



REGULATORY DIGEST

APRIL - JUNE, 2023

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Message from Chairperson, CERC



Dear Esteemed Members,

I would like to express my heartfelt appreciation for the valuable contributions made by the Forum of Indian Regulators (FOIR) for providing a common platform to discuss the regulatory issues across varied Commissions in different sectors. The Forum in its latest edition of the quarterly e-newsletter now shares its updates and insights.

FOIR has been at the forefront of addressing emerging challenges and promoting regulatory excellence. Through collaborative efforts with the Indian Institute of Corporate Affairs (IICA), it strives to enhance contemporary competencies and ensure regulatory coherence across sectors.

One of the key highlights during this period has been its focused efforts on capacity building and knowledge sharing. During the last quarter, the FOIR Centre at IICA successfully conducted a webinar on “Regulatory Impact Assessment (RIA) - Introduction in India & Way Forward” touching upon various approaches and techniques for adoption of RIA in India. The 10th edition of the Know Your Regulator series was held with Dr Ajay Bhushan Pandey, Chairperson, National Financial Reporting Authority while the 5th batch of the Flagship Certificate Course on Regulatory Governance was completed with 50 participants from both regulatory bodies and regulated entities.

The Forum has actively engaged in representing the collective interests of the regulators and working towards a conducive regulatory ecosystem. Looking ahead, they have an exciting roadmap to further strengthen their research and knowledge dissemination activities, ensuring that the members have access to the latest developments and best practices.

I encourage all the regulators to actively engage in the Forum's initiatives, share their expertise, and contribute to its collective endeavours for shaping the future of the regulatory ecosystem in India.

I wish our esteemed members continued success and fulfilment in all endeavours.

Warm regards,

JISHNU BARUA

From the Editor's Desk

Dear readers,

Welcome to the latest edition of our Quarterly E-Newsletter! We are delighted to share the latest developments and achievements with you. We always strive to bring you the most relevant and captivating information, and your involvement is what drives us to excel. In this edition, we have curated a diverse range of regulatory news & events (including national & international) that cater to the varied interests of our readers. From Regulatory News & Trends of various FOIR Members Organisations to success stories of FOIR events we have carefully handpicked relevant content for both information and inspiration.

The latest update includes several regulatory developments such as the amendment of PNGRB's Technical Standards and Specifications for Petroleum Installations, the formation of FSSAI's Scientific Committee focusing on Sustainable Food Standards, CERC's approval for the introduction of an Ancillary Services Segment on Power Exchanges, the release of the Indian Telecom Services Performance Indicator Report, conduct of "Week with the Legends" with IBBI Professionals at IICA etc.

The Non-FOIR members' highlights include the celebration of SEBI's 35th Foundation Day, SIDBI's announcement of Mission 50K-EV4ECO, Workshop on "Making Future Ready Sustainable Cluster Infrastructure" at Goa, RBI's Report on Currency and Finance (RCF) for the year 2022-23 along with its launch of अंतर्दृष्टि (ANTARDRISHTI) Financial Inclusion Dashboard.

Internationally, the European Supervisory Authorities (ESAs) have made changes to regulatory standards under the Sustainable Finance Disclosure Regulation (SFDR), the US Nuclear Regulator declared inspections of ground settling at an Ohio plant, and Canada's Superintendent of Financial Institutions (OSFI) released draft frameworks for big banks and insurance regulation.

During this quarter, FOIR Centre at IICA organized Webinar on "Regulatory Impact Assessment (RIA) - Introduction in India & Way Forward", conducted the 10th episode of Know Your Regulator series featuring Dr Ajay Bhushan Pandey (*Chairperson, National Financial Reporting Authority*), IICA participated in the 53rd Governing Body Meeting (GBM) and 24th Annual General Body Meeting (AGM) of the Forum of Indian Regulator (FOIR). Further, the fifth batch of the Regulatory Governance course was successfully completed.

We are committed towards providing you with even more valuable news and insights in the coming issues.



Prof (Dr) Naveen Sirohi
Director, FOIR Centre and
Founding Head, School of Finance
Indian Institute of Corporate Affairs

Regulatory News & Trends - FOIR Members

Notification of (Technical Standards and Specifications including Safety Standards for Petroleum Installations) Amendment Regulations, 2023

Petroleum and Natural Gas Regulatory Board (PNGRB) has notified PNGRB (Technical Standards and Specifications including Safety Standards for Petroleum Installations) Amendment Regulations, 2023 on April 6, 2023. The objective of these amendment regulations is to further strengthen the Safety of Petroleum Installations and to ensure uniform application of these regulations to Aviation Fuelling Stations (AFS) and Lube manufacturing. These regulations shall apply to all the entities having petroleum installations with aggregate above-ground storage capacity equal to or more than 1000 Kiloliters and will primarily focus on safety aspects of the employees, public and facilities associated with Petroleum Installations.

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Newly constituted Scientific Committee of Food Safety and Standards Authority of India (FSSAI) to focus on Sustainable Food Standards, New Areas and Challenges

The newly constituted Scientific Committee of FSSAI met for the first time on May 3, 2023. **Shri G Kamala Vardhana Rao** (*Chief Executive Officer, FSSAI*) appreciated the committee, for agreeing to be a part of FSSAI's endeavour to provide safe food to the common people in the country. He stated that the meeting provided an opportunity to highlight new challenges and areas such as nutraceuticals, ultra-processed food, rapid kits/methods for detecting food-borne pathogens etc., which need special deliberation by the Scientific Committee. The Scientific Committee comprises six independent experts and the Chairpersons of the 21 Scientific Panels, which are constituted by the Food Authority under Section 13 of the Food Safety and Standards Act, 2006 (FSS Act) Further, the CEO stated that the Scientific Committee and the twenty-one Scientific Panels are the principal scientific arms of the food authority in the standard development process.

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Central Electricity Regulatory Commission (CERC) approved the Introduction of an Ancillary Services Segment on Power Exchanges

The CERC has approved the introduction of the Tertiary Reserve Ancillary Services (TRAS) market segment on all three power exchanges i.e. Indian Energy Exchange Limited (IEX), Power Exchange India Limited (PXIL) and Hindustan Power Exchange Limited (HPX) from June 1, 2023. The commission has also directed the power exchanges to incorporate provisions in their bye-laws, rules and business rules concerning the Ancillary services market segment on their platforms. TRAS are frequency control ancillary service capacities that are used to keep the grid frequency in the designated range. The commission has also directed all power exchanges to redesign their bidding software to allow members to quote prices within a specified range for different types of contracts.

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Indian Delegation participated in the 47th Session of the Codex Committee on Food Labelling

An Indian delegation, led by **Dr Harinder Singh Oberoi** (*Advisor, Food Safety and Standards Authority of India*), took part in the 47th Session of the Codex Committee on Food Labelling held from May 15-19, 2023 in Gatineau (Ottawa), Québec, Canada. The Indian delegation also included Shri Ajith Kumar (*Assistant Commissioner, Department of Animal Husbandry and Dairying*), Dr Aditya Jain (*Senior Manager, National Dairy Development Board*), and Dr Heena Yadav (*Technical Officer, FSSAI*). The delegation participated in various discussions at the global meet that saw the participation of different delegates from 59 Countries and 23 International Government and Non-Governmental Organisations, including representatives from the World Health Organisation (WHO) and the Food and Agriculture organization (FAO). The Indian delegation also got an opportunity to have a detailed discussion with the officials of Canadian Food Inspection Agency (CFIA) on the labelling of food allergens, the use of technology in labelling, etc. and visited the Food Emergency Response Centre and a Food Testing Laboratory in Ottawa, Canada.

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Indian Telecom Services Performance Indicator Report for the Quarter Ending December 2022

Telecom Regulatory Authority of India (TRAI) has released Indian Telecom Services Performance Indicator Report on May 31, 2023 for the quarter of October - December 2022. The report presents the key parameters and growth trends of the Telecom Services as well as Cable TV, DTH & Radio Broadcasting services in India compiled mainly on the basis of information furnished by the service providers. As per the report, the total number of Internet subscribers increased from 850.95 million at the end of Sept-22 to 865.90 million at the end of Dec-22, registering a quarterly growth rate of 1.76%. Out of 865.90 million Internet subscribers, the number of Wired Internet subscribers is 32.41 million and the number of Wireless Internet subscribers is 833.49 million.

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Dr Mansukh Mandaviya inaugurated the National Training Centre for Food Safety and Standards Authority of India (FSSAI)

Dr Mansukh Mandaviya (*Minister for Health and Family Welfare, Government of India*) inaugurated the state-of-the-art National Training Centre for FSSAI at Ghaziabad, Uttar Pradesh on June 1, 2023. The National Training Centre is an essential initiative aimed at providing structured instruction, practice, and learning experiences to bridge the gap between existing and desired knowledge or skills in the field of food safety and standards. On this occasion, an e-learning app-Food Safety and Certification (FoSTaC) developed by FSSAI that contains learning and training modules about food safety guidelines, such as proper food handling, storage, and hygiene practices etc., for street vendors was also launched. Dr Mandaviya also released two books developed by FSSAI namely '**Millet (Shree Anna) Recipes- A Healthy Menu for Mess/Canteens**' and '**Healthy Gut, Healthy You - Traditional Recipes with Potential Probiotic Benefits**'.

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Telecom Regulatory Authority of India (TRAI) issued a direction relating to the Implementation of Digital Consent Acquisition (DCA)

TRAI has issued a direction to all the access providers to develop and deploy the DCA facility for creating a unified platform and process to register customers' consent digitally across all service providers and Principal Entities on June 2, 2023. This direction has been issued by TRAI under its Telecom Commercial Communication Customer Preference Regulations, 2018 (TCCCPR-2018). The DCA process shall have the facility to seek, maintain and revoke the consent of customers, as per the processes envisaged under TCCCPR Regulation 2018. The consent data so collected will be shared on the Digital Ledger Platform (DLT) for scrubbing by all access providers.

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The Indian Institute of Corporate Affairs (IICA), organised “Week with the Legends” with Insolvency and Bankruptcy Board of India (IBBI) Professionals

The IICA organised a seminar with the Insolvency and Bankruptcy Board of India (IBBI) as a part of the student-led program, “**Week with the Legends**” which commenced on June 6, 2023 and organised between June 19-22, 2023. The conference was inaugurated by, **Shri Ravi Mital** (*Chairperson, IBBI*) in the presence of **Shri Jayanti Prasad** (*Whole Time Member, IBBI*) and **Shri Praveen Kumar** (*DG & CEO, IICA*). The Chairperson highlighted the need to have the support and confidence of the Committee of Creditors in any process and the need for prudence and wise decision-making by the professionals in order to ensure efficient working. Additionally, the seminar was graced with the presence of **Shri Ritesh Kavdia** (*Executive Director, IBBI*), and **Shri Shiv Anant Shankar** (*Chief General Manager, IBBI*) with an insightful presentation on the key role of insolvency professionals (IPs), the risks involved in being an IP and the skills/principles required by an IP to perform its role to the best manner possible

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Conference on ‘Overcoming Emerging Challenges under Insolvency Bankruptcy Code (IBC) – Preparing Insolvency Professionals (IP) and Insolvency Professional Agencies (IPAs)

Indian Institute of Insolvency Professionals (IIIP) of Institute of Chartered Accountants of India (ICAI) organised a conference on the theme ‘**Overcoming emerging challenges under Insolvency and Bankruptcy Code, 2016 for Insolvency Professionals (IP) and Insolvency Professional Agencies (IPAs)**’ on June 16, 2023. **Shri L N Gupta** (*Hon’ble Member, National Company Law Tribunal, Delhi*) was the Chief Guest at the conference. The conference had panel discussions on ‘Preparing IPs and IPAs for the future’ and ‘Addressing current challenges and preparing for futuristic changes in IBC’. Along with the members of IBBI, other dignitaries including Ms Anita Shah Akella (*Joint Secretary, Ministry of Corporate Affairs*), Shri Ashwini Kumar Tewari (*Managing Director Risk, Compliance & Stressed Assets Resolution Group, SBI*), CA G C Misra (*Chairman, Committee IBC - ICAI*), Dr Ashok Haldia (*Chairman, IIIP ICAI*) were also present and addressed the conference.

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Forum of Indian Regulators (FOIR)- Collaborative Regulatory Mechanism for Socio-Economic Development

Dr P D Vaghela (*Chairperson, Telecom Regulatory Authority of India*) attended the 24th Annual General Body Meeting (AGM) of FOIR on June 14, 2023, at New Delhi. **Dr Vaghela** in his inaugural address encouraged the success of the working group on "**Cross-Sector Collaborative Regulation between TRAI and Electricity Regulators**" towards deployment of 5G infrastructure. In India 5G services have been launched on Oct 1, 2022. This technology holds the potential to enable unprecedented degrees of flexibility, productivity, and efficiency in various industry verticals. In the AGM, TRAI proposed the formation of another working group to study and give recommendations on faster adoption of 5G and associated technologies in different vertical sectors represented in FOIR.

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Regulatory News & Trends - India

Small Industries Development Bank of India (SIDBI) launched Mission 50000 - EV4ECO

The SIDBI has announced **Mission 50K-EV4ECO**, thereby prioritising electric vehicles (EV) ecosystem development. This is a pilot phase to strengthen the EV ecosystem including uptake for 2-wheelers (w), 3-w and 4-w through direct and indirect lending. A detailed discussion with stakeholders has revealed that access to adequate finance including the competitive rate of interest is a challenge faced by Micro, Small and Medium Enterprises (MSMEs). Similarly, dedicated Non-Banking Financial Companies (NBFCs) struggle with the high cost of funds which leads to the high rated land acquisition cost to the ultimate beneficiary. Also, there is a need to push the 3-wheeler EV segment. Mission 50K intends to attend to these challenges. **Shri Sivasubramanian Ramann** (*Chief Managing Director, SIDBI*) stated that "In line with the national mission of EV30@30, SIDBI has adopted EV as a priority and by launching mission 50K- EV4ECO they intend to promote the entire EV value chain. This pilot shall be followed by scaling up support to the ecosystem from multilateral support".

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"Making Future Ready Sustainable Cluster Infrastructure" One Day Workshop at Goa

One-day thought processing workshop for State/ UT Government officials on the theme "**Making Future Ready Sustainable Cluster Infrastructure**" was organized on April 15, 2023, at Goa. The workshop was attended by officials from 24 States/UTs who emphasized the development of the Nation by way of creating future-ready sustainable infrastructure for Micro, Small and Medium Enterprises (MSMEs) and entrepreneurs. **Shri Mauvin Godino** (*Hon'ble Minister of Industries, Goa*), graced the workshop as Guest of Honour and spoke about enhancing the competitiveness of MSMEs through proper hand-holding by Institutions like the Small Industries Development Bank of India (SIDBI) and complemented SIDBI for its efforts in varied domains for the development of MSME ecosystem which have started showing its results on the ground.

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Enrolments under Atal Pension Yojana (APY) crossed 5.20 Crore Mark

As per the data, the total no of enrolments under Atal Pension Yojana (APY) crossed 5.20 crore till March 31, 2023. The scheme enrolled more than 1.19 crore new subscribers in FY 2022-23 as compared to 99 lacks in the financial year 2021-2022, depicting a growth of more than 20%. As of date, the total Assets Under Management (AUM) in APY is more than Rs. 27,200 crores and the scheme has generated an investment return of 8.69% since the inception of the scheme. Under APY, a subscriber would receive a lifelong minimum guaranteed pension of Rs 1000 to Rs 5000 per month from the age of 60 years, depending on their contributions, which is based on the age of joining the APY. The Pension Fund Regulatory and Development Authority (PFRDA) conducted 47 APY Outreach programs and Town Hall meetings pan India at various locations, in coordination with State Level Bankers' Committee (SLBCs) and Railway Recruitment Board (RRBs). Many initiatives were taken such as the launch of a digital onboarding facility using Aadhaar, the launch of revamped APY app, 17 podcasts for creating awareness on the benefits of APY, the launch of a Chatbot facility for seeking basic information on APY, etc.

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Atomic Energy Regulatory Board (AERB) Exhibition Stall at the Department of Atomic Energy (DAE) Convention Centre during the NUCAR 2023 Symposium

AERB participated in the 16th DAE-Board of Research in Nuclear Science (BRNS) biennial symposium on "Nuclear and Radiochemistry-2023," (NUCAR-2023), which was held from May 1-5, 2023, at the DAE Convention Centre in Anushaktinagar, Mumbai. AERB set up an exhibition stall at the symposium providing details of regulatory requirements in the use of radiation sources, especially sources used in research and regulatory requirements in the nuclear fuel cycle facilities. The stall aimed to educate delegates on AERB's regulations in nuclear and radiation facilities and was a great opportunity for AERB to interact with various stakeholders and delegates from Universities.

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Report on Currency and Finance (RCF) for the year 2022-23

The Reserve Bank of India released the RCF for the year 2022-23 on May 03, 2023. The theme of the report was “Towards a Greener Cleaner India”. The report covers four major dimensions of climate change to assess future challenges to sustainable high growth in India, namely, the unprecedented scale and pace of climate change; its macroeconomic effects; implications for financial stability; and policy options to mitigate climate risks. India has embarked on a targeted and time-bound climate action plan to reduce carbon emissions and currently ranks the best amongst G-20 countries as per the Climate Change Performance Index, 2023. The report lays down that India’s goal of achieving the net zero target by 2070 would require an accelerated reduction in the energy intensity of Gross domestic product (GDP) by around 5 per cent annually and a significant improvement in its energy mix in favor of renewables to around 80 per cent by 2070-71. India’s green financing requirement is estimated to be at least 2.5 per cent of GDP annually till 2030.

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Small Industries Development Bank of India (SIDBI) has been Awarded ADFIAP Awards 2023

SIDBI, the country’s Principal financial institution for Micro, Small and Medium Enterprises (MSMEs), received two awards at the 46th Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) Annual Meetings in Almaty, Kazakhstan held between May 15-17, 2023. **Shri Sudatta Mandal** (*Deputy Managing Director, SIDBI*) along with **Shri Sanjay Jain** (*Chief General Manager, SIDBI*) represented SIDBI and accepted the awards. Under the Outstanding Development Projects Awards of the Association, SIDBI was awarded in two categories.

1. The Infrastructure Development Award for SIDBI’s Cluster Development Program.
2. The Trade Development Award for Women Entrepreneurship-Livelihood Enhancement and Development (WE-LEAD).

The annual ADFIAP Awards acknowledge projects that have positively impacted the environment, small and medium enterprises, infrastructure, technology, trade, local economy, corporate governance, and corporate social responsibility.

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Employees Provident Fund Organisation (EPFO) added 1.39 Crore Net Members during the FY 2022-23

The provisional payroll data of EPFO released on May 20, 2023, highlights that EPFO has added 13.40 lakh net members in the month of March 2023. During the financial year 2022-23, around 1.39 crore net members have been added by EPFO with an increase of 13.22% compared to the previous financial year 2021-22 wherein EPFO had added approximately 1.22 crore net members. Out of 13.40 lakh members added during the month, around 7.58 lakh new members have come under the ambit of EPFO for the first time. Among the newly joined members, the highest enrolment is registered in the age group of 18-21 years with 2.35 lakh members. The data also highlights that approximately 10.09 lakh members re-joined EPFO membership. Gender-wise analysis of payroll data reflects that enrolment of net female members has been 2.57 lakh in March 2023, which is around 19.21% of the net member addition for the month. The classification of industry-wise payroll data indicates that 'expert services' (consisting of manpower suppliers, normal contractors, security services, miscellaneous activities etc.) constitute 43.72% of total member addition during the month.

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Reserve Bank of India (RBI) announced Constitution of Committee for Review of Customer Service Standards among RBI Regulated Entities (REs)

The RBI has announced the setting up of a Committee for Review of Customer Service Standards in RBI Regulated Entities on May 23, 2023. The committee will examine and review the state of customer service in the REs, the adequacy of customer service regulations, and suggest measures to improve customer service. The Chief General Manager, the Consumer Education and Protection Department, Central Office, Reserve Bank of India will be the Member Secretary of the Committee. The Committee may also invite domain experts and RBI officials, as may be required, for consultations and to participate in its deliberations. The Committee will submit its report within three months from the date of its first meeting. The committee will evaluate the efficacy, adequacy and quality of customer service in entities regulated by RBI vis-à-vis the existing RBI guidelines on customer service and identify gaps, and review the emerging and evolving needs of the customer service landscape, especially in the context of evolving digital/ electronic financial products and distribution landscape and suggest suitable regulatory measures etc.

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Pension Fund Regulatory and Development Authority (PFRDA) released Handbook of National Pension System Statistics (2023)

PFRDA released its first annual publication of “**Handbook of National Pension System Statistics 2023**” (HNPSS) on May 29, 2023. This publication, the first edition in the series, disseminates time series data on National Pension System (NPS) and Atal Pension Yojana (APY) relating to all three phases of the subscriber journey in the NPS system, namely: registration, accumulation, and at the time of exit in the NPS architecture in one publication. The current edition of the HNPSS contains 28 statistical tables covering time series and annual data on various parameters such as scheme-wise number of subscribers and their demographic profile, asset under management, contributions, withdrawals, grievance resolutions, Net Asset Values (NAVs) for the period 2008-09 to 2022-23.

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Reserve Bank of India (RBI) Governor launched अंतर्दृष्टि (ANTARDRISHTI) Financial Inclusion Dashboard

The RBI has been promoting financial inclusion through various policy initiatives. To measure the extent of financial inclusion, the RBI constructed the Financial Inclusion (FI) Index in 2021, based on three dimensions of financial inclusion, *viz.*, ‘Access’, ‘Usage’ and ‘Quality’. **Shri Shaktikanta Das** (*Governor, RBI*) has launched a Financial Inclusion Dashboard, named, **अंतर्दृष्टि (ANTARDRISHTI)** on June 5, 2023. The launch of the dashboard is another step in pursuance of the Reserve Bank’s efforts to further deepen financial inclusion in the country. The dashboard will provide the required insight to assess and monitor the progress of financial inclusion by capturing relevant parameters. The dashboard, presently intended for internal use in the RBI, will further facilitate greater financial inclusion through a multi-stakeholder approach.

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Regulatory News & Trends - International

U.S. Financial Regulators to tighten Rules on Non-Banking Institutions

In Financial Stability Oversight Council (FSOC) meeting the U.S. regulators proposed new rules to speed the assessment of financial stability risks and make it easier to designate non-banking institutions as systemically important, subjecting them to Federal Reserve supervision.

Janet Yellen (*Secretary, U.S. Treasury*) raised concerns about non-banking financial institutions, because of their lack of supervision and potential for systemic spillovers from firms. The new rules have removed the "inappropriate hurdles" in designating such non-banking firms.

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European Supervisory Authorities (ESAs) proposed changes to Regulatory Standards Under Sustainable Finance Disclosure Regulation (SFDR)

The ESAs are consulting on, amendments to the Delegated Regulation 2022/1288, of the SFDR, until July 04, 2023, in relation to principle of adverse impact indicators and financial product disclosures. ESAs proposed technical revisions to the SFDR Delegated Regulation by simplifying pre-contractual and periodic disclosure templates for financial products and making other technical adjustments, such as the treatment of derivatives, the definition of equivalent information, and provisions for financial products with underlying investment options.

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European Union (EU) Regulators set out ideas to Plug Climate 'Insurance Gap'

Through a discussion paper, the European Central Bank (ECB) and European Union (EU) Insurance Regulators stated that issuing "**Catastrophe Bonds**" and setting up public-private partnerships could help to plug the "insurance gap". European Insurance and Occupational Pensions Authority (EIOPA) referring to this initiative EBC & EU as watchdog, highlighted that only a quarter of EU climate-related catastrophe losses are insured, creating risks to the economy and financial stability from uninsured households and businesses. The paper highlighted that issuing catastrophe bonds could help insurers pass on some of the risk to the capital market to keep a lid on premiums.

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US Nuclear Regulator inspects Ground Settling at Ohio Plant

U.S. Nuclear Regulator proposed to launch an inspection with the aim to examine the ground settling at various places around Energy Harbor Corp's Davis-Besse Nuclear Power Plant in Ohio on April 25, 2023. The Nuclear Regulatory Commission (NRC) stated that they have determined the need of special inspection after learning that the failure in October 2022 of a pipeline was caused by stress from ground settling at the plant in Oak Harbor in northern Ohio. The NRC said a five-person special inspection team will establish a timeline related to ground-settling zones and assess the actions to evaluate, monitor or mitigate the phenomenon and its potential impact on equipment key for plant safety.

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Group of Seven (G7) Countries should adopt 'Risk-Based' Artificial Intelligence (AI) Regulation

Two days G7 Digital and Tech Ministers' Meeting took place in Takasaki, Japan on April 29 - 30, 2023. The ministers recognised that the Group of Seven advanced nations should adopt "risk-based" regulation on artificial intelligence. But such regulation should also "preserve an open and enabling environment" for the development of AI technologies and be based on democratic values. It was stated that "policy instruments to achieve the common vision and goal of trustworthy AI may vary across G7 members", the agreement sets a landmark for how major countries govern AI amid privacy concerns and security risks. In conclusion, the ministers planned to convene future G7 discussions on generative AI which could include topics such as governance, how to safeguard intellectual property rights including copyright, promote transparency, and address disinformation including information manipulation by foreign forces.

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Australia, New Zealand Privacy Regulators launched Joint Probe into Latitude Group

The Australian Information Commissioner (OAIC) and the New Zealand Office of the Privacy Commissioner (OPC) the privacy regulators on May 10, 2023, stated that they have begun a joint investigation into the personal information of Latitude Group (LFS.AX), a consumer finance firm, which was hit by a cyber attack. The breach was New Zealand's largest and one of the biggest in Australia. Hackers also took about 53,000 passport numbers and more than 6 million customer records, mostly from between 2005 and 2013. If found guilty, Latitude could pay penalties of up to A\$50 million (\$34 million) for each violation.

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British Energy Regulator seeks to Speed Up Grid Connections

The British energy regulator, **Office of Gas and Electricity Markets (Ofgem)** declared the launch of a policy review to speed up connection of low-carbon energy schemes to the electricity transmission grid. Britain has a target to reach net zero emissions by 2050, which requires a huge scaling up of renewable power generation such as wind and solar. In an open letter to the energy sector, the regulator set out potential options for short, medium and long-term reforms to make the power grid fit for a net-zero transition.

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National Grid Chief Executive Officer (CEO) called for Urgent Policy Reforms to Speed Energy Transition

The Chief of Britain's National Grid (NG.L) on May 18, 2023, stated that urgent policy and regulatory reforms are needed for the country to hit its energy transition target after the utility firm posted a 15% jump in annual profit. National Grid (NG.L), runs Britain's energy systems and operates electricity and gas business in New York and Massachusetts. **John Pettigrew** (*CEO, National Grid*) stated that the government and regulators need to act with "boldness and pace". Britain is scaling up renewable power generation such, as wind and solar, with a target to decarbonise electricity supplies by 2035 to reduce reliance on imported gas.

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Canada's Superintendent of Financial Institutions (OSFI) released Draft Frameworks to Double Down on Big Banks & Insurance Regulation

Canada's Banking Regulator, Superintendent of Financial Institutions, on June 1, 2023, released drafts for two frameworks focused on big banks and life insurers betting that tighter regulatory requirements would boost investors' and depositors' confidence in the industry. OSFI declared that guidelines would apply to the six largest Canadian banks, including the Royal Bank of Canada and Toronto-Dominion Bank, and to some big life insurers. Also, OSFI will closely assess the standalone financial strength of such parent companies, rather than focusing broadly on the health of their consolidated businesses.

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Chinese Regulator gives acknowledgement for Alumina Futures on Shanghai Exchange

China's Securities Regulatory Commission has approved the registration of alumina futures on the Shanghai Futures Exchange (SHFE) on June 2, 2023. China is the world's top producer and consumer of alumina, which is used to produce aluminium, a metal widely consumed in the construction, transportation and packing sectors. Accounting for more than half of global production, China produced 81.86 million tonnes of alumina last year, worth about 200 billion yuan (\$28.93 billion). The decision opens the door for the exchange to launch the world's first alumina contract with physical delivery.

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Article - Reducing Transaction Costs in Power Sector for Improving Efficiency & Effectiveness

By Mr Madhur Kumar Choudhari

Joint Director (Tariff – Finance), Madhya Pradesh Electricity Regulatory Commission

Parallels are often drawn between Power Sector and Telecom Sector. Both have changed substantially since LPG (Liberalization, Privatization & Globalization) Policy of 1991. Use of Technology (Computer & Communication Technologies in Telecom sector, Solar & Renewable Energy Technologies in Power sector) have Redefined the Rules of Games.

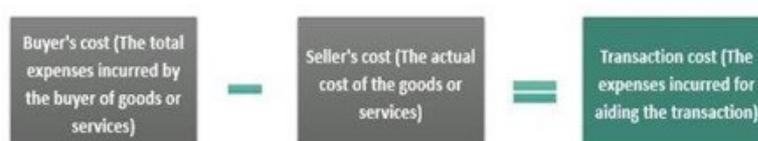
Competition & end of Monopoly has made Consumer the King in Telecom. Costs have Reduced substantially in Telecom. The era of **Usage based charges** (per Call or per minute or STD / ISD, etc) **has ended** and now it is basically Fixed charge of about Rs 200/- per month only with almost Unlimited usage.

Before 1991, when BSNL had monopoly, the ISD / STD charges were Rs 200/- per minute. After 30 years, value of Rs 200 of 1991 is Rs 6000 in 2023 (as per Sensex equivalence because Sensex was at about 2000 points in 1991 & is now at about 60,000 points). However, the cost of that 1 minute ISD / STD call is Zero / Nil / Free.

This became possible with Privatization and Competition and ultimately by making **Call handling charges as ZERO by Regulator TRAI**. Earlier BSNL use to charge “Call carrying charges” whenever any Call from (Airtel / Reliance / other than BSNL user) use to call a BSNL user. In order to compensate BSNL, these private Operators were forced to charge their users on per call basis. This “Call carrying charge” was reduced by Government / TRAI and finally abolished by TRAI. BSNL vehemently opposed reduction / abolition of this “Call carrying charge” as it was bread & butter of BSNL income. But TRAI & Government wanted “User friendly regime” enabling Vast expansion of cheaper & better Telecom facilities to all public.

The advent of Internet based social media Giants like Google, Whatsapp, Twitter, Facebook which provided Option of FREE communication to all Internet users finally lead to end of usage based charges in Telecom.

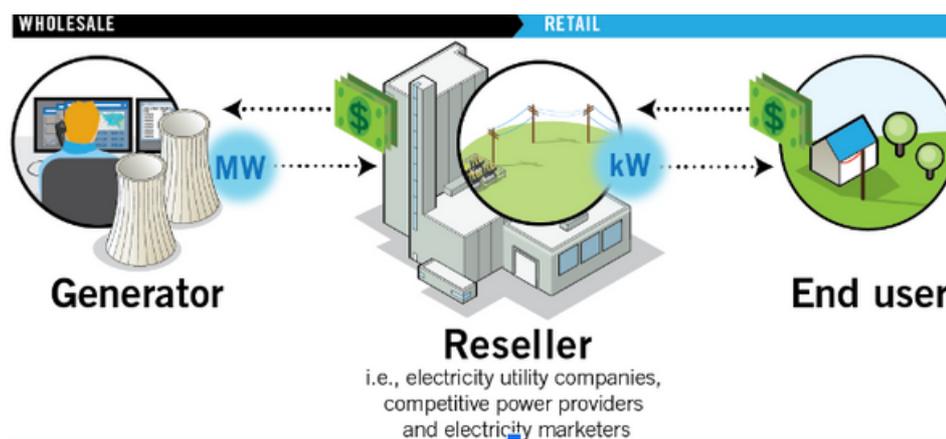
What are transaction costs?



Similar Reduction in Transmission / Wheeling / Carrying Cost is needed to REVOLUTIONISE the Power sector. The Monopoly of Government owned Transco / Discom has been reduced by Private players. But still the Cost of Electricity is High (about Rs 9 per unit).

The Electricity Act 2003 encouraged OPEN access to reduce Monopoly & Rates. But the necessity of Wire as carrier of electricity, enabled Transco & Discoms to levy various charges like transmission charges, wheeling charges, surcharge, additional surcharges, connectivity charges, fixed charge, backup charges, etc on the Open access consumers and Renewable Energy Generators (REG)/ Captive Generators. This defeated the purpose of the Act. **The section 42 of the Electricity Act, 2003 provided that the surcharge shall be progressively reduced and then eliminated.** But in reality, these charges have not been eliminated till date, even 20 years after enactment of the Electricity Act, 2003.

This can be understood by the similar issue of encouragement of Captive Generating Plant by the Act, but discouragement of these plants by Transco / Discom due to levy of various charges in variety of names. Now the Hon'ble Supreme Court has decided the matter in favour of the Captive Power Plants.



Government of India makes policies to comply with the **International Climate change commitments** and to encourage Solar and Renewable Generation of Power. However, the practical ground reality is that many Transco & Discom levied several charges to discourage Captive Generation. Even Solar rooftop policy providing Net metering facility has been discouraged by many Discoms by way of various implementation issues. Now time has come for the Governments – Central & State and Regulators to Encourage Clean Renewable Energy by **reducing & eliminating all types of Carrying costs** like Transmission and/or Wheeling charges / surcharges / additional surcharges.

This elimination of carrying costs will boost the Power Exchanges also. Since all expenses and costs of the Transco / Discom are considered by Regulatory Commissions (CERC & SERCs) in their Annual Revenue Requirement and are shared by their Long Term permanent users. So the levy of usage based charges on REG / RE consumers is actually an **avoidable double levy**. The Economy can get a Boost and India can become a World Leader in Power sector, if Power Sector follows Telecom Sector's principle and all transaction costs are totally eliminated.

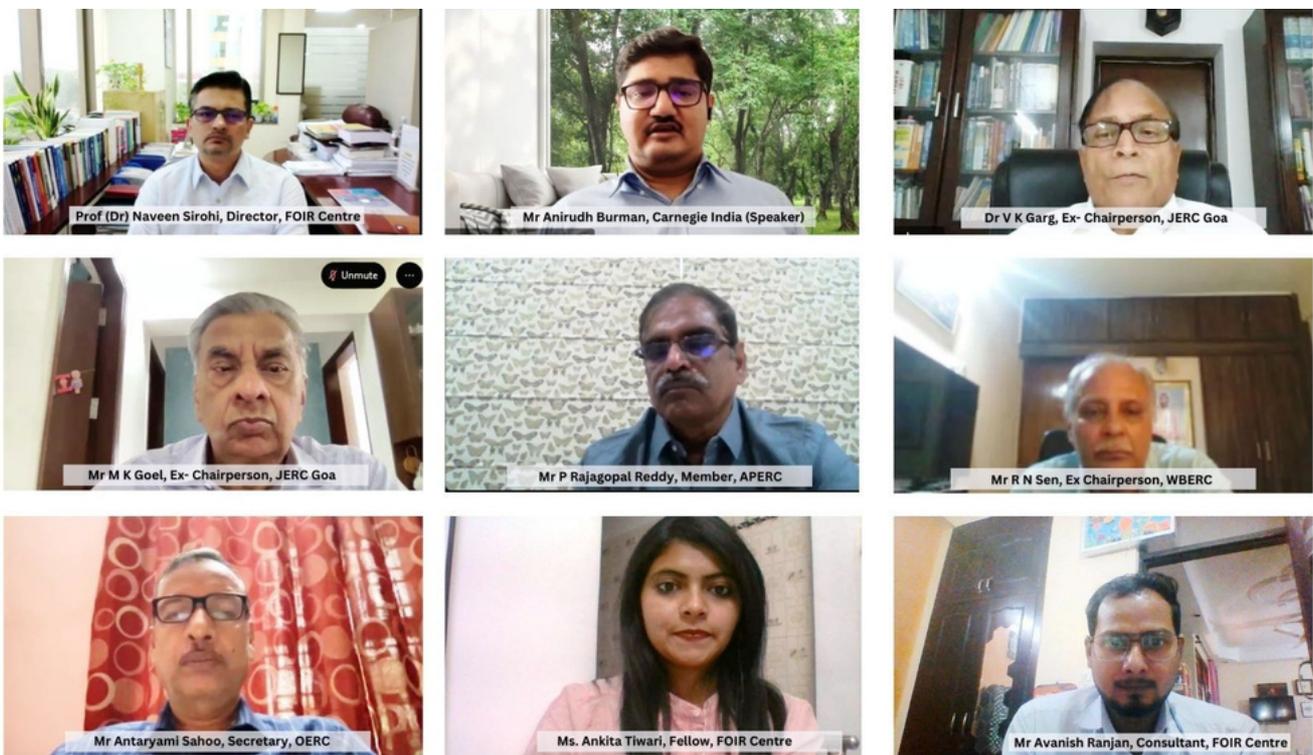
FOIR Events

FOIR Webinar on “Regulatory Impact Assessment (RIA) - Introduction in India & Way Forward”

The Forum of Indian Regulators (FOIR) Centre at IICA successfully conducted the webinar on “Regulatory Impact Assessment (RIA) - Introduction in India & Way Forward” on April 14, 2023. **Mr Anirudh Burman** (*Associate Research Director, Carnegie India*) was the guest speaker of the webinar and shared his thoughts on the topic. **Dr Naveen Sirohi** (*Director, FOIR Centre, IICA*) moderated the webinar.

A total of 60 participants attended the webinar including Chairpersons, Members, Former Chairpersons & Members, Secretaries, and Senior officials, representing the Telecom Regulatory Authority of India (TRAI), Competition Commission of India (CCI), Central Electricity Regulatory Commission (CERC), Petroleum and Natural Gas Regulatory Board (PNGRB), Securities & Exchange Board of India (SEBI), State Electricity Regulatory Commissions (SERCs), Director General of Hydrocarbons (DGH) and other Institutions.

The interactive session provided the participants with a platform for exchanging ideas and opinions for effective adoption of RIA in India and covered insights into the implementation challenges in the Indian scenario, primarily availability & validation of data. The speaker shared various approaches and techniques for adoption of RIA in India with case study on data localization.



Know Your Regulator (KYR) 10th episode with Dr Ajay Bhushan Pandey, Chairperson, National Financial Reporting Authority (NFRA)

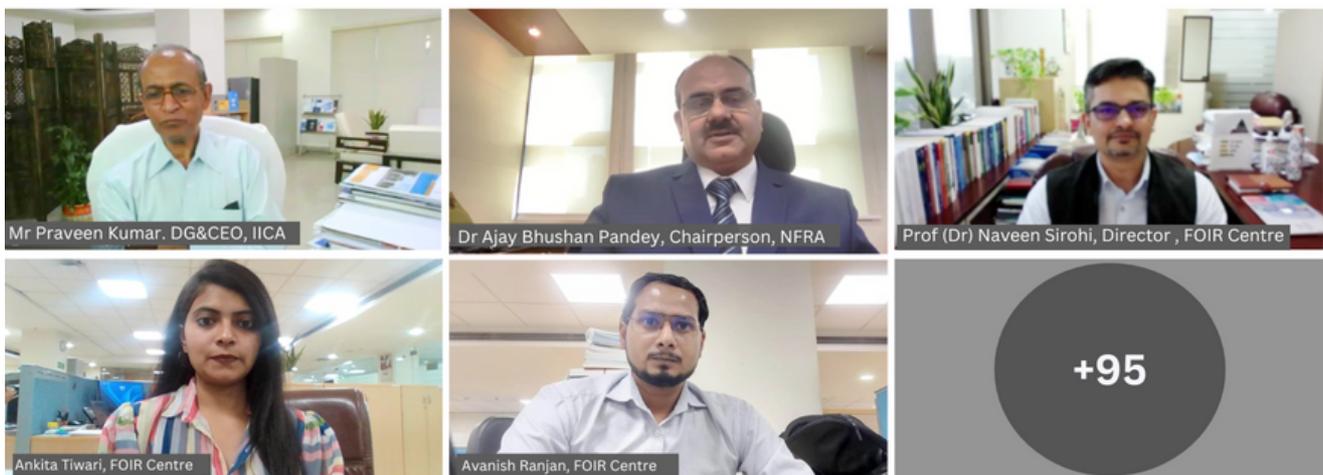
The Forum of Indian Regulators (FOIR) and Indian Institute of Corporate Affairs (IICA) successfully conducted the 10th episode of the KYR talk with **Dr Ajay Bhushan Pandey** (*Chairperson, National Financial Reporting Authority*) on May 12, 2023.

A total of 124 participants attended the webinar including Chairpersons, Members, Former Chairpersons, Former members, Secretaries, senior officials, international financial regulatory officials, scholars, and students representing various regulatory and financial bodies and Institutions.

Shri Praveen Kumar (*Director General & CEO, IICA*) in his inaugural remarks reflected on the journey and importance of the KYR series. The session was moderated by **Prof (Dr) Naveen Sirohi** (*Director, FOIR Centre, IICA*).

Dr Pandey shared many anecdotes from his vast enriching experience to highlight nuances of the financial reporting ecosystem with the participants. The programme was interactive with questions from participants related to auditing standards, accounting principles, regulatory compliance, penalization-related issues, appellate forum, the role of management and audit committee, and the importance of documentation besides various proposed initiatives of NFRA which were well responded to by Dr Pandey.

10th EPISODE OF KNOW YOUR REGULATOR (KYR) with CHAIRPERSON, NATIONAL FINANCIAL REPORTING AUTHORITY (NFRA) MAY 12, 2023 | 03:00 PM ONWARD



53rd Governing Body Meeting (GBM) of Forum of Indian Regulator (FOIR) held at New Delhi

The 53rd Governing Body Meeting (GBM) of the Forum of Indian Regulators (FOIR) was held on May 26, 2023, at Central Electricity Regulatory Commission (CERC), New Delhi. **Shri B S Bhullar** (*Hony Chairperson FOIR and Chairperson, Airport Economic Regulatory Authority of India*), **Shri Jishnu Barua** (*Hony. Vice-Chairperson FOIR and Chairperson CERC*) and **Ms Ravneet Kaur** (*Chairperson, Competition Commission of India*) were present in the meeting along with other chairpersons/members of the Governing Body.

Shri Praveen Kumar (*DG & CEO, IICA*) attended the meeting as a special invitee and represented IICA as the knowledge partner of FOIR.

Prof (Dr) Naveen Sirohi (*Director, FOIR Centre IICA*) presented the final report on the study titled 'Development of Performance Evaluation Mechanism for Regulatory Bodies in India' conducted by IICA and the same was approved by the GBM. The performance of IICA during the last financial year and the proposed action plan for the financial year 2023-24 were also discussed and approved in the meeting.



24th Annual General Body Meeting (AGM) of Forum of Indian Regulator (FOIR) held at New Delhi

The 24th Annual General Body Meeting (AGM) of the Forum of Indian Regulators (FOIR) was held on June 14, 2023, at India Habitat Centre, New Delhi. **Shri B S Bhullar** (*Hony Chairperson FOIR and Chairperson, Airports Economic Regulatory Authority*), **Shri Jishnu Barua** (*Hony Vice-Chairperson FOIR and Chairperson Central Electricity Regulatory Commission*), **Dr P D Vaghela** (*Chairperson, Telecom Regulatory Authority of India*) and **Ms Ravneet Kaur** (*Chairperson, Competition Commission of India*) were present in the meeting along with 44 other serving and former members of FOIR. **Shri Praveen Kumar** (*DG & CEO, IICA*) attended the meeting as a special invitee and represented IICA as the knowledge partner of FOIR.

Prof (Dr) Naveen Sirohi (*Director, FOIR Centre IICA*) presented the activities conducted by FOIR Centre at IICA during the last financial year. The annual report for 2022-23 and proposed action plan for the financial year 2023-24 were also discussed and approved in the AGM.

Dr Sirohi highlighted that during the FY 2023-24, IICA will support FOIR through the publication of quarterly e-Newsletter 'Regulatory Digest', eight editions of Know Your Regulator (KYR) Series / Webinars on contemporary issues, an international research conference, colloquium for central sector chairpersons, training program for officers of FOIR member organisations and Batch-VI of Certificate Course on Regulatory Governance.



Completion of Fifth Batch of Online Certificate Course on Regulatory Governance

The Forum of Indian Regulators (FOIR) Centre at IICA successfully completed the “**5th Batch of the Three Months Online Certificate Course on Regulatory Governance**” conducted between February – May 2023. The course aimed to equip regulatory professionals with the necessary skills and expertise to navigate the evolving landscape of regulations and governance in the regulatory ecosystem.

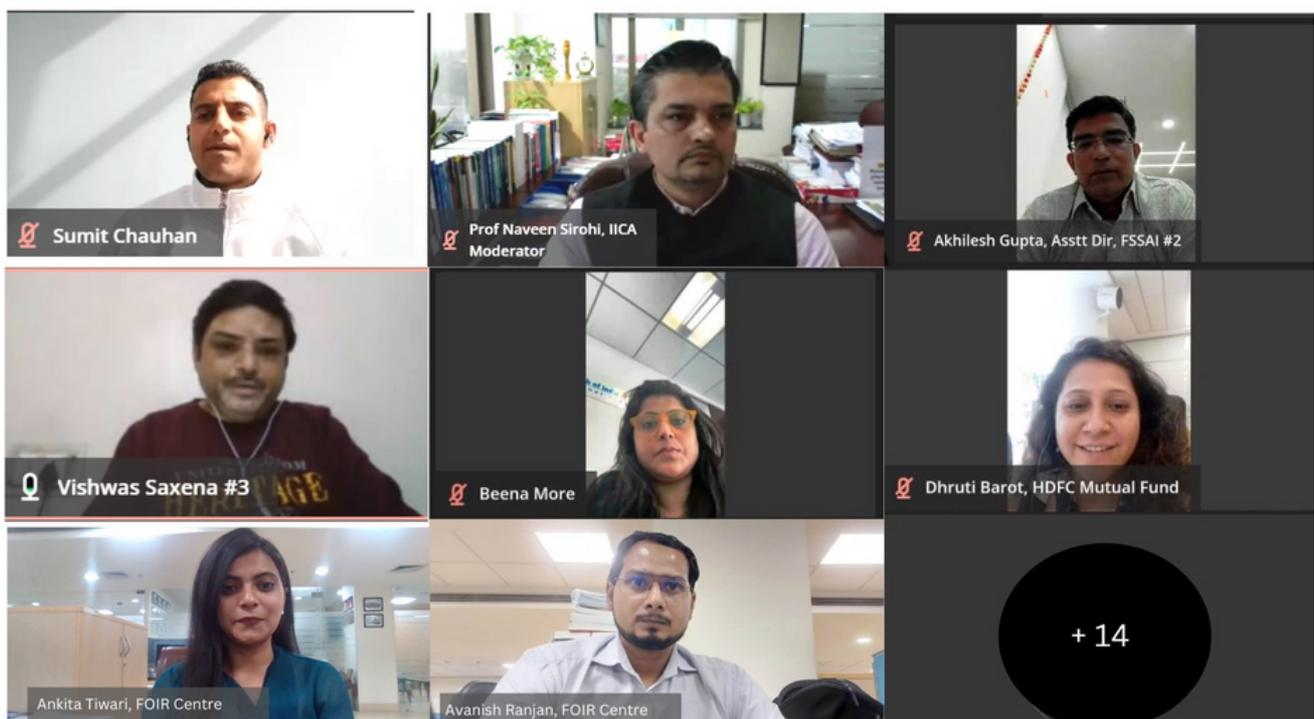
Over the duration of the course, a total of 50 participants from different regulatory bodies across India such as the Central Electricity Regulatory Commission (CERC), State Electricity Regulatory Commissions (SERCs), Competition Commission of India (CCI), Food Safety and Standards Authority of India (FSSAI), Petroleum and Natural Gas Regulatory Board (PNGRB), Telecom Regulatory Authority of India (TRAI), Real Estate Regulatory Authority (RERA), Pension Fund Regulatory and Development Authority (PFRDA), etc took the opportunity to learn from distinguished industry experts and experienced regulatory officials.

The course was revised and upgraded by incorporating a new module on Contemporary Issues in the regulatory landscape and expanding the coverage of existing modules on Sectoral Master Classes to give participants a holistic perspective across sectors and domains. Overall, the participants’ feedback for the IICA is a testament to its commitment in providing quality training and fostering a positive learning environment. It is a reflection of the IICA’s success in meeting the needs and expectations of its participants. Overall, the course has received a rating of 9.13 on a scale of 10.



CERTIFICATE COURSE ON REGULATORY GOVERNANCE

VALEDICTORY SESSION OF BATCH-V | JUNE 16, 2023



About FOIR & Member Organisations

The Forum of Indian Regulators was formally registered as a Society under the Societies Registration Act, with the Registrar of Societies in the National Capital Territory of Delhi on February 4, 2000. Schedule-I provides the Memorandum of Association, while Schedule-II provides the Rules and Regulations.

The Orissa Electricity Regulatory Commission (OERC) was the first Regulatory Commission constituted in the electric power sector on November 28, 1996. This was followed by the Central Electricity Regulatory Commission (CERC) which was constituted in August 1998 and the Haryana Electricity Regulatory Commission (HERC) on March 10, 1998. Ten more followed to it thereafter. A need was felt by these regulators for a common platform to discuss emerging issues in regulatory procedures and practices, to evolve common strategies to meet the challenges before regulators in India and to share information and experiences. A meeting was convened of the CERC, OERC and HERC in February, 1999 at New Delhi to discuss the modalities for constituting a suitable forum. The idea quickly found acceptance and as more Regulatory Commissions were constituted, either under State specific Acts, or the Electricity Regulatory Commissions Act, 1998, they started participating in the activities of the Forum of Indian Regulators. The constitution of the Forum does not restrict it only to the electricity sector.

Member Organisations

Presently, Forum of Indian Regulators has 38 regulatory authorities as its members.

[Click for List of Members](#)

Governing Body

The Forum has a Governing Body. Any Fellow Member of the Forum is eligible for appointment to the Governing Body. All members work in an honorary capacity.

[Click for Governing Body Details](#)

Contact

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About FOIR Centre, IICA

Forum of Indian Regulator (FOIR), with its aim to promote transparency in working of Regulators and to safeguard the consumer interest, signed MoU with Indian Institute of Corporate Affairs (IICA), a think tank under the Ministry of Corporate Affairs to establish its centre at IICA with the objective to promote cooperation and coordination among regulatory members of FOIR.

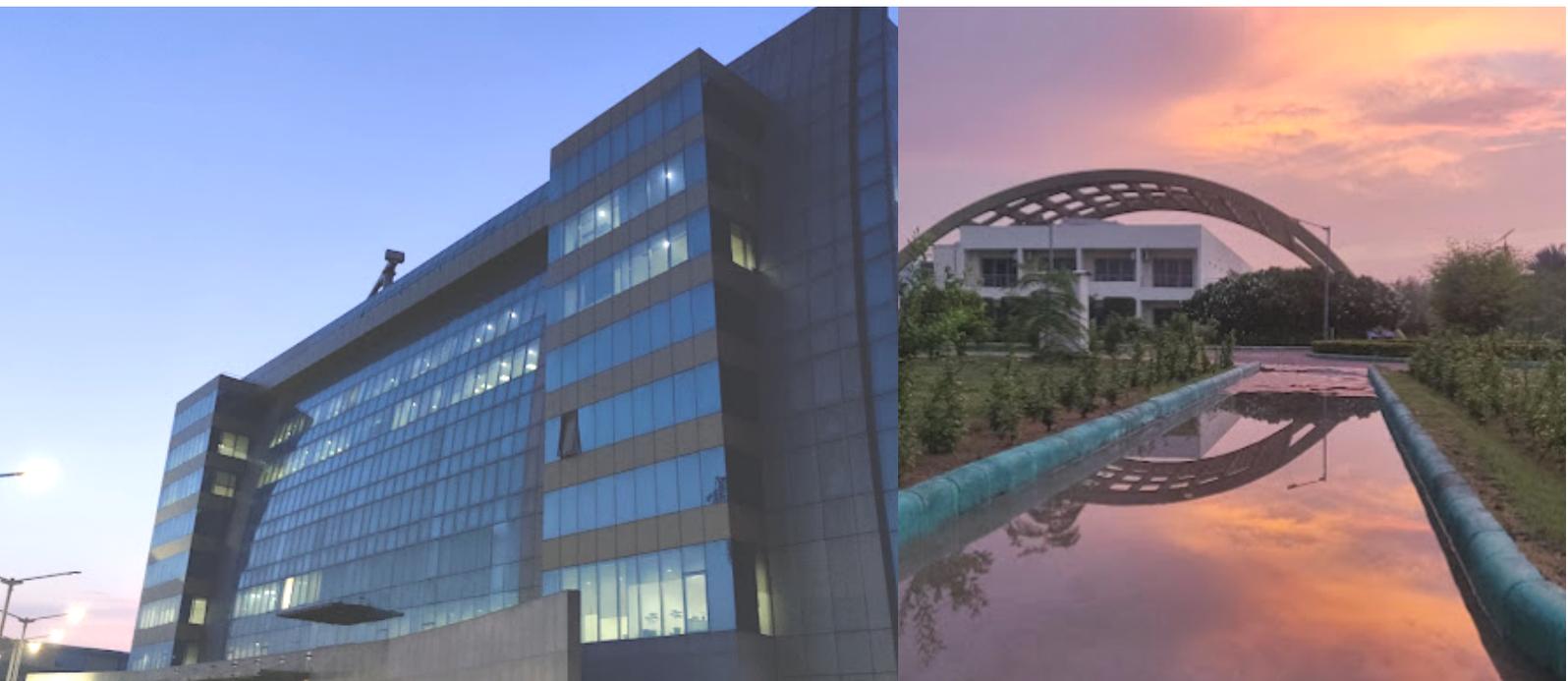
The FOIR Centre at IICA provides capacity building, education, research and advocacy support to FOIR Secretariat for academic upgradation and intellectual development for members and officials of FOIR member organisations. The centre also provides administrative support to FOIR including preparation of annual reports, statutory compliances etc.

Few notable contributions of FOIR Centre, IICA include:

- Flagship Certificate Course on Regulatory Governance
- Know Your Regulator (KYR) / Webinar Series
- Colloquium for Central Sector Chairpersons and Members
- Online / In-person Capacity Building Programs on Contemporary Issues
- Research on Contemporary Issues

TEAM

- | | |
|---|------------------------------|
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