



नई दिल्ली  
NEW DELHI

याचिका संख्या./ Petition No. 380/MP/2022

कोरम/ Coram:

श्री जिशु बरुआ, अध्यक्ष / Shri Jishnu Barua, Chairperson

श्री आई. एस. झा, सदस्य/ Shri I. S. Jha, Member

श्री अरुण गोयल, सदस्य/ Shri Arun Goyal, Member

श्री पी. के. सिंह, सदस्य / Shri P. K. Singh, Member

आदेश दिनांक/ Date of Order: 31<sup>st</sup> of May, 2023

**IN THE MATTER OF:**

Petition under Regulation 40 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 and Clause 8 of the Guidelines for Registration and Filing Application for Establishing and Operating over the Counter (OTC) Platform for grant of registration to establish and operate the OTC Platform.

**And**

**In the matter of**

GNA Energy Private Limited (GNAEPL)  
706, Palm Spring Plaza, Sector 54  
Gurugram, Haryana – 122009

...Petitioner

New Age Markets in Electricity Private Limited (NAME)  
Regd. Office. D.No. 248/36  
Thousand Light, Anna Salai  
Chennai-600006, Tamil Nadu

...Respondent

**Parties Present:**

Shri Amit Kapur, Advocate (GNAEPL)  
Shri Akshat Jain, Advocate (GNAEPL)  
Shri Sagnik Maitra, Advocate (GNAEPL)  
Shri Abhisekh Nath Tripathi, Advocate (NAME)  
Ms. Saumya Upadhyay, Advocate (NAME)  
Shri Kapil Dev, NAME  
Ms. Mansi Mishra, NAME

## **ORDER**

The Petitioner, GNA Private Limited (hereinafter “GNAEPL”) has filed the present Petition for grant of registration to establish and operate OTC Platform under Regulation 40 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 (hereinafter “PMR 2021”) and Clause 8 of the “Guidelines for Registration and Filing Application for Establishing and Operating Over the Counter (OTC) Platform” (hereinafter “the OTC Guidelines”). The Petitioner has made the following prayers:

- “(a) *To grant registration to establish and operate the proposed OTC Platform; and*
- “(b) *Pass such other orders as this Hon’ble Commission may deem fit and appropriate.”*

### **Background of the case**

2. The Commission, on 15.8.2021 notified the “PMR 2021” with enabling provisions for OTC Platform under Part-6 of the Regulations, and thereafter notified the “Guidelines for Registration and Filing Application for Establishing and Operating Over the Counter (OTC) Platform” on 19.5.2022.

3. On 17.12.2022, the Petitioner filed the present petition seeking grant of registration for establishing and operating OTC platform. The Petitioner has submitted its application as per the prescribed format, i.e., ‘Form-I’ of the Guidelines. The Petitioner has submitted the relevant details as required under the OTC Guidelines which are discussed in the succeeding paragraphs.

4. The Petitioner is a private limited company incorporated on 15<sup>th</sup> September, 2022 under the Companies Act, 2013. The Petitioner has infused an amount of INR 1,54,00,000/- as paid share capital and will infuse further capital depending on the future requirements. The net worth of the Applicant as on 15.12.2022 was Rs. 1,45,82,521/- in support of which a net worth certificate has been submitted by the Petitioner.



5. The Petitioner has submitted that it initially intends to offer the following services through the proposed OTC platform:

(i) The Applicant's proposed OTC platform will help in the exchange of information along with bringing together demand and supply side of the electricity market stakeholders on the OTC platform in a transparent and secure manner. The Applicant will attempt in popularising the OTC platform among the energy sector stakeholders in order to list their energy requirements. The platform would strive to help remove information asymmetry among stakeholders. The Applicant will provide information to the buyers and sellers of electricity in a transparent and neutral manner so as to help such buyers and sellers make informed decisions.

(ii) With the help of the energy sector stakeholders, the Applicant's proposed platform would act as a data repository for sellers and buyers. This platform would help the stakeholders in addressing their electricity optimization requirements and help in bringing in efficiency and contribute to the sustainable development of the country.

(iii) The proposed OTC platform of the Applicant shall make available historical data related to buyers and sellers and provide such services as advanced data analysis, to all market participants in a process that is fair and non-discriminatory. It would provide data or information as required by the Commission in the required format.

(iv) The Applicant's proposed OTC platform will adhere to objective, fair, and transparent criteria for participation. While onboarding of the market participants, due diligence will be conducted in the data repository. Such relevant information will be maintained and may be furnished upon the direction and/or request of an Appropriate Authority. The proposed OTC Platform will use a unique identifier like a Legal Entity Identifier ("LEI") or Permanent Account Number (PAN) during the onboarding process for the participants. The said OTC Platform will maintain neutrality in all scenarios and shall take care against influencing participants in their decision making.

(v) The Applicant's OTC platform shall strive to provide a good user interface along with data entry flexibility on the platform as per stakeholder needs. Customization and clean UI/UX will help in effective visibility of the desired needs of the stakeholders.

6. The Petitioner has also provided details regarding its place and year of incorporation, key organizational structure, key processes, organizational and managerial capability, indicative project plan, approach and methodology for establishing the OTC platform and an affidavit as per Form-IV of the Guidelines.

7. The Petitioner has provided copies of the Memorandum of Association (hereinafter “MoA”) and Articles of Association (hereinafter “AoA”) along with its application. In the MoA, the Objects of the Petitioner company are as under:

- “1. Carry on the business provide an electronic platform with the information of potential buyer and seller of electricity;*
- 2. maintain a repository of data related to buyers and sellers and provide such historical data to market participants; and*
- 3. Provide such services as advanced data analysis tools to market participants.*
- 4. To establish, set up, operate, and maintain an over the counter platform under the Electricity Act, 2003 and rules and regulations issued thereunder, and to provide (i) an electronic platform with the information of potential buyers and sellers of electricity (ii) maintain a repository of data related to buyers and sellers and (iii) historical data and services as advanced data analysis tools to market participants, including grid connected entities such as generating companies, distribution licensees, open access consumers, trading licensees and any other entity as may be notified by the appropriate regulatory commission or authority under the Electricity Act, 2003 including any amendments thereof.”*

### **Hearing dated 24.1.2023**

8. The matter was heard on 24.1.2023. During the course of the hearing, the learned counsel for the Petitioner submitted that, as per clause 8(2) of the Guidelines, it had published its application along with details of the proposed platform on its website, inviting stakeholders’ comments. The Petitioner also informed that it had approached the various stakeholders, including CTUIL, but until 24.1.2023 no comments/suggestions/ objections were received.

9. In response to certain queries of the Commission regarding identification of the key managerial personnel (KMP), experience of the Directors in the power sector, non-submission of the balance-sheet, organizational structure, etc., the learned counsel sought additional time to file its response thereon.

10. Learned counsel for the New Age Market in Electricity Pvt. Ltd. ('NAME')- an entity already granted OTC registration by the Commission- requested impleading as Respondent with an Interlocutory Application (IA) bearing Diary No.26/2023. The learned counsel submitted that NAME being an entity already granted registration to operate the OTC Platform is a necessary and proper party for the petition. In response, the learned counsel for the Petitioner submitted that, as such, NAME does not have an entrenched right to be heard, as contended by it in its IA. The learned counsel also added that despite the Petitioner having published the notice of its application inviting the comments/ suggestions of stakeholders, NAME did not file any such comments/ suggestions.

11. The Commission, after hearing both parties, expressed the view that while new proposals for registration as OTC Platform operators are encouraged, OTC Platform, being a new concept, warrants detailed consultation with the stakeholders for prudent alignment of its objectives towards the overall development of the power market. Accordingly, after hearing the learned counsels for the Petitioner and NAME, the Commission directed as under:

- “6. Accordingly, after hearing the learned counsels for the Petitioner and NAME, the Commission ordered as under:*
- (a) Admit.*
  - (b) The Petitioner to implead NAME as objector to the Petition and file revised memo of parties within a week.*
  - (c) The Petitioner to submit a revised application along with the following information on affidavit, within six weeks:*
    - (i) Special Balance Sheet in terms of Para 14(ii) of Form-I of the OTC Platform Guidelines;*
    - (ii) Details of its Key Managerial Personnel (KMP) and experience of the Directors in the power sector;*
    - (iii) The proposed organizational structure and managerial capability along with the role of key staff of the Petitioner;*
  - (d) The Commission directed the Petitioner to give wide publicity to its proposed OTC Platform by uploading the revised application again on its website for inviting stakeholders' comments within a period of 15 days from the date of issuance of this Record of Proceedings*
  - (e) The Petitioner to serve its revised application to the objector and the objector to file its reply/objection, if any, within three weeks after serving to the Petitioner who may file its response thereon within three weeks thereafter.”*

12. After hearing the learned counsel, the Petitioner was directed to give wider publicity to its proposed OTC Platform by uploading the present application again on its website inviting stakeholders' comments, including GRID-INDIA. Staff of the Commission was also directed to upload the application on the Commission's website for a wider reach.

### **Stakeholder's Comments & Response of the Petitioner**

13. In compliance with the Commission's directions, both the Petitioner and staff of the Commission uploaded the Petition on their respective websites for seeking stakeholders' comments.

14. The Petitioner did not receive any suggestions/comments on the updated application nor did stakeholders submit any comments to the Commission.

15. NAME filed its objections to the responses vide affidavit dated 17.3.2023. The following broad concerns were highlighted.

- a. The requirement of the RoP [i.e., provision of the details of the Key Managerial Personnel along with the experience of the Directors in the power sector] and the OTC Guidelines in such regard, is unmet.
- b. The information about organizational structure and managerial capability along with the role of key staff of GNAEPL is incomplete.
- c. The special audited balance sheet filed by way of the revised application is not in compliance with the OTC Guidelines.
- d. GNAEPL has not provided the technological framework, services offered and Indicative Project Plan.

### **Rejoinder dated 15.4.2023**

16. The petitioner through its affidavit filed on 15.4.2023, submitted point-wise clarifications to the objections raised by NAME, refuting the contentions.

### **Hearing dated 20.4.2023**

17. The matter was heard on 20.4.2023. During the course of the hearing, the learned counsel further submitted that in compliance with the directions of the Commission vide RoP for the hearing dated 24.1.2023, the Petitioner has impleaded

NAME as an Objector and has filed a revised memo of parties on 1.2.2023 and a revised application including the information regarding (i) the Special Balance Sheet, (ii) Details of its Key Managerial Personnel and their experience, and (iii) the Proposed Organizational structure, etc., on 25.2.2023.

18. Learned counsel further referred to the above details in brief and submitted that the Petitioner thereby fulfils all the requirements specified under PMR, 2021 and OTC Guidelines and, accordingly, may be permitted to establish & operate the OTC Platform. Learned counsel pointed out that the Special Balance Sheet filed by the Petitioner along with its revised application had certain inadvertent and *bona fide* errors, and the Petitioner vide its rejoinder dated 15.4.2023 has filed the updated Special Balance Sheet along with a net worth certificate.

19. GNAEPL, by way of its revised application, provided a list detailing the credentials of its KMP and Advisory Board. The said list titled as 'Details of Key Managerial Personnel of GNA Energy Pvt. Ltd.' clearly specifies the persons appointed as the KMPs of GNAEPL and the persons comprising GNAEPL's Advisory Board.

20. During the course of the hearing, learned counsel of the Respondent, namely, NAME, referred to the comments made and reiterated the submissions made therein. After hearing the learned counsel for the parties, the Petitioner was directed to file a point-wise reply to the comments of the Respondent and the Commission directed as under:

*"5. Considering the submissions of the learned counsels for the parties, the Commission deemed it appropriate to seek the comments of GRID-India on the present application and accordingly, directed the GRID-India to file its comments on the present application within week with copy to the Petitioner. For this purpose, the Petitioner will also ensure that GRID India/POSOCO is mapped on the e-filing portal of the Commission.*

*6. The Commission further directed the Petitioner to submit the details regarding the role assigned to the KMPs in the proposed organizational structure on affidavit within three weeks.*

*7. Subject to the above, the Commission reserved the matter for order."*

**Additional Reply by GNAEPL vide affidavit dated 25.04.2023**

21. GNAEPL has appointed Mr. Sanjeev Kumar as CEO and Chief Managing Director (“CMD”) of GNAEPL. The roles and responsibilities of the KMP are mentioned below.

<b>S. N.</b>	<b>Name</b>	<b>Designation</b>	<b>Role</b>
1.	Mr. Sanjeev Kumar	CEO & CMD	The highest-ranking executive in GNAEPL whose primary responsibilities lie in taking corporate decisions and managing the overall operations and resources of the company. The CEO will be the ultimate decision marker. The CEO and, in his absence, the Board of Directors would exercise supervision over the overall functioning of the personnel engaged by GNAEPL.
2.	Mr. Rakesh Kumar Mishra	Whole-time Director & KMP	Whole-time Director will help and assist the CEO and the Board of Directors in the day-to-day activities of GNAEPL.
3.	Mr. Pankaj Batra	Whole-time Director & KMP	Whole-time Director will help and assist the CEO and the Board of Directors in the day-to-day activities of GNAEPL.
4.	Mr. Narender Kumar	Chief Technology & Information Security Officer (“CTSO”)	The CTSO shall be responsible in setting up of the proposed OTC Platform and shall guide the technical team in developing the same. The CTSO would be responsible for setting up the (i) Technical Strategy; (ii) Technical Infrastructure; (iii)



S. N.	Name	Designation	Role
			Deployment of OTC Platform; (iv) O&M of the OTC Platform; (v) Cyber Security & Threat Intelligence infrastructure; and (vi) Risk Management model.

22. Financial details of GNAEPL qua special balance sheet:

- 1) It is submitted that although GNAEPL had filed a special balance sheet in terms of Para 14(ii) of Form-I of the OTC Platform Guidelines along with the revised application in compliance with RoP dated 30.1.2023, the following inadvertent and *bona fide* errors have crept in during the preparation of the said special balance sheet: -
  - a) Identification of 'sale of power' as one of the sources of revenue in Note 4 of para (c) (i) (a) at Pg. 66;
  - b) Note 4 of para (c)(i)(e) at Pg. 67, which inadvertently indicates the possibility that GNAEPL has revenue streams from Engineering and Procurement Contracts;
- 2) It is submitted that in order to mitigate the above mentioned inadvertent and *bona fide* errors, a copy of the updated special balance sheet in terms of Para 14(ii) of Form-I of the OTC Platform Guidelines is annexed hereto.
- 3) The abovementioned special balance sheet furnishes the updated financial position of GNAEPL. As a means of abundant caution and for the removal of doubts, the updated net worth certificate of GNAEPL is annexed hereto.

**Comments from GRID India vide affidavit dated 2.5.2023**

23. The introduction of the OTC Platforms in the Indian Electricity Market is a positive and much-needed step to further develop the market. This assumes increased importance in view of the fact that financial products in the Indian electricity market are expected to be introduced in the near future. In addition to facilitating better market related information systems and market intelligence through analytics, such OTC platforms would also provide a valuable basis for the financial markets.

24. In this regard, the following inputs may be incorporated -
- (a) Data Sharing and Retention policy may be formulated by OTC platform including a Non-Disclosure Agreement (NDA) with the members.
  - (b) Data on the OTC Platform may also be shared with the System Operator.
  - (c) The Standard Operating Procedure (SOP) for Cyber Security aspect of the application and platform may be included in the petition.
25. In order to enshrine clarity & transparency for collection of information and its dissemination, following may be highlighted by the Petitioner that shall include, but not limited to the following:
- i. Mechanism of collection of data.
  - ii. Details of sources for data collection.
  - iii. Various data heads/fields to be displayed on the OTC electronic platform.
  - iv. Periodicity of data collection and dissemination on the OTC electronic platform.
  - v. Details of repository of data.
  - vi. Details of analytic to be conducted by the OTC Platform Operator.
  - vii. Various reports to be published by the OTC Platform Operator.
  - viii. The data shall be made available to the Grid-India through API or suitable IT interface.
26. It is submitted that the following inputs may further be incorporated in accordance with the CERC Guidelines:
- a. The Operating Rules, Bye laws, Procedures of OTC Platform may be shared in the public domain on the company's website.
  - b. Risk management mechanism may be formulated in line with Section-13 of CERC Guidelines for Registration and Filing Application for Establishing and Operating Over the Counter (OTC) Platform.

### **Analysis and Decision**

27. We have considered the submissions of the Petitioner and Respondent, and comments of GRID-India. We first analyze the Petitioner's compliance with the

provisions of the PMR, 2021 and the OTC Guidelines for grant of registration as an OTC Platform, and subsequently list down the details required to be submitted by the Petitioner in terms of the above Regulations and Guidelines.

28. Regulation 40 of the PMR, 2021, provides that the OTC Platform shall operate after obtaining registration under the said regulations. Regulation 43 of the PMR, 2021 defines the Eligibility Criteria for registration of the OTC Platform. Regulations 40 and 43 are reproduced as under:

“ .....  
40. OTC Platform shall operate after obtaining registration under these regulations.  
.....  
43. Eligibility Criteria for registration of OTC Platform  
(1) The eligibility criteria for registration of OTC Platform shall be as follows:  
(a) Any company incorporated under the Companies Act, 2013;  
  
(b) The minimum Net worth of the applicant shall be Rs. 1 crore as on any date falling within 30 days immediately preceding the date of filing the application for grant of registration.  
(2) A Power Exchange or Trading Licensee or any of their Associates or grid connected entities shall not be permitted to set up, operate, or have any shareholding in an OTC Platform.  
.....”

29. The Petitioner has filed the present Petition seeking registration of its OTC platform in terms of Regulation 40 of the PMR, 2021. From the documents submitted by the Petitioner, it is noticed that the Petitioner's company (GNAEPL) has been incorporated under the Companies Act, 2013 with a net worth of Rs.1,45,82,521/- Therefore, it fulfils the requirement specified in Regulation 43(1) for registration of the OTC Platform. The shareholding pattern of the Petitioner company is in accordance with Regulation 43(2) since any of the Power Exchanges or trading licensees or their Associates or grid connected entities are not holding any shares in the Petitioner's

company. Any change in the capital or corporate structure of the Petitioner, prior to the commencement of operations, shall have to be approved by the Commission.

30. Clause 6.1 (iii) of the Guidelines provides that *the applicant company shall have key managerial personnel with experience of at least five years in operating or developing technology services or products, preferably for power sector*. The Petitioner has submitted that Whole-Time Director (“WTD”) on the Board has experience in the power sector. We have noted the submissions of the Petitioner and find that the roles and responsibilities of one of the nominated WTDs who is also designated as a KMP, mentioned at Serial No. 3 in the table at page-8 of this Order, meet the requirement of experience stipulated in Clause 6.1 of the Guidelines. However, in this regard, concern has been raised by the Respondent that the same WTD is also an independent director with one of the potential members of the OTC Platform and as such, his presence as a KMP in GNAEPL might lead to potential conflict of interest. We have noted the Respondent’s comments and find that there are no such prohibitions in the PMR, 2021, or the OTC guidelines for a WTD of a distribution company from serving as an independent director with an OTC Platform. Further, the PMR, 2021, and the OTC guidelines do not envisage the OTC Platform engaging in any kind of trading transaction. As such, the Commission feels that the Respondent has not been able to explain the rationale behind its apprehension regarding the conflict of interest. However, as a matter of abundant caution and in the interest of governance, the Commission directs the Petitioner to submit an undertaking in this regard confirming and reiterating fair conduct of business. Needless to mention, if any discrepancy is noticed or if there is non-conformity to the Regulations and Guidelines in any respect, necessary directions may be issued for such compliance.

Considering the aforementioned, we believe that the Petitioner satisfies the criteria stated in Clause 6.1 (iii) of the Guidelines.

31. Regulation 44(1) of the PMR, 2021 provides that an application for grant of registration to establish and operate OTC Platform shall be filed online on the website of the Commission, in accordance with the Guidelines. Clause 8 of the Guidelines provides procedure for filing Application for the registration of OTC Platform as under:

“ .....

*8. Procedure for Filing Application*

*8.1 Application for grant of registration to establish and operate OTC Platform shall be filed online (Form-I) through e-filing portal of the Commission along with the application fee as may be specified in the Payment of Fee Regulations.*

*8.2 The applicant shall publish the application along with details of the proposed OTC platform on its website as per Form-II inviting public objections and suggestions up to a period of 30 days from the date of publication of such notice on the website.*

*8.3 The applicant shall submit before the Commission, its reply on the objections and suggestions received.*

.....”

32. The Petitioner has filed its application online in the (Form-I) through e-filing portal of the Commission along with the application fee as specified in the Payment of Fee Regulations. The Petitioner has published the application along with details of the proposed OTC platform on its website as per Form-II for inviting public objections and suggestions. The Petitioner has submitted its response to the Respondent's objections and suggestions received. As mentioned in para 11 of this order, that while new proposals for registration as OTC Platform operators are encouraged, OTC Platform, being a new concept, warrants detailed consultation with the stakeholders for a prudent alignment of its objectives towards the overall development of the power market. Therefore, we are of the view that the Petitioner should draw up a plan/

roadmap for continuous and deeper engagement with the stakeholders for the overall development of the power market. Subject to this, we are of the opinion that the Petitioner has complied with the requirements prescribed under Regulation 44(1) of the PMR 2021 and Clause 8 of the Guidelines.

33. Clause 6.2 of the Guidelines provides technological criteria for the OTC Platform as under:

“ .....

*6.2 Technological criteria*

*(i) The applicant shall own and maintain robust technology infrastructure with a high degree of reliability, availability, scalability, and security in respect of its systems, data and network, appropriate to support its operations and manage the associated risks.*

*(ii) The applicant’s technological infrastructure shall be capable of exchange of information on a real-time basis or near real-time basis.*

*(iii) Applicant shall formulate and implement a cyber security and cyber resilience framework to manage risk to systems, networks and databases from cyber-attacks and threats with the approval of the Board and submit it to the Commission for information. Security audit of the IT systems shall be carried out as per norms of the Ministry of Electronics & Information Technology, Government of India.”*

.....”

34. Moreover, the GRID-INDIA in its comments highlighted that “*The Standard Operating Procedure (SOP) for Cyber Security aspect of the application and platform may be included in the petition*”.

35. We note that the Petitioner has not elaborated on the technological infrastructure and capability against the requirements of the technological criteria. While we understand that the obligations under Clause 6.2 of the Guidelines are not a one-time affair and that after having registration the Petitioner shall be able to

demonstrate its technological capability along with the submission of the Business Rules, in order to protect the interests of sector at large, we direct the Petitioner to formulate and implement a cyber-security and cyber resilience framework to manage risk to systems, networks, and databases from cyber-attacks and threats, with the approval of the Board and submit it to the Commission for information within two months from the date of the issuance of this Order.

36. Clause 6.1(iv) of the Guidelines provides as under:

*“6.1 General Criteria*

*.....*

*(iv) The following entities shall not be eligible to make application for establishing and operating an OTC Platform (Negative List):*

*(a) a power exchange or any of its associates;*

*(b) trading licensee or any of its associates; and*

*(c) grid connected entities such as generating companies, transmission licensees, distribution licensees, open access consumers or any person acting on their behalf, or any of their associates.”*

*.....”*

37. As per the above provisions, Power Exchange or any of its associates, a trading licensee or any of its associates, and grid connected entities are not eligible to make an application for establishing and operating an OTC Platform.

38. Regulation 44(2) of the PMR 2021 provides as under:

*“.....*

*44. Procedure for filing Application and Grant of Registration*

*(1) .....*

*(2) The Commission may, after consideration of the proposal, and making such inquiries as may be necessary, either grant registration or reject the application of the applicant.*

*(3) The registration of an OTC Platform, shall continue to be in force for a period of five (5) years from the date of grant of registration unless such registration is revoked or cancelled earlier.*

*(4) The Commission may, on an application filed by the OTC Platform, and after making such inquiries as may be necessary, renew registration for a further period of 5 years.*

*(5) Any company granted registration to operate an OTC Platform by the Commission in accordance with these regulations shall pay an annual registration charge in accordance with the timeline and the manner specified in the Payment of Fees Regulations.”*

*.....”*

As per the above provision, the Commission may, after consideration of the proposal, and making such inquiries as may be necessary, either grant registration or reject the Applicant’s application. Regulation 44(3) stipulates that registration granted shall continue to be in force for a period of five (5) years. Regulation 44(3) stipulates the extendibility of the registration of the OTC platform.

39. Clause 9 of the Guidelines also provides for grant of Registration, its validity and extendibility as under:

*“9. Grant of Registration*

*9.1 The Commission may, after consideration of the proposal, and making such inquiries as may be considered necessary, either grant registration (as per Form-III) subject to such conditions as deemed fit for establishing and operating an OTC platform or reject the application of the applicant: Provided that the Commission, before rejecting the application, shall give reasonable opportunity to the applicant of being heard.*

*9.2 In terms of clause (3) of Regulation 44 of PMR 2021, the registration of an OTC Platform shall continue to be in force for a period of five (5) years from the date of grant of registration unless such registration is revoked or cancelled earlier.*

*9.3 The registration granted to an entity to operate an OTC Platform is not transferrable.*

*9.4 The Commission may, on an application filed by the OTC Platform Operator, and after making such inquiries as may be necessary, renew registration for a further period of 5 years at a time.”*

*.....”*

40. On examination of the instant case in light of the above quoted provisions, we find that the Petitioner fulfils the eligibility criteria for registration of OTC Platform. Therefore, in terms of Regulation 44(2) of the PMR 2021, the Commission, after



considering the application of the Petitioner, the comments of the respondent, including GRID-INDIA and the Petitioner's responses thereon, hereby grants registration to the Petitioner Company to establish and operate the OTC platform, subject to compliance with the various directions issued through this Order. In accordance with Regulation 44(3) of PMR 2021, the registration of the OTC platform shall continue to be in force for a period of five (5) years from the date of commencement of operation unless such registration is revoked or cancelled by the Commission earlier. It is further directed that the Petitioner company shall make timely payment of the registration fee in accordance with the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012, as amended from time to time. Failure to make timely payment of registration fees shall render the registration granted to the Applicant liable for cancellation.

41. Clause 17.2 of the Guidelines provides as under:

“.....

*17.2 The OTC Platform Operator shall:*

*(i) provide any data or information as required by Commission in the format and within the timeframe as may be required by the Commission;*

.....

*(iii) inform the Commission of any event(s) resulting in disruption of activities or market abuse, if observed, without undue delay.*

.....”

42. As per the above provisions, the OTC Platform Operator is required to provide any data or information as and when required by the Commission. The OTC Platform Operator is further required to inform the Commission on any unusual event as prescribed in the Guidelines. Accordingly, we direct the Petitioner to prepare a report detailing the framework for digitalizing the process of information sharing with the Market Monitoring Cell of the Commission by the market participants along with a pilot

demonstration within six months. In addition, the data shall be made available to the Commission through API or suitable IT interface.

43. Further, we direct the Petitioner to file the following details on affidavit, to comply with the directions of the Commission made in this Order, from the date of issuance of this Order:

- a) Cyber-security and cyber resilience framework as approved by the Board within two months from the date of this Order (refer Para-34 of this Order)
- b) Business Rules of GNAEPL in line with PMR 2021 and the OTC Guidelines within three months from the date of this Order.
- c) A roadmap/plan for continuous and deeper engagement with the stakeholders for the overall development of the power market.
- d) In order to enshrine clarity & transparency for the collection of information and its dissemination, following may be submitted by the petitioner including, but not limited to, the mechanism of collection of data, details of sources for data collection, various data heads/fields to be displayed on the OTC electronic platform, periodicity of data collection and dissemination on the OTC electronic platform, details of the repository of data, details of analytics to be conducted by the OTC Platform Operator, various reports to be published by the OTC Platform Operator, etc., within four months from the date of this Order.
- e) Report detailing the framework for digitalizing the process of information sharing with the Market Monitoring Cell of the Commission along with inferences from the pilot demonstration, within six months.

f) Any other documents that the Petitioner may deem necessary to submit in compliance with the directions given in this Order and in accordance with PMR 2021.

44. The Commission is of the view that once the proposed OTC Platform is operational, the status of GNAEPL will be changed from 'Applicant' to the 'OTC Platform Operator'. As an OTC Platform Operator, the GNAEPL is required to comply with the provisions of the PMR 2021, the OTC Guidelines and all other applicable regulations of the Commission in letter and spirit, with no involvement in power trading in any respect. The registration granted to operate an OTC Platform shall be non-transferable. The OTC Platform Operator shall strictly abide by the objectives and obligations defined under the Regulations and OTC Guidelines and any deviation or non-compliance of the same shall lead to revocation or suspension of registration, without prejudice to any other action as the Commission deems fit in accordance with the provisions of the Electricity Act 2003, PMR 2021, OTC Guidelines and any other applicable regulations of the Commission.

45. Needless to mention, if any discrepancy is noticed or if it appears that the Petitioner does not conform to the Regulations and/or to the directions given in this Order in any respect, necessary directions may be issued for such compliance.

46. Petition No. 380/MP/2022 is disposed of in terms of the above.

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श्री पी. के. सिंह,  
सदस्य,

हस्ता.  
श्री अरुण गोयल  
सदस्य,

हस्ता.  
श्री आई. एस. झा  
सदस्य

हस्ता.  
श्री जिश्रु बरुआ  
अध्यक्ष

