



याचिका संख्या / Petition No 361/RC/2025

कोरम/ Coram:

श्री जिशु बरुआ, अध्यक्ष / Shri Jishnu Barua, Chairperson

श्री रमेश बाबू व., सदस्य / Shri Ramesh Babu V., Member

श्री हरीश दुदानी, सदस्य / Shri Harish Dudani, Member

श्री रविन्द्र सिंह ढिल्लो, सदस्य / Shri Ravinder Singh Dhillon, Member

आदेश दिनांक/ Date of Order 30th of March, 2025

In the matter of

Petition under Section 66 of the Electricity Act read with Regulation 17(3) of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 seeking approval of the Hon'ble CERC for proposed candidates for appointment as Independent Directors on the Board of Power Exchange India Limited.

And in the matter of

Power Exchange India Limited

8th Floor, 901, Sumer Plaza,
Marol Maroshi Road, Marol Andheri (East)
Mumbai - 400 059, India

... **Petitioner**

ORDER

The Petitioner, Power Exchange India Limited (hereinafter referred to as "PXIL"), has filed the present petition seeking approval of the Commission to appoint Independent Directors on the Board of PXIL. The Board of the PXIL has recommended four names, i.e., Mr. Alok Kumar, Mr. Arvind Singh, Mr. Ajay Pandey, and Mr. Abhijit Abhyankar, for consideration by the Commission for appointment on

the Board of the PXIL as Independent Directors. PXIL has also filed the brief profile, declaration under Section 149(7) read with Section 149(6) of the Companies Act, 2013, details in "Form MBP-1" of the Companies Act, 2013 and affidavits of four candidates for appointment of Independent Directors, in terms of Regulations 17(4) of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 (hereinafter referred to as the "Power Market Regulations"). The petitioner has filed a present petition with the following prayers:

- "a. Accord approval to the proposal of the Petitioner to appoint either of the Independent Director whose names and particulars are placed at hereto, in terms of Regulation 17(3) of the 2021 Regulations;*
- b. Condone any inadvertent delay in filing the above Petition;*
- c. Relax the requirement under Regulation 17(12), to the extent applicable to the facts and circumstances of the present case.*
- d. Pass any other or further orders as this Hon'ble Commission deems fit and necessary in the interest of justice."*

2. Regulation 17(3) of the Power Market Regulations deals with the Independent Directors to be appointed by the Power Exchange. Regulation 17 of the Power Market Regulations provides as under:

"17. Governance structure of Power Exchange

- (1) The Board of Directors of the Power Exchange shall have the following categories of Directors:-
 - (a) Shareholder Director;*
 - (b) Independent Director; and*
 - (c) Managing Director**
- (2) The number of Independent Directors shall not be less than the number of Shareholder Directors on the Board of the Power Exchange:
Provided that for this purpose, the Managing Director shall be included in the category of Shareholder Directors.*
- (3) A minimum of two names shall be submitted by the Board of the Power Exchange to the Commission for approval for each vacancy of Independent Directors.*
- (4) The Power Exchange shall ensure that Independent Directors are selected from diverse fields of work and while deciding to propose name of a particular person as an Independent Director, the Power*

Exchange shall also take into account the following factors:

- (a) Persons having qualification in the area of law, finance, accounting, economics, management, administration or any other area relevant to the power markets, may be considered;*
- (b) At least one person having experience and background in finance or accounts, shall be inducted;*
- (c) Persons currently holding positions of trust and responsibility in reputed organisations or persons who have retired from such positions, may be considered;*
- (d) Persons who are likely to have interested positions in commercial contracts and financial affairs of the Power Exchange, shall be excluded;*
- (e) Persons who are Directors in the board of the promoter entity of the PowerExchange, shall be excluded;*
- (f) Persons who are in any fiduciary relationship with any member of Power Exchange, shall be excluded.*

...

- (11) No member of Power Exchange or their client shall be on the Board of Directors of any Power Exchange.*
- (12) The Power Exchanges which have been granted registration by the Commission prior to the date of coming into force of these regulations, shall within a period not exceeding one year from the date of coming into force of these regulations, align the governance structure as specified in this Regulation."*

3. The Power Market Regulations provide a definition of Independent Director in Regulation 2(1)(y) as under:

"Independent Director" means a Director as defined in sub-section 47 of Section 2 of the Companies Act, 2013."

4. The Companies Act, 2013 under section 2(47) defines the term "Independent Director" as under:

"Independent Director" means an Independent Director referred to in sub-section (6) of section 149."

5. Further, section 149(6) of the Companies Act, 2013 provides for the appointment of an Independent Director as under:

"(6) An Independent Director in relation to a company, means a Director other than a Managing Director or a whole-time Director or a nominee Director-

- (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;*

- (b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
- (ii) who is not related to promoters or Directors in the company, its holding, subsidiary or associate company;
- (c) who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial year;
- (d) none of whose relatives-
- (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:
- Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;*
- (ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year ;
- (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or
- (iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);
- (e) who, neither himself nor any of his relatives—
- (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
- Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.*
- (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
- (A) a firm of auditors or company secretaries in practice or

cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent or more of the total voting power of the company; or

(iv) is a Chief Executive or Director, by whatever name called, of any non-profit organisation that receives twenty-five percent or more of its receipts from the company, any of its promoters, Directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

(f) who possesses such other qualifications as may be prescribed.”

6. Further, section 152(3) of the Companies Act, 2013 provides for the appointment of Directors as under:

“No person shall be appointed as a director of a company unless he has been allotted the Director Identification Number under section 154 or any other number as may be prescribed under section 153.”

7. We have considered the submissions of the Petitioner. At the time of filing of the present petition, the Petitioner had one Chairman & Independent Director, three Independent Directors, five Shareholder Directors, and one Managing Director & CEO. The list as of 25 February, 2025 is as below: -

S. No.	Name of Director	DIN No.	Category
1	Mr. Ashok Sethi	01741911	Chairman & Independent Director
2	Mr. Pramod Kumar Vaishya	00144142	Independent Director
3	Mr. Deepak Lad	01970020	Independent Director
4	Mr. Rajiv Ranjan Mishra	06480792	Independent Director
5	Mr. Yatrik Vin	07662795	Shareholder Director – NSE Investments Ltd (Non-Executive)

6	Mr. Atul Roongta	07878061	Shareholder Director – National Commodity Derivatives Exchange Ltd. (NCDEX) (Non-Executive)
7	Mr. Ashok Kumar Prusty	07603471	Shareholder Director – GMR Energy Ltd (Non-Executive)
8	Mr. Harish Ahuja	07606661	Shareholder Director – NSE Investments Ltd (Non-Executive)
9	Mr. Avinash Mohan	10216884	Shareholder Director – National Commodity Derivatives Exchange Ltd. (NCDEX) (Non-Executive)
10	Mr. Satyajit Ganguly	06961418	Managing Director & CEO

8. Therefore, it is observed that the structure of the Board of the Company is not in accordance with Regulations 17(1) and 17 (2) of the Power Market Regulations, as the number of Independent Directors is less than the number of Shareholder Directors (including Managing Director) on the Board of the PXIL.

9. As per Regulation 17(3) of the Power Market Regulations, the Board of Power Exchange is required to submit at least two names to the Commission for approval for each vacancy of Independent Directors. Accordingly, the Board of the Petitioner Company has approved four names viz. Mr. Alok Kumar, Mr. Arvind Singh, Mr. Ajay Pandey, and Mr. Abhijit Abhyankar proposed for appointment for the position of Independent Directors. Therefore, in compliance with the requirement as provided in Regulation 17(1), (2), and (3) of the Power Market Regulations, the Petitioner has preferred the present petition seeking approval for the appointment of Independent Directors on its board from the abovesaid names. Their profiles are as follows:

Mr. Alok Kumar

Mr. Alok Kumar (DIN: 06517942) is presently working as Director at Delhi with The Lantau Group (Singapore) Pte Ltd. In addition, he is Professor of

Practice in Department of Hydro and Renewable Energy at IIT Roorkee and chairs the Inter- Ministerial Working Group set up by NITI Aayog to develop power sector pathway to achieve Net Zero commitment by India. Mr. Alok Kumar has 35 years of long career in public policy and economic development in India's premier federal civil service (IAS) reaching up to distinguished position of Secretary (Power), Government of India. He has led several large commercial organisations as CEO and played key role in formulation and implementation of several national/state level policies, programs and regulatory interventions. He has successfully managed the operations of one of the largest power systems of the world along with steering wide-ranging sectoral reforms and holds a deep understanding of global energy transition aspects as the chair of G20 Energy Transitions Working Group.

ii. Mr. Arvind Singh

Mr. Arvind Singh (DIN: 02780573) has over 35 years of experience as an officer in the Indian Administrative Service (IAS). His assignments included senior roles in the Government of India and the Government of Maharashtra, primarily dealing with policy formulation and execution at the national, state and district levels. The main areas of expertise developed by him are in the sectors of Infrastructure (Power/Energy & Airports), Finance, Tourism and Agriculture. Mr. Singh has inter alia served as Secretary, Tourism, Government of India where he spearheaded the formulation of policies and strategies to revive India's Tourism sector after it was severely affected by the Covid pandemic. He has also served as the Chairman, Airports Authority of India (AAI) prior to which he was the Additional Chief Secretary/ Principal Secretary, Energy, Government of Maharashtra as well as Chairman & MD, Maharashtra State Power Generation Company Limited. He has also served at the Embassy of India, Tokyo as Minister (Economic & Commercial) between 2014-17. Mr. Singh was also Chairman & MD, Maharashtra State Electricity Transmission Company Limited and Director/ Deputy Secretary, Government of India. Mr. Singh has attended mid-career training courses at Harvard University, Duke University, The Graduate Institute, Geneva and

LBSNAA, Mussoorie.

iii. Mr. Ajay Pandey

Mr. Ajay Pandey (DIN: 01292877) holds a fellowship from IIM Ahmedabad and Industrial Engineering degree from the University of Roorkee. He has served as a Professor at IIM Ahmedabad, Associate professor at MDI Gurgaon, faculty at Administrative Staff College of India, Assistant professor at IIM Lucknow primarily in the field of finance, investments and risk management. He has also served as Deputy Director at ONGC. He has also developed and offered courses such as Philosophical Foundations of Management, Real Estate, Developments in Electricity Sector at IIM Ahmedabad and taught courses such as Ethics at IIM Ahmedabad and IIM Nagpur, and Written Analysis & Communication at IIM Ahmedabad. He has chaired various admissions, finance and accounting based committees at IIM Ahmedabad apart from publishing and presenting several papers on IPO, electricity pricing, capital markets and trading in books, journals and conferences. He has served as an Independent Director at UGVCL, MGVCL, member to central advisory committee of CERC, and state advisory committee of GERC, academic council of NMIMS, governing board of NTPC school of business, and president at Indian Finance Association.

iv. Mr. Abhijit Abhyankar

Mr. Abhijit Abhyankar (DIN: To be applied) holds Bachelor's in Engineering (Electrical) degree from the Government College of Engineering Pune, Maharashtra, and Master of Technology (M.Tech.) degree in Integrated Power Systems: Programme from Visvesvaraya Regional College of Engineering (VRCE), now VNIT, Nagpur, Maharashtra. He got his PhD from IIT Bombay and served the Electrical Engineering Department of IIT Delhi as an Assistant Professor. His area of interest includes Power System Analysis and Optimization, Power System Security, Power Markets, Smart Grids, Distribution System Analysis and Optimization, Power System Flexibility, Electricity Regulatory and Policy Matters.

10. The Petitioner has also placed on record the affidavits submitted by Mr. Alok Kumar (DIN: 06517942), Mr. Arvind Singh (DIN: 02780573), Mr. Ajay Pandey (DIN: 01292877), and Mr. Abhijit Abhyankar (DIN: To be applied). All of them have stated that they do not have any conflict of interest in commercial contracts and financial affairs of the PXIL; they do not hold Director positions on the Board of the promoter entity of the PXIL; they don't have any fiduciary relationship with any member of the PXIL; and also they have not suffered from any of the disqualifications prescribed under CERC's Power Market Regulations for consideration for appointment or continuation as an Independent Director of the Power Exchange.

11. As per the Section 152(3) of the Companies Act, 2013, to be appointed as a Director of a company in India, an individual must have a Director Identification Number (DIN). Of the proposed four names, Mr. Abhijit Abhyankar's DIN is still awaited. Mr. Abhijit meets the criteria of qualification and work experience as stated under section 17(4) of the Power Market Regulations, his appointment as a Director by PXIL would be subject to meeting the requirement and declaration of having a valid DIN.

12. The proposal of PXIL for the appointment of Independent Directors on its Board has been considered in the light of the Power Market Regulations. The Commission finds that currently there are two vacancies of Independent Directors in PXIL as discussed in above paras of this Order. We have perused the documents on record, profiles of Mr. Alok Kumar, Mr. Arvind Singh, Mr. Ajay Pandey, and Mr. Abhijit Abhyankar, and after being confirmed by PXIL that they do not have any fiduciary relationship with any of the existing of shareholders of PXIL or any interest

in any member of PXIL, we are of the view that above four persons fulfill the requirement for appointment as Independent Directors in PXIL. Accordingly, we accord our approval to the proposal of PXIL for the appointment of Independent Directors in terms of Regulation 17(3) of the Power Market Regulations. The Board of PXIL may appoint either of the above-mentioned persons against the vacancies of Independent Directors on its Board and intimate the same to the Commission.

13. Petition No. 361/RC/2025 is disposed of in terms of the above.

Sd/-
(श्री रविन्द्र सिंह ढिल्लो)
सदस्य

Sd/-
(श्री हरीश दुदानी)
सदस्य

Sd/-
(श्री रमेश बाबू व.)
सदस्य

Sd/-
(श्री जिशु बरुआ)
अध्यक्ष