

INDIAN ENERGY EXCHANGE LTD.

ISIN CODE: INE022Q01020

BSE: 540750

NSE: IEX

CMP: 729.95

OVERVIEW

 Wed, 01st Dec '21

- Indian Energy Exchange Ltd is an India based power trading platform provider.
- It offers an automated platform for physical delivery of electricity,
- IEX enables efficient price discovery and offers participants the opportunity to trade in a variety of energy products.
- It offers the electronic platform for the trading of electricity products in India.
- Its product segments include Day-Ahead Market, Term-Ahead Market, Renewable Energy Certificates, and Energy Saving Certificates.

KEY STRENGTH

- Exchanges now accounting for 6% of India's total electricity basket.
- IGX is India's first automated, nationwide, delivery-based gas exchange
- IEX is a pioneer in cross-border electricity trade.

ACHIEVEMENTS

- Record-breaking Yearly Trading Volume 74 BU
- 37% YoY growth in IEX's electricity traded volume in fiscal 21
- Commenced Cross border Trade.
- EPS increased from 5.96 in FY20 to 7.15 in FY21.

GROWTH DRIVERS

- The market for solar PV, wind turbine and lithium-ion battery equipment will expand to over \$40 billion per year by 2040.
- Draft National Electricity Policy 2021 envisages increase of Spot market share to 25% by the year 2023-24
- Ind-Ra Agency projects a strong power demand recovery of 10-12% YoY in FY22, with sustained demand growth of 6-6.5% YoY for the fiscal 2023 and 2024.
- Company aims to soon commence trading in several new market segments such as Longer Duration Contracts and Integrated Day Ahead market to strengthen its positioning within the short-term market.

OPPORTUNITIES

- By 2040, 1 in every 7 dollars spent worldwide on sustainable equipment will be in India, compared to 1 in 20, today.
- Government of India envisages 40 GW of decentralized solar energy solutions by the year 2022.
- Government has a vision to increase its share in the energy basket from the present 6% to 15% by the year 2030.
- Govt has planned to invest INR 7.5 lakh Crores over five years to create LNG terminals and a Gas Pipeline network, which will create infrastructure for development of the gas market and facilitate an increase in consumption of gas.

FINANCIAL HIGHLIGHTS

- Revenue was Rs. 35,738.55 lacs, against Rs. 29,715.22 lacs last year, 20.3% YoY.
- EBITDA has increased to Rs. 29,970.56 lacs in FY21, as compared to Rs. 24,459 lacs in FY20.
- Net Profit also increased from Rs. 21,348.82 lacs in FY20 to Rs. 17,791.61 lacs in FY21, 20.0% YoY.
- EBITDA margin was 83.86% in FY21, increased by 1.55%

Growth Rates % (Compound Annual)	1 Yr	3 Yr	5 Yr	10yr
Revenue	23.6	11.3	12.7	-
Operating Income	25.6	10.3	14.0	-
Earnings/Share	17.2	16.1	-	-
Dividends	0.0	-	-	-
Book Value/Share	35.5	23.5	-	-
Stock Total Return	236.5	65.4	-	-
Market +/-	215.0	1.5	-	-

Valuation Ratio	Current	5Yr Avg	Ind	Mkt.
Price/Earnings	83.8	-	19.1	16.0
Forward P/E	-	-	-	-
Price/Cash Flow	44.6	-	-	10.4
Price/Free Cash Flow	46.6	-	-	-
Dividend Yield %	0.6	-	1.4	2.6
Price/Book	35.1	-	1.9	2.2
Price/Sales	57.3	-	2.0	-

Profitability Ratio	Current	5Yr Avg	Ind.	Mkt.
Return on Equity	47.4	45.9	11.5	15.4
Return on Asset	25.4	24.5	4.1	5.6
Gross Margin	88.9	86.3	18.0	-
Operating Margin	79.1	73.8	17.5	-
Net Margin	68.4	62.3	11.5	21.6
Inventory Turns	-	-	32.3	-
Fixed Asset Turns	18.1	25.6	16.2	-

Financial Position (INR)	03-20(Mil.)	03-21 (Mil.)
Cash	460	1,368
Inventories	-	-
Receivables	-	-
Current Assets	7,369	10,105
Fixed Assets	248	224
Intangibles	1,033	1,031
Total Assets	9,852	12,555
Payables	1,896	3,322
Short-Term Debt	0	0
Current Liabilities	3,823	5,593
Long-Term Debt	-	-
Total Liabilities	4,294	6,040
Total Equity	5,261	6,229

Source: Company filings & Analyst Research

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