

POWER EXCHANGE INDIA LIMITED

Regd. Office: "EXCHANGE PLAZA", BANDRA-KURLA COMPLEX, BANDRA (EAST), MUMBAI 400 051, INDIA

Power Exchange Launch Press Release - 1

Power Exchange India Ltd (PXI) is now fully ready for the launch of its electronic electricity exchange. PXI has received the final approval from the Central Electricity Regulatory Commission (CERC) on 30th September, 2008, after a team from CERC visited the exchange to satisfy itself of the readiness of the systems and operational preparedness. PXI is carrying out multiple test sessions with the National Load Dispatch Centre (NLDC) and with the members already on board. The software system has received very positive feedback from members participating in the trials.

The software system operates on a web platform with the members connected through internet lines with the PXI servers housed in Mumbai. The system has been developed in association with NSE IT, a group company, which has been associated in developing NSE's initiatives in the country's capital markets for many years. The system is enabled for various features in line with the needs and expectations of the Indian power market.

In addition to the temporal surpluses occurring across India at various times of the day, which can be optimally utilized by trading on the exchange, India also has a large untapped captive power capacity which is connected to the grid and can be utilized. This source has immense potential of entering into the day-ahead power market through PXI and efforts are being made to further enhance liquidity on the exchange by tapping these captive power generators across the country with a low cost of entry and operational flexibilities so as to enable them to sell surpluses through PXI.

PXI is promoted by NSE and NCDEX and its equity partners include GMR Energy, Gujarat Urja Vikas Nigam Ltd, JSW Power Trading and Power Finance Corporation (PFC). PFC has also taken a Professional Clearing Membership (PCM) of the exchange to provide funding support to entities buying power on the exchange.

The funding support by PFC shall benefit many entities with short term working capital issues. The Sellers on the exchange would also benefit from the resultant additional liquidity.