

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.95/MP/2023

Subject : Petition under Regulations 54, 55 and 56 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 for reporting compliance in terms of the order of the Commission dated 26.04.2011 in Petition No. 285/MP/2021 and for seeking additional time period in order to achieve the compliances set out under Regulation 15 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021.

Date of Hearing : 13.6.2023

Coram : Shri Jishnu Barua, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member
Shri P. K. Singh, Member

Petitioner : Power Exchange India Limited (PXIL)

Parties Present : Shri Sakya Singha Chaudhuri, Advocate, PXIL
Ms. Nithya Balaji, Advocate, PXIL
Shri Aryaman Singh, Advocate, PXIL
Shri Anil V Kale, PXIL

Record of Proceedings

Learned counsel for the Petitioner submitted that the present Petition has been filed for reporting compliance in terms of the order of the Commission dated 26.4.2022 in Petition No. 285/MP/2021 and seeking additional time in order to achieve the compliance set-out under Regulation 15 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021. Learned counsel submitted that pursuant to the directions of the Commission, vide Record of Proceedings for the hearing dated 25.5.2023, the Petitioner has filed an affidavit indicating the steps that have been undertaken to ensure the compliance with the shareholding/ ownership structure requirements as stipulated in PMR, 2021. Learned counsel further referred to the said affidavit and mainly submitted as under:

(a) National Commodity & Derivatives Exchange Limited (NCDEX), which presently holds around 34.21% of the share capital, vide its letter dated 31.5.2021 has indicated that it has appointed an investment banker, Yes Securities, to assist in the process of dilution of its shareholding by identifying prospective investors, assist in concluding transactions, and for transferring shares to third parties.

(b) Whereas, NSE Investment Limited (NSEIL) vide its e-mail dated 1.6.2023 has indicated that since NCDEX is already running the process to sell their shares in the market to a third party, NSEIL will also exercise the 'tag along' rights to bring down its shareholding to the required level.

(c) As to GMR Energy Limited, which presently holds around 6.84% of the total share capital, it had submitted a legal opinion dated 6.5.2023 regarding the applicability of only Regulation 15(1)(a) and not Regulation 15(1)(b) of the PMR, 2021. The said legal opinion has already been placed on record by the Petitioner and the Commission may kindly consider it and issue the suitable direction(s) in this regard.

(d) Owing to the precarious financial position of the Petitioner in the past, the above shareholders were facing difficulties in diluting their respective stakes. However, the financial position of the Petitioner has now improved significantly, as its net worth has already turned positive and is meeting the requirements specified in the PMR, 2021.

2. Considering the submissions made by the learned counsel for the Petitioner, the Commission reserved the matter for order.

By order of the Commission

**Sd/-
(T.D. Pant)
Joint Chief (Law)**