

**EXTENDED PRODUCER RESPONSIBILITY
(EPR) ELECTRONIC TRADING &
SETTLEMENT PLATFORM FOR PLASTIC
PACKAGING (EPRETPPP)**

**DRAFT GUIDELINES ON AUTHORIZATION OF EPRETPPP
OPERATOR AND FUNCTIONING OF EPRETPPP**



Central Pollution Control Board

Ministry of Environment, Forest & Climate Change

MoEF&CC in the Second Amendment to PWM Rules, dated March 14, 2024 has made the following provisions for the development of Electronic Trading and Settlement Platform for Plastic Packaging (EPRETPPP):

“(8.5) The Central Pollution Control Board shall issue guidelines for authorisation of agencies for establishment of electronic platform for trade of Extended Producer Responsibility certificates between obligated entities.

(8.7) The operation of electronic platform shall be as per guidelines issued by Central Pollution Control Board after approval of the Central Government.”

In view of the above, the draft guidelines for authorization of EPRETPPP operator and the functioning of EPRETPPP are prepared after consultations with relevant stakeholders. Comments/suggestions on these draft guidelines are invited which may be sent to the Divisional Head, UPC-II, CPCB, Delhi, preferably through email- pwm.cpcb@gov.in , with the subject title: “Comments on draft guidelines for EPR Trading Platform”, latest by 12.09.2024.

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A. Guidelines for Authorization of Extended Producer Responsibility (EPR) Electronic Trading & Settlement Platform for Plastic Packaging (EPRETPPP) Operator

1. Background

MoEFCC vide Fourth Amendment dated February 16, 2022 to Plastic Waste Management (PWM) Rules 2016 notified EPR Guidelines as Schedule II of the Rules. EPR guidelines aim to streamline the management of plastic waste, enhance recycling, and ensure sustainable practices by involving producers, importers, and brand owners in the Extended Producer Responsibility (EPR) framework. As per the notified EPR Guidelines, authorization of the EPRETPPP Operator shall be as per Guidelines framed by CPCB. This document has been developed in accordance with the said provision of the EPR Guidelines.

2. Eligibility Criteria for appointment of Electronic Trading Platform (ETP)

2.1. General Criteria

- a) The applicant is a company limited by shares incorporated or deemed to be incorporated under the provisions of the Companies Act, 1956/2013 and shall include public limited companies and private limited companies with proven track records in the field.
- b) The main object clause of MoA of the applicant company should include the business of establishing / running / operating of ETP/eMarkets.
- c) The entity should have minimum ten-year experience of working in this field.
- d) The EPRETPPP Operator (ETP Provider/Operator) should have minimum 2 years existing and working national level online trading systems associated with Public/Government institutions or programs.
- e) The ETP Provider should not have been debarred/blacklisted by any Govt. sector/ PSUs/ bilateral and multilateral agency in the past 5 years.

2.2. Financial Criteria; audited accounts/balance sheets of last three year financial years to be submitted

- a) The applicant should have a revenue turnover of minimum Rs. 100 crores

as per the audited balance sheet for last three years.

- b) The ETP Provider should have positive net worth of at least Rs.50 Crores for last 3 financial years.

2.3. Technological Criteria

- a) The ETP Operator shall have ownership of the proposed ETP system that is operated and maintained by the entity.
- b) The proposed ETP system shall have proven capability to handle at least 50,00,000 transactions in a year.
- c) The proposed ETP system shall have a proven track record of handling 1,00,000 users / participants.
- d) The ETP Provider should have requisite functional expertise of trading system particularly Participant and User Management, Price Discovery (matching) Engines, Trading Engine, Funds Pay-in and Pay-Out Modules, Risk and Settlement Management.
- e) The ETP operator shall regularly upgrade the ETP technology to keep up with advancements in technology and increasing user demands.

2.3.1. Conflict of interest

1. Organizations falling under PIBOs or PWPs categories shall not be empanelled as ETP Provider.
2. Any organization having more than 50% ownership by equity, directly or through common directors in PWPs or PIBOs shall not be empanelled as ETP Provider.
3. Any shareholder other than a PIBO/PWP directly or indirectly, either individually or together with persons acting in concert, shall not acquire or hold more than 25% of shareholding in the Trading Platform.
4. A PIBO/PWP directly or indirectly, either individually or together with persons acting in concert, shall not acquire or hold more than 5% of shareholding in the Trading Platform.
5. Trading Platform can have a maximum of 49% of its total shareholding owned by entities, which are members or clients, directly or indirectly, either individually or together with persons acting in concert.
6. The number of independent directors shall not be less than the number of Shareholder Directors on the Board of the Trading Platform

7. No PIBO/PWP shall be on the Board of Directors of the Trading Platform.
8. The applicant should be demutualized; meaning that the ownership and management of the applicant shall be segregated from the trading rights, in terms of these Guidelines.

2.3.2. Non-Functional Technology Requirements

9. ETP Operator should obtain 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 orderly execution of trades. The infrastructure shall comply with international standards such as ISO/IEC 27001 for Information Security Management.
10. The platform should provide real-time dissemination of trade information within 1-5 seconds to ensure transparency.

2.3.3. Operational Execution of the ETP platform

1. The ETP Provider can execute the operations directly or through its group company/associate company provided the group/associate company is specialized in establishing/running/operating ETP/e-Markets and adheres to all the guidelines and regulations stipulated.

3. Grant of Authorization to operate ETP

- a) Entities have to submit the application (Format given at Annexure I) with proof/ documents/ agreements/ certificates proving the above eligibility criteria to Central Pollution Control Board, Parivesh Bhawan, East Arjun Nagar, Delhi-110032 for grant of authorization to operate an EPRETPPP.
- b) CPCB can call for additional information as considered appropriate and the applicant shall furnish such information within the stipulated time.
- c) The applicants shall make a technical presentation before CPCB on the subject as per schedule specified by CPCB.
- d) The applicants found meeting the aforementioned requirements shall be authorized to run the EPRETPPP by CPCB.
- e) CPCB, based on market requirements, may authorize more than one EPRETPPP Operators.

ANNEXURE I - Application Form for EPRETPPP Operators

PART A: Application form

1. Name of the Company:
2. CIN No.
3. PAN No. of the Company:
4. Name & Designation of the Authorized Person
5. PAN No. of the Authorized Person:
6. Email id & Phone No. of Authorized Person
7. Please confirm if the Company is incorporated in India: Yes/No
8. No. of years of experience
9. Experience Details: Please attach documents related to the ETP operated in the country including national level online trading systems associated with Public.
10. Government institutions or programs; Functional expertise of trading system particularly Participant and User Management, Price Discovery (matching) Engines, Trading Engine, Funds Pay-in and Pay-Out Modules, Risk and Settlement Management to be highlighted in the details of Experience provided
11. Please confirm if ETP Provider has ever been debarred/ blacklisted by any Govt. sector/ PSUs: Yes/No
12. Average revenue for last three years (₹ Crores):
13. Please confirm if the ETP Provider have positive net worth of at least Rs.50 Crores for last 3 years: (Yes /No)
14. Please confirm if the proposed ETP system shall be owned, operated and maintained by the entity: (Yes/No)
15. Maximum no. of transactions handled in the ETP system operated so far: (Please attach supporting document)
16. Maximum no. of users handled in the ETP system operated so far: (Please attach supporting document)
17. Please confirm that the ETP Operator is not a PWP/PIBO: Yes/No
18. Please confirm that the ETP Operator does not have more than 50% ownership by equity, directly or through common directors from PWPs or PIBOs: Yes/No

PART B: List of documents to be submitted along with the application

The applicant shall submit the following documents along with its application for Authorization of EPRETPP:

1. Memorandum and Articles of Association of the company;
2. The audited balance sheet shall be submitted for immediate preceding completed financial year on the date of filing the application for grant of registration showing the Net worth of the applicant;
3. Copies of the annual report and/or audited accounts of the applicant for the last three years or such lesser period during which the applicant may have been incorporated;
4. Project report containing the following details:
 - a. Constitution of the proposed ETP
 - b. Shareholding pattern for equity holders in ETP
 - c. Business plan, including funding sources, of the proposed ETP;
 - d. Management, administrative & governing structure of the proposed ETP including qualification details of the Senior management team;
 - e. Infrastructural facilities available or proposed to be acquired by the ETP;
 - f. Details of the proposed technology to be adopted
 - g. Mechanism of operation of the ETP platform to be provided
5. The draft rules of the proposed ETP in general relating to constitution of the proposed ETP and in particular relating to:
 - a. Management of the ETP and the manner in which its business is to be transacted;
 - b. The draft bye-laws, draft rules and draft business rules of the proposed ETP covering aspects specified EPR Trading Guidelines notified by MoEFCC

PART C: DECLARATION

I declare that the details provided in the Application are correct to the best of my knowledge. I understand that my candidature shall stand cancelled if any information provided by me is found to be false/incorrect.

Date:

Place:

(Authorized Signatory)

Name & Designation

B. Guidelines for functioning of Extended Producer Responsibility (EPR) Electronic Trading & Settlement Platform for Plastic Packaging (EPRETPPP)

1. Functions of EPRETPPP

- a) The EPRETPPP to provide the platform for trading of EPR Certificates between the various registered entities in accordance with the provisions of EPR Guidelines (Schedule II of PWM Rules, 2016 as amended).
- b) The generation and transfer of Certificates to be on the Centralized EPR Portal for Plastic Packaging (CEPRPPP) developed by CPCB as per provision of EPR Guidelines. The price discovery and trading (including financial transactions) of EPR Certificates shall be on the EPRETPPP which will be integrated with CEPRPPP. The registry of the EPR Certificates shall be maintained on the CEPRPPP.
- c) The data (user information and certificates) from participants of CEPRPPP shall flow to EPRETPPP through secured APIs and these participants would be able to trade certificates. It shall be ensured that EPR certificates whose validity period has expired, shall not be reflected on the Trading Platform.
- d) The EPRETPPP to allow direct trading between the Registered PIBOs/PWPs. No brokers to be permitted on the trading platform
- e) The EPRETPPP to provide transparent mechanism for price discovery of EPR Certificates. Ensure best price of EPR Certificates based on the Demand /Supply of EPR Certificates at any given point of time.
- f) The EPRETPPP should have necessary provisions for funds transfer, maintaining records of the transactions and settlement of the transactions.
- g) EPRETPPP should ensure the financial integrity of the transactions between the various entities and ensure that no financial irregularities occur on the EPR Portal.
- h) EPRETPPP should operate in confirmation and validate its information with CEPRPPP.

2. Transactions on EPRETPPP

- a) The following entities to trade on the EPRETPPP
- Producer (P)
 - Importer (I)
 - Brand owner (BO)
 - Plastic Waste Processors engaged in (a) recycling, (b) waste to energy, waste to oil, and (d) industrial composting.
 - Local Bodies (LBs)
- b) As per the provisions of EPR Guidelines, following EPR Certificate transfers / trading are to be permitted only through the EPRETPPP.
- PWPs can transfer / trade EPR Certificates to PIBOs/LBs
 - LBs can transfer / trade EPR Certificates to PIBOs
 - PIBOs can transfer / trade EPR Certificates to PIBOs

EPR Certificate exchange between two PWPs and transfer / trade of EPR Certificate by PIBO to PWP is not permitted.

All Users (PIBOs/PWPs/ULBs) shall be coded into different categories as per their role (Buyer/ Seller) on the EPR Portal. All Users shall register on the Trading Platform and abide by operational regulations as decided by the Regulator.

3. Category of EPR Certificates

CEPRPPP has the provision for generation and transfer of different categories of EPR Certificates. The different categories of EPR Certificates which can be transacted include the following:

- a) Cat I (Recycling)
- b) Cat II (Recycling)
- c) Cat III (Recycling)
- d) Cat I (End of Life (EoL))
- e) Cat II (EoL)
- f) Cat III (EoL)

- g) Cat IV (EoL)
- h) Cat I (Use of recycled plastic (UReP))
- i) Cat II (URep)
- j) Cat III (URep)
- k) Cat I Reuse (0.9 - 4.9 L)
- l) Cat IReuse (> 4.9 L)

The End of Life / Recycling Certificates can be generated by the PWP. The Use of Recycled Plastics and Reuse (Cat I) EPR Certificates can be generated by the PIBOs. Besides, PIBOs can also generate EoL Certificates based on Plastic waste provided by them for Road Construction. The different categories of the EPR Certificates and the entities which can generate them is given in the following Table:

PWP/PIBO & TYPE OF EPR CERTIFICATES GENERATED		
S. No.	PIBO/PWP	Type of EPR Certificate
1	PWP (Recycler)	Recycling (Cat I, II, III)
2	PWP (Cement Co-processor)	EoL (Cat I, II, III, IV)
3	PWP (Waste to Energy)	EoL (Cat I, II, III, IV)
4	PWP (Waste to Oil)	EoL (Cat I, II & III)
5	Producer	UReP (Cat I, II & III), EoL (Road making) (Cat I, II & III)
6	Brandowner	UReP (Cat I, II & III) and Reuse (Cat I (>4.9 L and 0.9- 4.9 L); EoL (Road making) (Cat I, II & III)
7	Importer	EoL (Road making) (Cat I, II & III)

The EPR Certificates are available in various denominations viz. 1 T, 10 T, 50 T, 100 T, 500 T & 1000 T.

4. Price Discovery Mechanism

- a. Uniform Price and Double Side Closed Auction & Continuous Fixed Price Market is to be adopted for discovery of price of EPR Certificates.

- b. EPRETPPP should have provision for price discovery for different categories of EPR Certificates based on the selling/ buying price quoted by the stakeholders, based on Uniform Price Auction, which should be permitted for a fixed duration during a week, which may be decided by CPCB based upon market requirements.
- c. The EPRETPPP should enable all sellers to put in orders specifying the type & quantity (MT) of EPR Certificates as well as the limit price (minimum) at which they want to sell during the Uniform Price Period.
- d. The EPRETPPP should enable all buyers to specify their requirements of different categories of EPR Certificates (Type & quantity (MT)) as well as the limit price (maximum) at which they are willing to purchase the said ERP Certificates during the Uniform Price Period.
- e. Uniform clearing price (UCP) shall be discovered based on demand and supply and price constraints. Price discovery mechanism for EPR Certificates to adopt the principle of maximization of economic surplus (sum of buyer surplus and seller surplus), taking into account all bid types. The EPRETPPP to ensure fair, neutral, efficient and robust price discovery.
- f. A Matching of the auction will only take place if there are crossing prices (buy price \geq Sell Price) in the order book, that is, if the best order price is equal to or higher than the best ask price. In that case, the equilibrium price is determined according to the following criteria:
- **Maximum Tradable Volume:** The Equilibrium Price will be the price at which there is maximum tradable volume.
 - **Minimum Unbalance:** If there is more than one price with equal value for maximum tradable volume, the price that leaves the least volume untraded at its level is chosen as Equilibrium Price.
- g. The UCP to be discovered for all categories of EPR Certificates
- h. It should be able to generate Trade based between the buyers & sellers based on First in First Out basis. In Uniform price discovery, Trades shall be matched for all buy orders where buyprice is higher than or equal to UCP and for all sell orders where sell price is lower than or equal to UCP. Unmatched orders to be automatically cancelled and matched trades would be sent to the settlement system.

- i. The EPRETPPP to allow Continuous trading on the UCP for a week, till the next Uniform Price Auction is conducted.
- j. The frequency of Uniform Price and Double Side Closed Auction & Continuous Trading duration may be modified by CPCB based upon market requirements.
- k. Floor Price and Ceiling Price of UCP shall be fixed by CPCB every quarter based on the trades executed and UCP in the previous Quarter.

5. Mechanism for Settlement of Trades

a) Settlement Process

Communication regarding the obligations of the buyers / sellers along with the settlement schedule shall be sent to the buyers /sellers subsequent to generation of trade as per Section 4.0.

Buyers and sellers can see both their pending and completed obligations along with specific actions that they need to perform. Amounts payable and receivable are computed along with taxes if any and transaction fees.

Bifurcation of settlement process for both seller and buyers are as follows:

- Seller Process
 - Block the final traded quantity
 - Once buyer validates, certificate inventory will automatically get credited to the buyer
 - Generate trade invoice to Buyer upon completion of settlement process
- Buyer Process
 - Buyers will make 100% payment of trade value in the escrow account
 - Validate the supporting documents of the Certificate
 - Certificate inventory will be credited into the buyer accounts

b) Buyer Pay-in

For trading, the buyer shall maintain adequate funds in his Ledger Account. The pay-in amount would include value of the trade taxes and transaction charges and would be transferred to the Escrow Account. Trade should not be generated unless the buyer has adequate funds in his Ledger Account.

EPRETPP should have an Escrow Account in which the buyer shall transfer pay-in amount to purchase the EPR Certificates

c) Delivery In

The EPR certificate shall be transferred to the buyer on trade.

d) Buyer Confirmation and Delivery-out.

The Buyer can check the certificates transferred in their name in the order book. Buyer may raise a dispute in case of any discrepancy and such disputes shall be handled outside of the settlement system by the EPR Operator and results shall be recorded in the system

e) Seller Pay-out

Subsequent to trade generation, the amount payable shall be transferred from the Escrow account to the seller Account within two days. The settlement process shall credit the seller's ledger subtracting the transaction fees from the pay-out amount and sends payment instructions to the payment module.

f) Settlement Schedule

The following timelines shall be specified on the EPRETPPP

- Pay-in (T) — T is the trade date
- Pay-out (T+x) – x is the settlement day

All buyers/sellers shall comply with the timelines specified on the EPRETPSS

g) Trade Annulment

Trades generated as per Section 4.0 cannot be annulled or curtailed except due to specific technical reasons approved by the Regulator.

6. Officiating Bodies

The following shall be the officiating bodies of the EPRETPP

- ETP Operator:** The ETP Operator shall execute the activities related to Market administration and system operations.
- Regulator:** CPCB shall be the market Regulator and ensure that the market operates as per the stipulated norms
- Third party Auditor:** The Regulator may engage an independent Third

Party Auditor to monitor the activity of the EPRETPPP. The Auditor shall submit Audit reports quarterly reports on the integrity of the trading platform to CPCB.

7. Information Technology Infrastructure and Trading System of ETP

- a) ETP shall use electronic trading system and telecommunication network;
- b) The bids entered by a buyer of ETP shall be first checked against availability of funds before being accepted in the bid book of the ETP. This ensures that all transactions are backed by actual funds, reducing the risk of defaults.
- c) Automated audit trail of bids, matching of bids and execution of transactions shall be maintained.
- d) The algorithm of the software application for price discovery shall be in compliance with the methodology mentioned in the business rules of ETP. The ETP shall get the algorithm audited before commencement of operations and thereafter, once in every two years and submit the findings of the audit to the Regulator. The resources employed shall have competence in audit of algorithms and relevant industry certifications such as CISA (Certified Information Systems Auditor) from ISACA or shall have empanelment with the Standardization Testing and Quality Certification Directorate under the Ministry of Electronics & Information Technology.
- e) The Regulator may audit or appoint an agency to audit the software applications used by the ETP for price discovery and market splitting on a random basis. The ETP shall provide to the Regulator results of test cases and scenarios given by the Regulator.
- f) ETP Operator shall also carry out periodic IT system audit for data security, data integrity and operational efficiency for every financial year and submit its reports to the Regulator by 30th June following the end of the financial year.
- g) ETP Operator 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 Regulator and submit it to the Audit for information. Security audit of the IT systems shall be carried

out each year from a CERT-In (Indian Computer Emergency Response Team) empanelled organisation.

- h) ETP shall establish and maintain a disaster recovery site and alternate trading facility for business continuity in case of emergency

8. Registration Charge

- a) ETP operator shall pay an annual registration charge as specified by the Regulator
- b) The annual registration charge shall be payable by 30th of April every year to the Regulator

9. Electronic Trading Platform provider transaction fee

- a) ETP shall charge a transaction fee equivalent to 2% of the transaction amount from either party (buyer/seller) to the transactions conducted on the EPRETPPP
- b) 1% of the transaction fees from either party (buyer/seller) charged shall be remitted to the Regulator.
- c) The above limits for transaction fees can be modified by the Regulator based on the Market requirements

10. Information Dissemination by ETP Operator

- a) The ETP shall display on its website links to all the relevant websites.
- b) Prices, volumes, transaction fees and historic prices of EPR Certificates traded shall be made available on the website of the ETP and should be in downloadable format. In addition, the data shall be made available through Application Programming Interface (API).
- c) Maximum, minimum and average of the traded prices for the month and average volume cleared for all type of contracts transacted on the ETP shall be published on its website.
- d) The ETP shall publish on its website, data tables with aggregate demand and supply.
- e) The ETP shall provide to the Regulator details of all transactions on a monthly basis

- f) The ETP shall submit to the Regulator, bids of all participants along with required analysis, as and when directed by the Regulator.
- g) The ETP shall create and maintain a document on its website providing detailed description of the algorithm used for price discovery for all type of contracts. The description shall include bid types, details of how the algorithm results in maximisation of economic surplus taking into account which shall be updated with every new version of the price discovery algorithm.

11. Grievance Redressal Mechanism

- a) The ETP operator should provide for a robust grievance redressal mechanism to address any issues or disputes that may arise in the operation of the ETP.
- b) The ETP shall constitute a Grievance Redressal Forum, headed by an Independent Director.
- c) ETP shall disclose, on their website, the details of complaints lodged by members against ETP and by clients against its members and status of resolution of the grievance.
- d) ETP shall also disclose, on their website, the conflict resolution mechanism followed and the result of grievance resolution.
- e) The Regulator may call for information on redressal of any specific grievance by the ETP Operator.

12. Revocation of Authorization of ETP

The Regulator may, for reasons to be recorded in writing and after giving the ETP Operator an opportunity of being heard, revoke the registration Authorization granted to the ETP in any of the following events:

- a) If the functioning of the ETP is in violation of any terms and conditions of the Contract awarded to the ETP Operator by the Regulator.
- b) If the shareholding of the ETP is in violation of the terms and conditions of Contract awarded to the ETP Operator by the Regulator.
- c) If the ETP is found to be indulging in market manipulation;

- d) In case the Net worth of the ETP gets negative at any point of time
- e) In case the ETP fails to comply with any direction of the Regulator;
- f) In case the ETP makes an application for revocation of registration.
- g) Notwithstanding revocation of the registration of ETP, contracts executed prior to such revocation shall remain valid and their performance shall be ensured by the ETP through Exit Scheme or as directed by the Regulator.

13. Exit Scheme

The ETP shall submit their exit scheme in the event of closure of the ETP or revocation of registration of the ETP.

- a) The exit scheme shall provide the manner in which: the running contracts on the ETP shall be closed or the succession plan for all transacted contracts; and
- b) Any claims pertaining to pending arbitration cases, arbitration awards, liabilities or claims of contingent nature and unresolved investors complaints or grievances lying with the ETP Operator would be settled by the ETP Operator.
- c) The exit scheme shall include the following:
 - Seamless migration of the existing data within a specified timeline.
 - Demonstration of 100% data transfer
 - Standby period for the operation of the existing platform / technology
 - Other relevant aspects for the seamless operation of the whole system

14. Risk Management by ETP Operator

- a) The ETP Operator shall develop and implement a prudent risk management framework by adopting best practices, which shall be dynamic based on the changing risk profiles of the market.
- b) The ETP Operator shall constitute a Risk Assessment and Management Committee (RAMC) headed by an Independent Director of the Board, which shall monitor adherence to the risk management framework by the ETP Operator.

- c) RAMC shall also review the risk management framework on a six- monthly basis in January and July each year. The six-monthly report of RAMC shall be submitted to the Regulator.

15. Annual Report

The ETP Operator shall submit its Annual Report along with its audited balance sheet by 30th September every year to the Regulator.

16. Renewal of Authorization to ETP Operator

- a. The Authorization of a ETP operator shall be for a period of ten (10) years from the date of grant of registration by CPCB unless such registration is revoked or cancelled earlier.
- b. An application for renewal of registration shall be filed by the ETP Operator at least one year before the expiry of the period of registration.

17. Bye-laws, rules and business rules of ETP

The ETP shall function according to its bye-laws, rules and business rules as approved by the Regulator, which amongst others, shall cover the following:

- i. Management, administrative & governing structure of the ETP along with its associates / Group companies involved in ETP operations including qualification details of the Senior management team
- ii. Provision for exclusion, suspension and expulsion of members of the ETP;
- iii. Rights and liabilities of its members
- iv. Price discovery and matching mechanism,
- v. Clearing and Settlement procedure
- vi. Transaction fee;
- vii. Timeline for publishing trading and settlement calendar;
- viii. Transaction timelines;
- ix. Risk management;
- x. Penalty for deviation from contract;
- xi. Procedure for handling default;
- xii. Reporting of default (delivery of EPR Certificates or payment or both) and penalty mechanism;

- xiii. Dispute resolution mechanism;
- xiv. Maintenance of records and accounts;
- xv. Preparation of annual accounts and audit thereof;
- xvi. Mechanism for redressal of grievances;
- xvii. Exit scheme;

No amendment to the bye-laws, rules and business rules shall be carried out without prior approval of the Regulators.

Glossary

Brand Owner: As per PWM Rules, means a person or company who sells any commodity under a registered brand label or trademark;

Buyer: An entity who is engaging in buying certificates on the Trading Platform

Ceiling price: is the highest price that participants can bid in auction

Continuous Price Auction: The auction format that has sell and buy orders placed independently of each other.

Extended Producer Responsibility (EPR): EPR means the responsibility of a producer for the environmentally sound management of the product until the end of its life.

EPR Certificate: An EPR Certificate is a document that confirms a company's compliance with the principles of extended producer responsibility.

Electronic Trading Platform (ETP): ETP shall mean any electronic system, other than a recognized stock exchange, on which transactions are contracted.

Electronic Trading and Settlement Platform: The electronic trading on which transactions are contracted and electronic payment settlement between participants.

Floor price: means a price below which bids at auction are not eligible to be accepted

Importer: As per PWM Rules, means a person who imports for commercial use, any plastic packaging or any commodity with plastic packaging or carry bags or plastic sheets or like material, or plastic raw material including in the form of resin or pellets, or intermediate material to be used for manufacturing plastic packaging such as films or preforms.

MOA: Memorandum of Association

Plastic Waste Processors: As per PWM Rules, means recyclers and entities engaged in using plastic waste for energy (waste to energy), and converting it to oil (waste to oil), industrial composting

Pay in: is the day when the participants shall make payment during trade

Pay out: is the day when payment is made after trade and is the settlement day

Producer: As per PWM Rules, means a person engaged in manufacturing of plastic packaging; and, includes a person engaged in manufacture of intermediate material to be used for manufacturing plastic packaging, and also the person engaged in contract manufacturing of products using plastic packaging or through other similar arrangements for a brand owner

Recyclers: As per PWM Rules, means entities who are engaged in the process of recycling of plastic waste

Seller: An entity who is engaging in selling certificates on the Trading Platform

Uniform Price Auction: The auction format that has multiple buyers and sellers putting in buy and sell orders at different prices determining a single clearing (trade) price

User: An entity who is engaging in buying and selling certificates on the Trading Platform