



**HINDUSTAN POWER EXCHANGE LIMITED**

***Transcript of the 6<sup>th</sup> Annual General Meeting  
held on September 25, 2024  
at 03:30 P.M.  
Through Video Conferencing***

**PROCEEDINGS OF THE SIXTH ANNUAL GENERAL MEETING OF  
HINDUSTAN POWER EXCHANGE LIMITED  
SEPTEMBER 25, 2024**

Person to Speak	Description
Company Secretary	<p><i>Dear Members, Good afternoon,</i></p> <p><i>I am Rishi Vashisth, Company Secretary of the Company.</i></p> <p><i>It is my pleasure to extend a warm welcome to each of you at Sixth Annual General Meeting of the Company, which is being conducted through virtual mode in accordance with the applicable provisions of the circulars issued by the Ministry of Corporate Affairs.</i></p> <p><i>Before starting the proceedings of this meeting, let me introduce the directors of HPX and the management of the Company.</i></p> <p><i>Starting with,</i></p> <ul style="list-style-type: none"> <li>• <b>Dr. Manoj Kumar Jhavar</b>, Nominee Director on behalf of <b>PTC India Ltd.</b></li> <li>• <b>Mr. Vishnu Kant</b>, Nominee Director on behalf of <b>ICICI Bank Ltd.</b></li> <li>• <b>Mr. Shyam Dhar Dubey</b>, <u>Independent Director &amp; Chairman</u> of the <u>Nomination &amp; Remuneration Committee</u>.</li> <li>• <b>Mr. Niraj Nabh Kumar</b>, <u>Independent Director &amp; Chairman</u> of the <u>Audit Committee</u>.</li> </ul> <p><i>Due to some last moment reasons, Mr. Deepak Goel couldn't make it to join this meeting.</i></p> <ul style="list-style-type: none"> <li>• Other than directors, we have <b>Mr. Ashok Kumar Ojha</b>, Chief Financial Officer of the Company, <b>Mr. Naveen Godiyal</b>, Vice-President, Market Operations and <b>Mr. Ankur Anand</b>, Asst. Vice-President, Business Development.</li> </ul> <p><i>Apart from the Directors and Management of the Company, Statutory Auditors, Internal Auditors &amp; Secretarial Auditors have also joined this meeting virtually. I thank all the auditors.</i></p> <p><i>Since, the requisite quorum being present in the meeting and to start with proceedings, I request all the members present to elect Dr. Manoj Kumar Jhavar as Chairman of this meeting by 'Show of Hands'.</i></p>
Shareholders	<p><i>I, Kaushal Mehta, Nominee of BSE Investments Limited, Propose the same.</i></p> <p><i>I, Vinay Aggarwal, Nominee of ICICI Bank Limited, Second the same.</i></p> <p><i>Those in favor please raise your hands.</i></p>
Company Secretary	<p>Dr. Manoj Kumar Jhavar is unanimously approved as Chairman of the meeting. I request Dr. Manoj Kumar Jhavar to start with the proceedings of the AGM.</p>
Chairman	<p>Dear Shareholders,</p> <p>I would like to extend my heartfelt gratitude to all the shareholders of HPX on this momentous occasion of the 6th Annual General Meeting.</p> <p>This has been a significant financial year for HPX, during which the company not only achieved remarkable economic performance but also established itself as an important power exchange in the country.</p>

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	<p>Over the past year, the company significantly increased its traded volume, managing approximately <b>11 billion units</b>—nearly one-third of the total market share in the Term-Ahead Market (TAM) segment. This outstanding achievement underscores HPX’s strong position in the power market and reflects the trust and support we have received from market participants nationwide.</p> <p>During the year, the company's total revenue surged by 150%, rising from ₹17.43 crore in FY 22-23 to <b>₹43.63 crore in FY 23-24</b>. Additionally, the profit after tax (PAT) saw a drastic improvement, shifting from a loss of ₹10 crore to a <b>profit of ₹14.93 crore</b>. These figures clearly demonstrate that HPX is on a successful growth trajectory.</p> <p><b>In the Term Ahead Market segment</b>, our company demonstrated exceptional performance by trading more than 9 BUs, securing approximately 28% of the total TAM market. This substantial market share highlights HPX's growing influence and its effective role in facilitating term-ahead trading. The strong trading volume highlights our success in meeting the market's term-ahead energy demands and reflects our expanding operational impact.</p> <p>Moreover, I am pleased to report that during FY 2023-2024, not only <b>introduced innovative products</b> but also distinguished Company with unique offerings, including the <b>High Price Term-Ahead Market (HP-TAM)</b>. In the HP-TAM segment alone, we traded an impressive 616 MUs, capturing roughly 76% of the total market share.</p> <p><b>Additionally, in the Long Duration Contracts (LDC)</b> segment in FY 23-24, we introduced contracts for power trading extending up to 90 days. We achieved a significant milestone by trading more than 2 BUs, capturing 26% of the total market share. Furthermore, our Any Day Single-Side (ADSS) segment e-Reverse Auctions performed exceptionally well, with a conversion rate of approximately 21%, exceeding that of our competitors. These accomplishments highlight our robust market presence and our dedication to delivering effective and innovative trading solutions.</p> <p><b>In the ESCerts segment</b>, we successfully traded 194,065 ESCerts, securing a solid 15% market share. Notably, we also conducted the highest single-day trade of ESCerts during the PAT Cycle-II. These achievements underscore our strong market presence and effectiveness, and we remain committed to delivering continued value to our stakeholders.</p> <p>This journey has not been easy. In July 2022, our exchange began with just 11 members and 27 clients. Over the past two years, by August 31, 2024, we have significantly expanded our reach and now serve nearly the entire power market. Our impressive membership portfolio now includes 722 market participants, collectively accounting for over 80% of the power trade nationwide. For these achievements, the entire HPX team deserves immense appreciation for their hard work and unwavering commitment to the exchange.</p>

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	<p>I am also pleased to share that during the first quarter of FY 24-25, our company continued its growth, achieving a PAT of ₹6.05 crore, based on an overall traded volume of approximately 3.5 BUs.</p> <p>Looking ahead, we anticipate substantial benefits from initiatives aimed at shaping the power market, particularly those that promote trading on power exchanges. Notably, with the expected reforms, including the introduction of Market Coupling as outlined in the CERC's staff paper released in August 2023, HPX is expected to capture a larger market share among power exchanges in all segments. The regulators have tasked the Grid Controller of India with developing a shadow pilot project on Market Coupling, which is currently in the development phase.</p> <p>We believe that Market Coupling will significantly strengthen our market position. We project capturing 40-50% of the DAM and RTM segments post-implementation, expanding our market share and broadening our reach and bidding opportunities.</p> <p>In the future, our focus will be on consolidating our position in the Contingency and Term-Ahead Markets, with a TAM market share exceeding 35%. Additionally, we aim to make significant inroads into the collective segments of the power exchange markets, specifically the DAM and RTM segments. We also recognize the need to introduce innovative products that meet the evolving needs of both industrial and distribution sector consumers, aligning with the dynamic landscape of the Indian power market.</p> <p>With great optimism, I look forward to a progressive future for HPX. Once again, I extend my heartfelt gratitude to all of you for joining us this evening.</p> <p>Thank you.</p>
<b>Company Secretary</b>	<p>Since this meeting is conducting in virtual mode, let me quickly go through voting procedures.</p> <p>As you all are aware and as mentioned in the Notice of the meeting, this meeting is conducted through Video Conferencing in accordance with the MCA circulars dated May 05, 2022, December 28, 2022 and September 25, 2023.</p> <p>The voting of the meeting will be conducted through show of hands, unless a demand for poll is made by any member in accordance with section 109 of Companies Act, 2013. Once such demand is made then all the members attending the meeting will be required to convey their vote, during the meeting, by sending an email, mentioning their assent/dissent on <a href="mailto:cs@hpxindia.com">cs@hpxindia.com</a>, which is the designated email id of the Company for this purpose.</p> <p>"As voting will be conducted by show of hands, I request all shareholders to keep their cameras on during the meeting."</p> <p>Over to chairman sir.</p>

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Chairman	<i>The Register of Directors and Key Managerial Personnel (KMPs) and their shareholding and Register of Contracts or arrangements in which the Directors are interested as maintained by the Company pursuant to the provisions of Sections 170 and 189 of the Companies Act, 2013 are available and will remain open and accessible during the Meeting for inspection in electronic mode, by the Members.</i>
Chairman	<i>The notice of this meeting along with the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024 and the report of Board of Directors thereon have been circulated to you through email and was also made available at website of the Company, I shall take them as read.</i> <i>The Auditors' Report (Statutory Auditor &amp; Secretarial Auditor), forming part of the Annual Report which has been circulated to the shareholders, does not contain any adverse qualification, observation or comment on financial transactions or other matters.</i>

**AGENDA ITEM NO-1**

Chairman	<i>Dear Shareholders, there are <b>Six items</b> for your approval. The objectives and implications of the resolutions proposed at the AGM are stated in the Notice of the AGM and the explanatory statement.</i>  <i>The first three items are of Ordinary Business and the remaining three items are of Special Business.</i>  <i>I now request the members to consider Item No. 1 of the notice as an <b>Ordinary Resolution</b> to receive, consider and adopt the Audited Statement of Profit and Loss for the period ended March 31, 2024 and the Balance Sheet as on that date and the Reports of the Board of Directors and the Auditors thereon.</i>
Shareholder	<i>"I, Rajiv Maheshwari, Nominee of PTC India Limited, propose this resolution"</i>  <i>"I, Vinay Aggarwal, Nominee of ICICI Bank Limited, Second the same"</i>
Chairman	<i>Those in favor please raise their hand.</i>
Chairman	<i>As all the members are in favor, I now declare this item to be passed unanimously.</i>

**AGENDA ITEM NO-2**

Chairman	<i>I request the member to consider Item No. 2 of the notice as an <b>Ordinary Resolution</b> to appoint a director in place of Mr. Vishnu Kant who retires by rotation, and being eligible, offers himself for re-appointment as Non-Executive Nominee Director.</i>
Shareholder	<i>"I, Kaushal Mehta propose this resolution"</i>  <i>"I, Rajiv Maheshwari, Nominee of PTC India Limited Second the same"</i>
Chairman	<i>Those in favor please raise their hand.</i>
Chairman	<i>As all the members are in favor, I now declare this item to be passed unanimously.</i>

AGENDA ITEM NO-3	
Chairman	<i>I request the members to consider Item No. 3 of the notice as an <b>Ordinary Resolution</b> to appoint M/s DMKH &amp; Co., Chartered Accountants as Statutory Auditors of the Company</i>
Shareholder	<i>"I, Rajiv Maheshwari, Nominee of PTC India Limited, propose this resolution"</i>  <i>"I, Kaushal Mehta, Second the same"</i>
Chairman	<i>Those in favor please raise their hand.</i>
Chairman	<i>As all the members are in favor, I now declare this item to be passed unanimously.</i>
AGENDA ITEM NO-4	
Chairman	<i>I now request the members to consider Item No. 4 of the notice as an <b>Ordinary Resolution</b> to appoint Mr. Rishi Vashisth as Manager.</i>
Shareholder	<i>"I, Rajiv Maheshwari, Nominee of PTC India Limited, propose this resolution"</i>  <i>"I, Kaushal Mehta, Second the same"</i>
Chairman	<i>Those in favor please raise their hand.</i>
Chairman	<i>As all the members are in favor, I now declare this item to be passed unanimously.</i>
AGENDA ITEM NO-5	
Chairman	<i>I now request the members to consider Item No. 5 of the notice as an <b>Ordinary Resolution</b> to appoint Mr. Deepak Goel as Non-Executive Nominee Director.</i>
Shareholder	<i>"I, Vinay Aggarwal, Nominee of ICICI Bank Limited, Propose the same"</i>  <i>"I, Rajiv Maheshwari, Nominee of PTC India Limited, Second the same"</i>
Chairman	<i>Those in favor please raise their hand.</i>
Chairman	<i>As all the members are in favor, I now declare this item to be passed unanimously.</i>
Company Secretary	<i>Since Dr. Manoj Kumar Jhavar is interested in Agenda item no. 6, I request all the members to appoint Mr. Niraj Nabh Kumar as the Chairman for this item by 'Show of hands.'</i>
Shareholders	<i>"I, Vinay Aggarwal, Nominee of ICICI Bank Limited, Propose this resolution"</i>  <i>"I, Rajiv Maheshwari, Nominee of PTC India Limited, Second the same"</i>
Company Secretary	<i>Those in favor please raise their hand.</i>  Mr. Niraj Nabh Kumar is unanimously approved as Chairman for the Agenda item no. 6 of the meeting.  Request Mr. Niraj Nabh Kumar to proceed further.
AGENDA ITEM NO-6	
Chairman	<i>Thank You.</i>  <i>I now request the member to consider Item No. 6 of the notice as an <b>Ordinary Resolution</b> to appoint Dr. Manoj Kumar Jhavar as Non-Executive Nominee Director</i>
Shareholder	<i>"I, Kaushal Mehta, propose the same"</i>  <i>"I, Vinay Aggarwal, Nominee of ICICI Bank Limited, Second the same"</i>
Chairman	<i>Those in favor please raise their hand.</i>
Chairman	<i>As all the members are in favor, I now declare this item to be passed unanimously.</i>

<b>Company Secretary</b>	<p>Thank you, Mr. Niraj Nabh Kumar, for presenting item no. 6.</p> <p>I now request Dr. Manoj Kumar Jhawar to proceed with the meeting.</p>
<b>CONCLUSION</b>	
<b>Chairman</b>	<p>Now I open the floor for the shareholders to ask the question, if any. Any questions from Shareholders?</p> <p><b><u>Naveen Srivastava:</u></b> I am Naveen Srivastava, Representing Manikaran: First of all, Congratulations to all the members of HPX on its nascent stage of initial 2 years of operations that would achieve the performance what other private exchanges would achieve in 12 to 14 years. There are more challenges. So, my first question is, since you said that we are going to have a market share of 40-45% in case if market coupling is implemented. I would like to know how this is going to happen. What is the plan of HPX to get this opportunity capitalize.</p> <p><b><u>Chairman:</u></b> Regarding market share, shareholder Mr. Naveen Srivastava himself has stated, a lot of thing depends upon Government Policy regarding market Coupling issue itself. If it comes, we are 100% sure that we with our service offerings because then the broad differentiator would be how you are engaging with your client partners. So, on date, we really intend to work hard. If the market coupling thing happens and currently also whosoever is engaged with us on our platform, they have appreciated our technology, procedures, responsiveness also. So, I think going forward the strategy would be to have an intensive engagement with our partners so that we can increase our market share because once this market coupling thing happens, price discovery goes outside the exchange and anyone who is offering better services would be a winner. That would be broadly speaking our strategy.</p> <p><b><u>Naveen Srivastava:</u></b> Thank you, sir. I appreciate your answer. That raises another question, sir. You see that shareholder of HPX, key members of HPX which holds about 31% of the shareholding by distribution Companies or trading. This 31% of shareholders do have market share of 36% of IEX market. Do you see any possibility or any opportunity for them to bring on floor so they can contribute for the growth of HPX.</p> <p><b><u>Chairman:</u></b> Actually, it is for the market participants to choose their trading platforms. Currently, I believe the that major reason why people are going to IEX particularly in DAM segment and RTM segment which is a collective segment because largely speaking there is network effect that if a buyer is there, a seller is there and bid is likely to be cleared easily at a competitive price in particular exchange, then people who are planning their trades tend to flow together on that exchange only. That network effect has a very high disproportionate market share for this collective segment in our competitor's platform. Market coupling happens then, definitely there would be affairs choice amongst all the client members &amp; trading partners to choose their platform and that would be the day when we will be able to differentiate. Currently, it is for the trading partners and clients to choose and obviously there are reasons for them to choose a platform which is already gained wide popularity. I think, that answers your question.</p> <p><b><u>Naveen Srivastava:</u></b> I am sure you must be able to cope up with the challenges which may come across market coupling when it will be implemented. All the best.</p> <p><b><u>Chairman:</u></b> Thank you.</p>



**Bhushan Rastogi:** I am Bhushan Rastogi, I am Managing Director at Mercados India. What should HPX do at this stage or rather what is HPX doing right now to ensure that all its shareholders such as PTC India Limited, Manikaran Power, SJVN Limited, RPSG, Greenko, Haryana, West Bengal, at least they start participating on HPX, because its quite an irony that even the shareholders are also not pushing their power on HPX and they are pushing their power on IEX. So, what should HPX do before and after market coupling to ensure that its shareholders/partners at least start participating.

**Chairman:** You see, since you named the PTC, I believe the challenge with PTC lies with regarding the regulatory ceilings that as long as it is holding more than 5% shares, it cannot be a trading member on this platform. But PTC per se, I think 28% of the trade is handling by PTC that is significant but it also indicates that more than 74% trade is happening not by PTC but by other participants. Question is not who is trading. Question is from where the participants are expecting that their price would be discovered fairly, and bid would be cleared. Currently, because of network effect, which I explained earlier, those collective segment bids are going to one particular exchange which is already held popular. So before this market coupling thing, what we can do is, we can differentiate our services i.e number one. Secondly, if participants feel they can start trading on HPX platform also, they are free to do so. Discoms definitely can do so.

**Bhushan Rastogi:** Sir, you are responding from PTC perspective. Who should HPX do to attract?

**Chairman:** No. What HPX should do is differentiate its services in terms of market offerings, offer all kinds of products, try to build confidence, in the stakeholders and clients. Engage them with more intensity and try to pursue them to use their platform. There are challenges.

**Bhushan Rastogi:** In such case, HPX is failing miserably because it is not able to convince even its shareholder partners to trade on their platforms.

**Chairman:** You see, it is not a question of convincing or not convincing, at the end that is a business call and it cannot be thought that just because they have invested, they would start trading through that exchange only. It has to make a business case. So based on this faith that this exchange has a future they had invested in it. This is taking routes, this is growing. Tomorrow if a situations comes that our trading partners and clients and even investor in HPX are comfortable that their bids would be cleared in particularly in collective segment, of course business would come. These changes do take time.

**Bhushan Rastogi:** Sir, can you update status on that what is happening with respect to appointment of a full-time MD & CEO because that's long pending. Ideally these questions should be answered by MD & CEO of HPX.

**Chairman:** I am fully in agreement that this position of MD should not have been remained vacant for so long period. That is my response no. 1. Response no. 2, Board of HPX is seized of this matter. We recently conducted interviews of few candidates, a few more names we have sort. Very shortly we would be able to finalize on it. This much I can assure.

**Bhushan Rastogi:** Would you like to put a timeline to that decision.

**Chairman:** No. Not exactly. But it should not be very long.

**Bhushan Rastogi:** Thank you.



**Pankaj Kumar Jha:** I am Pankaj Kumar Jha. I am from RR Associates Pvt. Ltd., Patna, Jharkhand. I have one questions in two parts. You said, because of regulation, PTC India cannot trade on HPX unless they dilute their shareholding below 5%. Are there any plans for that?

The second part of the same question, Hon'ble CERC has the capping of 2 years before HPX can be listed on share markets. Are they in the pipeline for the listing.

**Chairman:** Both things together, No.1, as and when PTC India decides to dilute its equity would be strategic call of the PTC Board. It is not right for me to speculate on that but definitely as an investor, we like to realise the optimum value. So, that is a business call to be taken by PTC Board. Regarding Second part, Is there any plan to take exchange public and do the listing, I think that every shareholder would agree on this that first let us try to build a credibility and a history of profitability then only I think we will be able to realise the value this exchange is offering. Currently, if we go to market, it appears a little bit premature to me.

**Pankaj Kumar Jha:** Then may be in a couple of years.

**Chairman:** May be, yes. Let us first wait for the regulatory developments evolving. If the market coupling was to come tomorrow and just before that we have done our IPO then possibly in the end side we would regret that decision. Wait for regulatory environment to clear.

**Pankaj Kumar Jha:** Thank you.

**Company Secretary:** Any further questions from any shareholders?

**Chairman:** Company Secretary, please confirm if you have received any questions over email from the shareholders.

**Company Secretary:** No, sir. We have not received any questions over the mail.

**Chairman:** With the permission of shareholders, can we now declare this meeting as concluded.

**Chairman:** I thank all of you for attending the Meeting and extending your co-operation. Have a great day. Thank you so much.

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