



DIRECTORS' REPORT

Dear Members,

On behalf of the Board of Directors of your Company, it gives me immense pleasure in presenting the 5th Directors' Report on the business and operations of your Company together with the Audited Financial Statements and the Auditors' Report for the financial year ended March 31, 2024.

1. FINANCIAL RESULTS

The Company's financial performance for the financial year ended March 31, 2024 is summarised below:

Particulars	Amount in ₹ lakh	
	FY 2023-24	FY 2022-23
Revenue from operations	3,484.93	4,269.95
Other Income	1,976.99	1,928.14
Total Revenue	5,461.92	6,198.09
Less: Total Expenditure	2,390.24	2,441.48
Profit/(Loss) before tax	3,071.68	3,756.61
Less: Provision for Tax	766.70	952.90
Profit/(Loss) after tax (A)	2,304.98	2,803.71
Other comprehensive income for the year, net of income tax (B)		
	5.96	4.65
Total comprehensive income/(loss) for the year (A+B)	2,310.94	2,808.36
Earnings per equity share [face value ₹10/- per share]		
Basic (₹)	3.12	3.80
Diluted (₹)	3.11	3.79

2. COMPANY'S PERFORMANCE HIGHLIGHTS

Business Highlights

After commencing the operations as India's first authorized Gas Exchange in December 2020, the FY 2023-24 was the third complete financial year for your Company's operations.

During the year, your Company registered 5 new members and 11 new clients. Your Company has a total of 44 Members and more than 200 active clients at the end of financial year. A total of 40.82 million MMBtus (Million British Thermal Unit) were traded at IGX during the year lower by YoY due to decline in sale by domestic gas producers and



its resale by marketers. Domestic ceiling price gas traded was 23.3 million MMBtu out of total trade of 40.82 million MMBtu.

During the financial year ended March 31, 2024, there has been no change in the nature of the business of the Company.

Financial Performance Review And Analysis

- Total revenue of ₹ 5,461.92 lakh was generated by the Company in FY24 against ₹ 6,198.09 lakh in FY23.
- Revenue from operations was ₹3,484.93 lakh comprising ₹ 3,076.06 lakhs from transaction fees and ₹ 419.92 lacs from admission fee and annual subscription fees from Members/Clients.
- Total expenditure was ₹ 2,390.24 lakh, primarily incurred towards Personnel Cost, Technology Cost, Legal & Professional expense, Rent, Depreciation/Amortisation, Corporate Social Responsibility etc. Contribution to Settlement Guarantee Fund (SGF) as per PNGRB regulations is also part of expenses.
- Profit after tax was ₹ 2,304.98 lakh against ₹ 2,803.71 lakh last year.

Detailed Financial and Business highlights are discussed in detail in the Management Discussion and Analysis Report (MDA), included in this Report.

Other Significant Developments

As an achievement and validation of the efficiency and value that the exchange provides to its stakeholders, more than 100 million MMBTU of gas has been traded on the exchange since inception, with over 3000 trades having been executed.

Further there have been many positives for IGX in FY'24 such as DGH Empanelment which now enables domestic producers to auction their gas through IGX; allowing fertilizer manufactures to buy domestic gas through IGX on a pilot basis; and approval to launch small scale LNG contracts for trading.

In this year IGX also signed an MoU with GSPC to develop the Hydrogen Price Index in Gift City and with S&P Global Platts to launch Long Duration Contracts (LDC) with linkage to indices such as WIM, JKM, Brent etc.

On the regulatory front there were notable developments during the year, focussed on broadening grid coverage, enhancing market access, and fostering a dynamic gas market landscape in India:

- During the year, PNGRB initiated process for development of various Natural Gas Pipelines viz. Jammu - Srinagar Natural Gas Pipeline, Kakinada- Srikakulam Natural Gas pipeline, Kochi to Thoothukudi Natural Gas Pipeline via Kanyakumari, tie-in connectivity from Gopalpur LNG Terminal to Srikakulam - Angul Natural Gas Pipeline.



- In a significant step towards achieving nationwide coverage (excluding islands) for the expansion of City Gas Distribution (CGD) networks, PNGRB successfully concluded the 12th and 12A CGD Bidding Rounds. With these rounds, now CGD licensees cover entire country except islands. This move will pave the way for long-term growth of gas sector.
- With an intention to improve grid access, PNGRB sought stakeholders' comments/views on the 'draft PNGRB (Access Code for Common Carrier or Contract Carrier Natural Gas Pipeline) Regulations, 2021'.
- With an intention to provide open access in exclusivity-expired CGD Geographical Areas (GAs) PNGRB sought views/comments on 'Draft PNGRB (Guiding Principles for Declaring City or Local Natural Gas Distribution Networks as Common Carrier or Contract Carrier) Regulation, 2023'.
- PNGRB further published list of GAs with no or expired infrastructure exclusivity period for the laying, building, or expansion of the CGD network.

New Members

In this financial year, the Company had major sector players join as Member on the Exchange. The members who joined were – Eastern Power Distribution Company of AP Limited, Sravanthi Energy Private Limited, HPCL Mittal Energy Limited, Oil India Limited and NTPC Vidyut Vyapar Nigam Limited.

Awards

Your Company had the honour of receiving the eminent '**Excellence in Digitisation (Oil and Gas)**' award at The Economic Times Energy Leadership Awards 2023. IGX was also a finalist in the "**Rising Star Company**" category in **Platts Global Energy Award**, the only company from India to reach finals under the mentioned category.

Future Outlook

As India transitions towards the adoption of sustainable forms of energy, IGX is positioned to facilitate seamless and efficient adoption of natural gas in the energy mix. The Gas Exchange will enable the natural gas market in India to move towards a more structured and organised system, resulting in increased competition, higher efficiency, and improved price discovery.

The operationalisation of new CGD networks, the price advantage of natural gas against other fuels, and increased adoption of natural gas to comply with pollution norms would support long-term gas demand in the country. The proposed change in India's domestic gas pricing formula is expected to ensure affordability of natural gas through capping of gas prices during times of volatility.



IGX will continue to work with the regulators, market participants and other stakeholders to deepen the gas market in India. IGX has launched the new trading segment for ssLNG. In the near future, the Company is planning to launch the Long Duration Contracts (LDC) with linkage to S&P Global Platts indices like WIM, JKM, Brent etc. Competitive price discovery enabled by IGX will continue to fill the demand-supply gap and stimulate investments in the gas value chain. The gas exchange will play a pivotal role in enabling India's transition to a gas-based economy by benefiting gas producers, transporters, marketers, and consumers.

The Government of India (GoI) is taking various initiatives for increasing the Gas demand in the country and the share of Gas in energy mix. GoI is mulling bringing natural gas under GST regime. This will be a game changer for the sector giving impetus to the gas demand due to expected price reduction at the consumer level. Also, regulation which are currently in draft stages like regulations for Access Code, Operating Code and Standard Gas Transportation Agreement; declaration of Geographical Areas of City Gas Distributions (CGDs) as Common Carrier/ Contract Carrier shall have a positive impact on the operations of your company. In addition to this, formation of Independent System Operator would further help in ease of doing business on the exchange.

3. DIVIDEND

Your Directors do not recommend any dividend for the financial year ended March 31, 2024.

4. TRANSFER TO RESERVES

During the year under review, no amount has been transferred to any reserves and no amount is proposed to be transferred to any reserves.

5. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year and the date of this Report.

6. MANAGEMENT DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (MDA) Report, as required under Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has also been incorporated as a separate section forming a part of the Directors' Report.

7. CHANGES IN SHARE CAPITAL

During the year under review, no changes were made in the Share Capital of the Company.



As on March 31, 2024, the authorised share capital of the Company stood at Rs. 75,00,00,000 (Rupees Seventy-Five Crores), consisting of 7,50,00,000 (Seven Crore Fifty Lakh) equity shares of Rs. 10/- each. There has been no change in the authorised share capital during FY24.

The Paid-Up Share Capital of the Company as on March 31, 2024, stood at Rs. 75,00,00,000 (Rupees Seventy-Five Crores), consisting of 7,50,00,000 (Seven Crore Fifty Lakh) Equity Shares of ₹ 10/- (Rupees Ten only) each.

During the 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.

The details of the share capital are furnished in Note No. 15 to the Notes to Accounts.

8. BUYBACK OF SHARES

During the year under review, your Company has not announced any scheme for buy back of shares from its members.

9. IGX EMPLOYEES STOCK OPTION SCHEME (“IGX ESOS 2021”)

Your Company has IGX ESOS 2021, to motivate and instil a sense of ownership among its employees. The Company's ESOS scheme is administered through a Trust route, which acts as per instructions of the Nomination and Remuneration Committee of the Company.

The disclosures pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014, Section 62 of the Companies Act, 2013 read with Companies (Share Capital and Debenture) Rules, 2014, as at March 31, 2024 in connection with the ESOP Scheme 2010 details are set out in **Annexure -1** to this Report.

Further, the Company has obtained a certificate from the Secretarial Auditors of the Company certifying that the has 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.

10. PARENT COMPANY

Your Company was incorporated as a wholly owned subsidiary of Indian Energy Exchange Limited (“IEX”) in 2019. Further, after divestment of equity shareholding of approx. 53% by IEX in previous years, IEX is parent company with holding of 47.28% equity shares in the Company as on March 31, 2024 and accordingly the Company is an associate company of IEX as at March 31, 2024.



11. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATES COMPANIES

During the year under review, your company does not have any Subsidiary or Joint Venture or associate Company.

12. RELATED PARTY TRANSACTIONS

Your Company launched the Exchange in the year 2020-21 and is in initial stages with limited resources primarily engaged in the business development and operations side only. It needed support in terms of infrastructure, manpower, IT and other staff functions like HR and Finance services to support the business and activities at initial stages. Being a new company, creating an independent infrastructure and hiring big teams without utilising it to the full extent would have been wastage of resources and increase in operating expenses.

Accordingly, your Company had entered into a 'Support Services Agreement' with M/s Indian Energy Exchange Limited (IEX), the parent company wherein your Company takes the requisite support services viz. Technology Support, IT infrastructure, Finance, HR, Communication, etc from IEX on need basis and IEX bill the IGX accordingly based on actual time spent by their respective functionality in providing requisite requested services. The said agreement was approved by the shareholders of the Company in the 3rd Annual General Meeting held on June 20, 2022.

The said Related Party Transactions were entered in accordance with the support services agreement and were on arm's length basis and in the ordinary course of business.

Further, the said Related Party Transactions were reviewed and confirmed by the Audit Committee and the Statutory Auditors of the Company on quarterly basis.

There was no related party transaction entered by the Company during the year in terms of Section 188 of the Companies Act, 2013 other than those as disclosed in the audited financial statements of the Company. Members may refer to **Note No. 42** to the financial statements which sets out related party disclosures pursuant to Ind AS.

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 Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014. However, as a good governance practice, the details of the Related Party Transactions, as mentioned aforesaid, is annexed with this Report in Form AOC-2 as **Annexure 2**.

Your Company has a policy on materiality of related party transactions and dealing with related party transactions and the same is hosted on the website of the Company at <https://www.igxindia.com/statutory-disclosures/>



13. DIRECTORS AND KEY MANAGERIAL PERSON (“KMP”)

Your Company has a well-diversified Board comprising of Directors having skills, competencies and expertise in the areas of Finance, Strategy Planning & Policy Development, Governance, Risk and Compliance etc. to ensure effective corporate governance and sustained commercial success of the Company. As on March 31, 2024, the Board comprised of 8 (eight) Directors, out of which 4 (four) were Non-Executive Independent Directors including 1 (one) Women Independent Director, 3 (three) Non-Executive Non-Independent Directors and 1 (one) Executive Director.

A. Changes in Directors

During the year under review and up till the date of this report, there has been following changes in the position of Directors of the Company:

Appointment of Director

- i. Mr. Neeraj Chandra (DIN: 00444694), was appointed as an Additional Director designated as Non-Executive Independent Director of the Company with effect from June 29, 2023. The said appointment was regularized at the 3rd Extra-ordinary General Meeting held on January 23, 2024.
- ii. Prof. R Vaidyanathan and Mr. R S Sharma, independent directors on the Board of the Company completed their term on December 14, 2023. Both Directors were re-appointed as Independent Directors on the Board of the Company with effect from December 15, 2023, after receiving requisite approval from the PNGRB as per the PNGRB (Gas Exchange) Regulations, 2020. Shareholders’ approval for their appointment was obtained at the 3rd Extra-Ordinary General Meeting held on January 23, 2024.
- iii. The Board, based on the recommendations of the Nomination and Remuneration Committee and subject to shareholders’ approval, has considered and approved the re-appointment of Mr. Rajesh Kumar Mediratta as MD & CEO of the Company for the second term of five years starting from November 2, 2024 to November 1, 2029 (both days inclusive). Necessary resolution for the re-appointment has been included in the notice convening the ensuing AGM and details of the proposal for re-appointment are mentioned in the Explanatory Statement to the AGM Notice.

Cessation of Director

There are no cessations of the Board Members, to be reported for the financial year 2023-24.

Directors liable to retire by rotation:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of your Company, Mr. Gautam Dalmia (DIN: 00009758), Director of the



Company retires by rotation at the ensuing AGM and being eligible offers himself for re-appointment.

Necessary resolutions for the re-appointment of the aforesaid Director have been included in the notice convening the ensuing AGM and details of the proposal for re-appointment are mentioned in the Explanatory Statement to the AGM Notice.

B. Changes in KMP

Following changes took place during the year:

- i. Mr. Vineet Maheshwary, who was appointed as the Chief Financial Officer of the Company w.e.f. August 1, 2022, resigned w.e.f. September 1, 2023.
- ii. Mr. Deepak Agarwal was appointed as the Chief Financial Officer of the Company w.e.f. October 31, 2023.

The Key Managerial Personnel of the Company as on March 31, 2024 are Mr. Rajesh Kumar Mediratta, Managing Director & CEO, Mr. Deepak Agarwal, Chief Financial Officer and Ms. Priyanka Nautiyal, 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 reimbursement of expenses incurred by them, if applicable, for the purpose of attending Board/ Committee meetings of the Company.

C. Declaration by Independent Directors

In terms of Section 149 of the Companies Act, 2013, Regulation 17 of the SEBI Listing Regulations and Regulation 22 of GER, 2020, Prof. Vaidyanathan Ramamurthy (DIN: 00221577), Mrs. Bharathi Sivaswami Sihag (DIN: 00120900), Mr. Radhey Shyam Sharma (DIN: 00013208) and Mr. Neeraj Chandra (DIN: 00444694), are the Independent Directors on the Board of your Company as on March 31, 2024. 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 PNGRB (Gas Exchange) Regulations, 2020.

In terms of Regulation 25(8) of the SEBI 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 Regulation 16(1)(b) of the SEBI Listing Regulations and PNGRB (Gas Exchange) Regulations, 2020 and that they are independent of the management.



A declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, along with a declaration as provided in the 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(6) 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 fulfil the conditions of independence as specified in the Act and the Rules made thereunder and are independent of the management and have skill, integrity, expertise commensurate with the business requirements of the Company.

The Independent Directors met on March 20, 2024, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, considering the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity, and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to perform its duties effectively and reasonably.

D. Meetings of Board /Committees

The Board met 6 (Six) times during the year under review. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report, annexed with this Report as **Annexure 3**. The intervening gap between the two consecutive Board meetings did not exceed the period prescribed by the Companies Act, 2013 and Secretarial Standard on Board Meetings (SS1) issued by the Institute of Company Secretaries of India (“ICSI”), as amended from time to time.

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 SEBI Listing Regulations, to the extent applicable, the Nomination & Remuneration Committee (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 Report. The details of the Policy are made available on the Company’s website at <https://www.igxindia.com/statutory-disclosures/>



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 Nomination and Remuneration Committee (NRC) of the Company has devised a policy for performance evaluation of the individual Directors, Board and its Committees with specific focus on performance and effective functioning of the Board and its Committee and the said policy is duly approved by the Board.

In terms of the requirements of the Companies Act 2013 and the SEBI Listing Regulations, 2015 and the policy devised by NRC, 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 Committees.

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 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 Committees was evaluated by the Board after seeking inputs from the Committee members 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 January 5, 2017.

Performance of individual directors was reviewed on the basis of criteria such as attendance of the director to the Board and Committee meetings, their contribution 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.

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 Report.

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

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013 pertaining to Directors' Responsibility Statement, the Directors hereunder confirmed 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 such 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 and loss of the Company for the financial year 2023-24;
- 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 internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- vi. As required under Section 134(5) (f) of the Companies Act, 2013, the Board, hereby, states that proper systems and processes, commensurate with the size of the Company and the nature of its business, have been devised to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As on March 31, 2024, your Company is covered under the provisions of the Section 135 of the Companies Act, 2013, and accordingly the provisions of CSR became applicable on the Company for the first time for FY 2023-2024. Your Company is fully committed to ensuring equitable and sustainable growth of society in and around the area of its presence & operations besides complying with government directives to discharge its social responsibility.

In compliance with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility) Rules, 2014, as amended, the Company has a Corporate Social Responsibility Committee which works as per the applicable provisions and such other matters as prescribed by the Board from time to time. The CSR Committee, inter alia, reviews and monitors the CSR initiatives of the Company.

The Company has also in place a Corporate Social Responsibility Policy (“CSR Policy”) in line with Section 135 read with the CSR Rules and Schedule VII of the Act.

For the financial year 2023-24, the Company has contributed Rs. 12 Lakh to the Prime Ministers’ National Relief Fund. A brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure 7** of this report in the format prescribed in the Companies (Corporate Social



Responsibility Policy) Rules, 2014. This Policy is available on the Company's website at <https://www.igxindia.com/documents/statutoryDisclosures>.

For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report.

16. CORPORATE GOVERNANCE

Your Company is in compliance with the PNGRB (Gas Exchange) Regulations, 2020 and Corporate Governance guidelines, to the extent applicable as laid out in the SEBI Listing Regulations.

A detailed Corporate Governance report for the Financial Year 2023-24 is annexed with this Report as **Annexure 3**.

17. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT

During the year under review, your Company has not given any loans, guarantees, made any investments 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 FD, Mutual Fund schemes and are in compliance with the provisions of Companies Act, 2013, the details of which are provided in **Note 6, 9, 12** to Financial Statement for the year ended March 31, 2024.

18. FIXED DEPOSITS

Your Company has not invited or accepted any 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. March 31, 2024.

19. 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:

- Switched from conventional lighting systems to using energy-efficient lightning in office.
- Selecting and designing offices to facilitate maximum natural light utilisation to illuminate the workspaces.
- Use of energy efficient computer systems and procuring energy-efficient equipment.
- Use of cloud based virtual servers to increase energy efficiency and data security.
- Encouraging employees to suggest innovative ideas to cut down the energy costs.
- Regular and preventive maintenance for company's heating, venting and air conditioning (HVAC) equipments and systems.



As an on-going process, your Company continuously evaluates new technologies and techniques to make infrastructure more energy efficient.

20. TECHNOLOGY ABSORPTION

Your Company has implemented the trading solution provided by GMEX which is an end to end seamless and highly scalable software solution catering to the trading requirements of participants in the gas exchange. GMEX is one of the leading providers of digital exchange trading platform in the world. IGX trading platform is a fully automated web-based interface which enables multi asset trading feature and a market surveillance system.

Following functions are performed on the trading platform:

- Trading & Surveillance: Monitoring the bids placed by the members, exposure, collateral management etc.
- Price Matching & Clearing: Double sided auction and Continuous trading, Market extension, and Margin collection.
- Information broadcast: Broadcast of relevant trading information to all relevant stakeholder.

During the year under review, the Company has implemented various new features and functions in its trading platform in order to provide better user experience to its members and to meet the market expectations also.

- New market segment for trading of Small Scale Liquefied Natural Gas (ssLNG) launched which enabled trade of ssLNG at the RLNG terminals.
- A newer version of web-based trading system was implemented with an interactive dashboard and other advance features.
- New web-based Member portal 'Member Hub' was implemented for automated post trade processes across the trade cycle of Risk & Collateral Management, Clearing, Settlement, Scheduling and Market data.

21. 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 during the year.

22. 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	₹ 164.69 lakh



23. STATUTORY AUDITORS

The Members of the Company at the 1st Annual General Meeting (AGM) held on December 09, 2020, had appointed M/s B S R & Associates LLP, Chartered Accountants, (Firm Registration No. 116231W/W-100024) as the Statutory Auditors of the Company for a period of five consecutive years i.e. up to the conclusion of 6th Annual General Meeting to be held in the year 2025.

24. AUDITORS' REPORT

Statutory Auditors report is annexed together with notes to Financial Statements, which is self-explanatory and therefore, do not call for any further explanations or comments from the Board under Section 134(3) of the Companies Act, 2013. There is no qualification, reservation or adverse mark by the Statutory Auditors of the Company for FY2023-24.

25. SECRETARIAL AUDITORS

Pursuant to the Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s MNK and Associates LLP, Company Secretary in Practice, Delhi to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2024.

The Secretarial Audit report for the financial year 2023-24 in **Form No. MR-3** is annexed as **Annexure 8** to this Report. The Secretarial Audit report does not contain any qualification, reservation or adverse remark.

26. REPORTING OF FRAUD BY AUDITORS

During the year under review, as per 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 material fraud by its officers or employees of the Company. Therefore, no details are required to be disclosed under Section 134(3) (ca) of the Companies Act, 2013.

27. RISK MANAGEMENT POLICY

Your Company being an exchange has adequate risk management systems and procedures operating within the organization. The Company has a 'Risk Management Committee' to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management framework and process of the organization on quarterly basis as per Regulation 32 of the PNGRB (Gas Exchange) Regulations, 2020 and submits its report to the Board of Directors of the Company. Thereafter, the decision of the Board of Directors on the subject, along with the RMC report, is submitted to the PNGRB within two months from the end of each calendar quarter.



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 control risks through a properly defined framework in terms of the aforesaid policy.

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.

28. INTERNAL FINANCIAL CONTROL & ITS ADEQUACY

Your company has adequate Internal Financial Controls for ensuring orderly and efficient conduct of its business including adherence to company's policies and procedures, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information commensurate with the operations of the Company.

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. This provides the Directors with reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks.

The Internal control systems are reviewed and modified on an on-going basis to meet the changes in business conditions, accounting and statutory requirements. Effectiveness of Internal Financial Controls is ensured through management reviews, self-assessment and independent testing by the Internal Audit Team indicating that your Company has adequate Internal Financial Controls over Financial Reporting in compliance with the provisions of the Companies Act, 2013 and such Internal Financial Controls are operating effectively.

The external and internal auditors review the effectiveness and efficiency of these systems and procedures on regular basis to ensure safeguarding of assets and accuracy of financial and operational information 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.

The Audit Committee/ Board periodically reviews the Internal Financial Controls to ensure its effectiveness and efficiency for achieving the intended objective.

During the year no fraud has been reported by the Auditors to the Audit Committee or the Board of the Company.



29. VIGIL MECHANISM

As per provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and the SEBI Listing Regulations, 2015, your company has adopted the robust policy for Whistle Blower and Anti-Fraud. The said Policy enables directors, stakeholders, including individual employees and their representative bodies to report, in good faith, illegal or unethical practices/behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. The said mechanism ensures that the whistle blowers are protected against victimization/any adverse action and/ or discrimination as a result of such a reporting.

30. HUMAN RESOURCE DEVELOPMENT

Your company is focussed on achieving business targets alongwith continuous development of its employees. Your company believes that employees are its core strength.

Your company continues its transformation that encompasses both culture and talent which is also aligned to its technology transformation.

Your company believes in an open and transparent work-culture that places adequate emphasis on employee development and strong employee connects through planned engagements. Our strategy is a combination of developing internal talent and hiring best of talent externally. IGX hires professionals with experience working in reputed organisations. The objective is to create complimentary skills in both domain and external experience/sector experiences.

We enhance learning through regular sessions by experienced external trainers on key topics of development. To upgrade our employees with new skills coupled with professional and personal growth, we had organised several training sessions both on behavioural and functional competencies (essential skills development, Power BI throughout the year. The trainings are imparted by some of the best trainers and training organisations of the industry.

In addition, forums such as weekly and monthly meetings, All-Hands meetings and departmental meetings provide opportunities for interaction.

31. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has complied with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder, including the constitution of Internal Complaints Committee (ICC) for dealing with complaints of sexual harassment of women at workplace.



During FY24, the Company has not received any complaint pertaining to sexual harassment and hence no complaint is outstanding as on March 31, 2024. The Company has filed an Annual Report with the concerned Authority in the matter.

32. MATERIAL AND SIGNIFICANT ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

During the year under review, there have been no significant and material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations. Hence, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

33. FINANCIAL ACCOUNTING AND SECRETARIAL STANDARD

The Financial Statements of the Company for FY23-24 have been prepared in compliance with the applicable provisions of Companies Act, 2013 including Indian Accounting Standards (Ind AS) issued by Institute of Chartered Accountants of India (ICAI).

Your Company has complied with applicable Secretarial Standards in respect of Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

34. ANNUAL RETURN

Pursuant to Section 134 (3) (a) read with Section 92(3) of the Companies Act, 2013, Annual Return of the Company in the prescribed form (MGT-7) will be placed on the website of the Company at <https://www.igxindia.com/statutory-disclosures/>

35. DEMATERIALISATION OF SHARES

The issued & fully paid-up equity shares of the Company are admitted with the National Securities Depository Limited ("NSDL"). The International Securities Identification Number (ISIN) allotted to the equity shares of the Company under the Depository System is INE0BI301012.

Your Company has not allotted any physical shares, all shares are held in dematerialized form only. Members can contact M/s KFin Technologies Limited, Registrar and Share Transfer Agent of the Company for any assistance.

The contact detail for the benefit of Members is as follows:

M/s KFin Technologies Limited

Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District,
Nanakramguda, Serilingampally



Hyderabad, Telangana – 500 032.
Toll Free No: 1800 309 4001
Email: einward.ris@kfintech.com
Website: www.karisma.kfintech.com

The bifurcation of the category of shares in electronic mode and physical and distributing of shareholding as on March 31, 2024, are given below:

Category	No. of Shareholders	Total Shares	% To Equity
ELECTRONIC (NSDL)	20	7,50,00,000	100
PHYSICAL	-	-	-
Total	20	7,50,00,000	100

INDIAN GAS EXCHANGE LIMITED					
DISTRIBUTION SCHEDULE AS ON 31/03/2024 (TOTAL)					
S.no.	Category (Amount)	No. of Cases	% of Cases	Amount	% of Amount
1.	1-5000	4	20.000000	40	0.000005
2.	5001- 10000	1	5.000000	6,000	0.000800
3.	20001- 30000	2	10.000000	48,000	0.006400
4.	30001- 40000	1	5.000000	37,500	0.005000
5.	40001- 50000	2	10.000000	90,000	0.012000
6.	50001- 100000	1	5.000000	94,500	0.012600
7.	100001& Above	9	45.000000	74,97,23,960	99.963195
	Total:	20	100	7,50,00,000	100

36. 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.

37. OTHER INFORMATION

- (i) Proceeding under Insolvency and Bankruptcy Code, 2016: The Company has neither made any application nor any proceedings were pending under the Insolvency and Bankruptcy Code, 2016 (“IBC Code”) during the Financial Year under review.
- (ii) The Company has not made any onetime settlement during the Financial Year 2023-24 with Banks or Financial Institution.



38. ACKNOWLEDGMENT

Your Directors wishes to place on record its sincere gratitude for the valuable guidance and constant support, and co-operation extended by the Government of India particularly the Ministry of Petroleum & Natural Gas, PNGRB, DGH, MCA and various regulatory and statutory authorities.

Your directors acknowledge wise counsel received from Statutory and Secretarial Auditors and are thankful for their continued support and cooperation.

Your Directors would like to thank all its stakeholders including its shareholders, members, bankers, consultants, etc. for their continued support and confidence reposed in the Company. The Board recognize the dedicated efforts and consistent contribution made by the Management and the employees of the Company for an outstanding performance during the year.

For and on behalf of the Board of Directors
Indian Gas Exchange Limited

Sd/-
Prof. R Vaidyanathan
Non-Executive Chairman
DIN: 00221577

Dated: July 22, 2024
Place: Noida