

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 228/MP/2022

- Subject : Petition under Regulation 17(12) of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 and under Regulations 54, 55 and 56 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 seeking additional time period in order to achieve the compliances set out under Regulations 17 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021
- Date of Hearing : **7.2.2023**
- Coram : Shri I. S. Jha, Member
Shri Arun Goyal, Member
Shri P. K. Singh, Member
- Petitioner : Hindustan Power Exchange Ltd. (HPX)
- Parties Present : Shri Ravi Kishore, Advocate, HPX
Shri Keshav Singh, Advocate, HPX

Record of Proceedings

Learned counsel for the Petitioner submitted that the present Petition has been filed for seeking additional time to achieve the compliances set out under Regulations 17 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 ('PMR, 2021'). Learned counsel submitted that as per the said regulation, the Board of Directors of the Petitioner's exchange is required to have three categories of Directors, namely, Shareholder Director, Independent Director and Managing Director and further the number of Independent Directors cannot be less than the number of Shareholders Directors. Accordingly, the Petitioner has prayed for grant of extension of six months for appointment of an Independent Director and a Managing Director (MD). Learned counsel further informed that the Petitioner has already advertised the vacancy for MD and has received a number of applications which are presently under consideration.

2. In response to a specific query of the Commission regarding management of its day-to-day affairs presently, learned counsel submitted that the Petitioner has a Chief Operating Officer. In response to further query with regard to the requirements under the Companies Act, 2013, learned counsel sought liberty to file an additional affidavit indicating the requirements under the Companies Act, 2013, developments with regard to the appointment of MD by the Petitioner and the additional time to comply with the Regulation 17 of PMR, 2021.

3. After hearing the learned counsel for the Petitioner, the Commission ordered as under:

- (a) Admit;



(b) The Petitioner to file the following information on affidavit within two weeks:

(i) MBP-1 form and declaration form of the existing Independent Directors as required under PMR 2021 and Companies Act 2013;

(ii) Details of efforts taken since August 2022 to fill the vacant posts of an Independent Director and a Managing Director. In case of non-fulfilment, submit the concrete plan to fill the vacant posts so as to comply with Regulation 17(2);

(iii) The Petitioner has expressed concern over its financial ability to meet its operating expenses. Regulation 14 of PMR 2021 provides that "*A Power Exchange shall have a minimum Net worth of Rs. 50 crores at all times*". Submit the Statement of Income and Expenditure as on 31 January 2023;

(iv) Detailed list of all the members on its platform, including Proprietary, Trading and Facilitator members as on 31st January 2023.

5. The Petition shall be listed for hearing on 16.3.2023.

By order of the Commission

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