Singhvi: Okay. So it's just on development work.

Satyanarayan Goel: No, no, we haven't heard anything about this.

Ronak Singhvi: Okay. So what different does it make if the volume is shifting from DAM to RTM, like, considering IEX revenue, like, how does it differ from our revenue?

Satyanarayan Goel: No. See, DAM and RTM both are our flagship products, and we have large market share in these products. So it doesn't really matter to us if the volume is shifting from DAM to RTM.

Ronak Singhvi: So like per unit of volume based only is our transaction charges right?

Satyanarayan Goel: Transaction fee same in both DAM and RTM.

Ronak Singhvi: Okay. Got it. Thank you, sir.

Moderator: Thank you. The next question is from the line of Sandeep Saleria, an Individual Investor. Please go ahead.

Sandeep Saleria: Hello, am I audible?

Satyanarayan Goel: Yes, you are audible. Speak slightly loud.

Sandeep Saleria: Yes, thank you for the opportunity. So my question is regarding the capital allocation. I think this was asked earlier, but I just want to give my couple of pointers. See, as CIO, if an independent power exchange asset with a market position and robust cash generation growth runway, if it was trading in the open at today's compressed valuations, would you consider it as a compelling acquisition target to deploy capital into?

So if the answer is yes, then I do not understand why the management is hesitant to treat IEX's own stock as a very opportunity for a share buyback. So this is the first question. So what are the specific hurdles or cash prevention requirements are currently holding us back to be opportunistic at these levels?

Satyanarayan Goel: Share buyback, as I told you, that we are definitely evaluating this and we will consider this. So this option is open. We are working on this.

Sandeep Saleria: Thank you. And second question. Yes, please

Vineet Harlalka: Because there was a lot of changes in the tax buybacks (laws) a couple of years back, so it was totally not that incentivizing the stakeholders. That was the reason the buyback (was not done earlier). In the past we had done buybacks earlier also, so that has been one of the options we have always explored. But considering the changes now, all the things have been re-backed, re-bought back for creating value for the buybacks. That's what we are considering, and we will definitely put that before as and when the board decides that.

Sandeep Saleria: Yes, it's a depressed valuation. I think it's a great opportunity because the business is running great. Sir, second question is on API integration, right? So, I am also from a technological background, and now can you please explain how tightly integrated we are with DISCOMS? I think the market is not giving us right valuation and they are thinking like it's like booking Uber and Ola, people can just migrate DISCOMs and start just ordering from other exchanges. I think we are tightly integrated, aren't we, through APIs? They are using our APIs, the DISCOMs. Can you please explain a bit more on that?

Rohit Bajaj: Yes. So see, there are 2 interfaces that we have with our customers, with our members. Now one is for the purpose of bidding and the second is back-office integration. Now back office is for the purpose of linked with their SAP system or any other system that we have and for reconciliation and reporting and all other purposes. So what we have done in last 2-3 years is with all our major customers, we have integrated both on the front end as well as on the back office. Back-office integration has been completed.

So which means that when they have their own system of calculating for every time block, how much surplus or deficit they have, every distribution utility or every member will have their own system where they do certain calculations, they have their models, where they figure out what sort of quantity they want to buy and they want to buy at what price.

So API integration means that our system is linked to that system, which means we fetch whatever is the decision of their model, we fetch it directly in our system, and we convert it into bids and fetch it directly into our systems. That's on the front end. And as I mentioned, the back office integration where our system is linked to them so that all the reconciliation part, reporting part, settlement part is being done cohesively.

So these are the 2 things which we have done. And majority of our volume, large chunk of our volume is coming through these APIs, is being handled through these APIs.

Sandeep Saleria: Yes. So just a quick comment, because I come from an IT background itself and I know how hard it is for an organization to move just to, from one system to the other system because the user training and everything. So we are basically quite tightly integrated, I can tell that. I really appreciated.

Rohit Bajaj: Absolutely.

Moderator: Thank you. The next question is from the line of Rohan Gheewala from Axis Capital. Please go ahead.

Rohan Gheewala: Thank you. Just two quick questions. Firstly, if you can please share what was the market share of IEX in DAM and RTM segment in second quarter?

Satyanarayan Goel: Yes, our market share in DAM and RTM is always 99(%) plus. So maybe it is 99.2, 99.3, or maybe that kind of a number.

Rohan Gheewala: Okay. And secondly, for the second half of this fiscal, is the REC volume likely to remain the same band as H1, or how do you look at it?

Satyanarayan Goel: It is very difficult to say about the REC volume because REC is no more a significant revenue creator for IEX. In the market also, REC volumes have reduced in other exchanges also because of this buyback option which has been given by the Government now. A utility at the end of the year, if there is a shortage, they will say that, okay, we will deposit the money and comply with that. And that amount also is, I think, about INR0.35. So REC prices are also around INR310, INR320, INR330. So they do not see much value in buying the RECs at the moment.

Rohan Gheewala: Thank you.

Moderator: Thank you. That was the last question for today. I now hand the conference over to the management for closing remarks.

Rohit Bajaj: Thank you, friends. I would like to thank each one of you for being part of today's call. Throughout the first half of FY27, we witnessed efforts from the Government and regulators to establish a favorable policy and regulatory climate to develop the energy sector. We at IEX remain committed to contribute to the development of a sustainable and energy-efficient future for India. Thank you so much. Have a wonderful evening.

Moderator: Thank you. On behalf of Axis Capital Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.