PRESS RELEASE

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NSE Electricity Futures Emerging as Benchmark for India’s Power Market

The National Stock Exchange of India (NSE) is pleased to announce that its Electricity Futures contracts are increasingly being recognized as a benchmark reference for price discovery in the Indian power market.

In a recent reverse auction conducted by a major utility for the procurement of 50 MUs of Round-The-Clock (RTC) power for delivery between November 5 to November 30, 2025, the price discovered in the Term-Ahead Market (TAM) stood at ₹3,231–₹3,233 per MWh - closely aligned with the NSE Electricity Monthly Futures (ELECMBL) November 2025 contract price of Rs 3,236 per MWh discovered as closing price on 31st October 2025.

This convergence between the physical and futures market prices reflects the increasing maturity and integration of India’s power trading ecosystem. The NSE Electricity Futures contract has, in a short span of time, emerged as a credible forward price indicator, supporting both buyers and sellers in making informed procurement and hedging decisions for term ahead contract.

This close alignment between the physical market auction price and the exchange-traded futures contract indicates that participants are beginning to use NSE's electricity futures (which is a unified single volume-weighted average price of all 3 exchanges and covers all 3 DAM segments i.e., conventional, Green power and high prices power) as a reference benchmark for physical TAM deals, a sign of growing maturity in India’s power trading ecosystem.

It is a positive trend that enhances transparency and price discovery in the integrated electricity market (Physical and futures markets), helping buyers, sellers & traders align physical contracts with market expectations reflected in exchange-based futures.

NSE’s introduction of electricity derivatives has enhanced transparency, facilitated efficient risk management, and created a unified benchmark for price discovery across physical and financial markets.

NSE remains committed to deepening India’s electricity market through innovation, transparency, and efficiency, aligning with national vision of developing a robust electricity market modelled on the thesis of "One Nation, One Grid, One Price".

About National Stock Exchange of India Limited (NSE):

National Stock Exchange of India (NSE) was the first exchange in India to implement electronic or screen-based trading. It began operations in 1994 and is ranked as the largest stock exchange in India in terms of total and average daily turnover for equity shares every year since 1995, based on SEBI data. NSE has a fully integrated business model comprising exchange listings, trading services, clearing and settlement services, indices, market data feeds, technology solutions and financial education offerings. NSE also oversees compliance by trading, clearing members and listed companies with the rules and regulations of SEBI and the exchange. NSE is a pioneer in technology and ensures the reliability and performance of its systems through a culture of innovation and investment in technology. NSE is the world's largest derivatives exchange by trading volume (contracts) as per the statistics maintained by Futures Industry Association (FIA) for calendar year 2024. NSE is ranked 2nd in the world in equity segment by number of trades (electronic order book) in 2024, as per the statistics maintained by World Federation of Exchanges (WFE).

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