

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.413/MP/2024

Subject : Petition under Regulation 54, 55 and 56 of Central Electricity Regulatory Commission (Power Market) Regulations, 2021 for seeking grant of additional time period for compliance of ownership structure of Petitioner in order to achieve the compliances set out under Regulation 15 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021.

Petitioner : Power Exchange of India Limited

Date of Hearing : **21.1.2025**

Coram : Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member

Parties Present : Shri Sakya Singh Chaudhari, Advocate, PXIL
Ms. Shriya Gambhir, Advocate, PXIL
Shri Anil Kale, PXIL

Record of Proceedings

Learned senior counsel for the Petitioner submitted that the present Petition has been filed seeking the grant of an additional time period for compliance with the ownership structure of the Petitioner in order to achieve the compliances set out under Regulation 15 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 ('PMR, 2021'). Learned senior counsel submitted that out of the three shareholders, which were having a shareholding of more than the prescribed norms under the PMR, 2021, two of them have already reduced their shareholdings and have complied with the provision of Regulation 15(5)(a) of PMR, 2021. However, there has been a delay in compliance on the part of the NSE, and hence, as communicated by the said Shareholder, the Petitioner is seeking additional time to align the shareholding with the prescribed norms.

2. After hearing the learned senior counsel for the Petitioner, the Commission observed that Regulation 15(2) of PMR, 2021 provided a period of one year for the existing Power Exchanges for aligning its ownership structure as per the requirement under Regulation 15(1). Thereafter, by order dated 26.4.2022 in Petition No. 285/MP/2021, the Petitioner was granted an additional time up to 31.3.2023 to align its ownership structure as per the prescribed norms. Since the Petitioner was unable to align its ownership structure even by the above-extended timeline, it approached the Commission by way of Petition No.95/MP/2023, and vide order dated 20.11.2023, the Commission again granted an additional time up to 30.9.2024. In the said order, it was also amply clarified that in case the Petitioner fails to achieve the required shareholding patterns by the timelines stipulated therein, the Commission shall be

constrained to initiate measures as may be deemed appropriate in accordance with the provisions of PMR, 2021. However, the Petitioner is again before this Commission seeking an extension for the third time, which demonstrates nothing but a lackadaisical approach on the part of the Petitioner and/or its shareholder(s) to the compliances set out under PMR, 2021 and the extensions previously given by the Commission. However, having regard to the overall facts & circumstances, the Commission deemed it appropriate to give a final extension of three months from the issuance of the ROP for compliance with the ownership structure of the Petitioner as prescribed in Regulation 15 of PMR, 2021 with a levy of penalty of Rs.1,00,000/-, which shall be deposited by the Petitioner within two weeks. The Commission also expressly clarified that the failure to comply with the prescribed ownership structure within the above-given timeline shall entail stringent actions, including but not limited to the suspension of its operations.

3. The Petitioner shall also file a compliance affidavit indicating the status of compliance with the ownership structure within a week after the expiry of the aforesaid period.

4. The Petition shall be listed on **24.4.2025**.

By order of the Commission
Sd/-
(T.D. Pant)
Joint Chief (Law)