

**BYE-LAWS
OF
NEW AGE MARKETS IN ELECTRICITY
PRIVATE LIMITED (“NAME”)**

CHAPTER- 1

PREAMBLE

- 1.1 NAME has been granted registration to establish and operate an OTC Platform under the PMR vide an order of the Hon'ble Commission dated September 29, 2022. These Bye-Laws have been framed by New Age Markets in Electricity ("NAME") to manage and operate its business in accordance with the Electricity Act 2003, read with PMR and Guidelines issued thereunder. These bye-laws shall be known as "The Bye-Laws of NAME" and are for the sake of brevity and convenience, herein referred to as "the Bye-Laws of the Platform".
- 1.2 The Bye-Laws are designed to define the framework for the:
- management of the Platform;
 - operating framework(s);
 - technology;
 - services provided by the Platform;
 - the introduction of the services on the Platform and
 - regulation of its Members and Authorised Users and all other participants operating under or through them or dealing with the Platform.
- 1.3 The Bye-Laws and directions that may be issued/notified shall at all times be subject to and read consistent with the provisions of the Act, including rules and regulations issued thereunder, the PMR, Guidelines and codes, circulars, notifications and directives issued thereunder from time to time and in case of any inconsistency between these Business Rules and the Act or any rules, regulations, or directives issued thereunder, the later shall prevail.
- 1.4 The Bye-Laws may be amended or changed from time to time by the Platform Operator and shall further be subject to such modification or change as may be directed by the Commission.
- 1.5 The Platform may, from time to time, issue clarifications or directions through notices/circulars, as may be required from time to time, to implement the provisions of these Bye-Laws and to remove any difficulty or ambiguity in implementing the provisions of any of these Bye-Laws, or the Rules and the Business Rules. Such clarifications shall be binding on the Members/Authorized Users.
- 1.6 The content of the Bye Laws shall supersede the Business Rules. Without prejudice to the generality of the above, the clarification given by the Platform shall be final and binding.

CHAPTER – 2

DEFINITIONS AND INTERPRETATIONS

2.1 DEFINITIONS

The capitalized words and expressions used in these Bye-Laws which are defined in the Act or the PMR or Guidelines shall have the same meaning as assigned to them therein. Unless the context otherwise requires, the following words shall have the following meaning:

- 2.1.1 **Authorized User** means a person who is approved by the Platform as an authorized user of the Member for availing Services on the Platform in accordance with these Bye-Laws. The term ‘user’ may be used interchangeably with the term ‘authorized user’.
- 2.1.2 **Automated Service System or ASS** means the computerized system provided by the Platform for Services and activities permitted at the Platform.
- 2.1.3 **Board** means the Board of Directors of NAME.
- 2.1.4 **Business Rules** means the Business Rules of the Platform.
- 2.1.5 **Bye-Laws** means the Bye-Laws of the Platform.
- 2.1.6 **Financial Year** means year commencing from 1st April and ending with 31st March of the following year.
- 2.1.7 **Force Majeure Event** means any event due to any cause beyond the reasonable control of either party, including, without limitation, sabotage, fire, floods, earthquake, storms, hurricane, acts of terrorism, explosions, acts of God, civil commotion, strikes or industrial action of any kind, riots, rebellions, insurrection, war, acts of government, computer hacking unauthorized access to computer data and storage devices, or interruption/ failure of electricity or interruption/ failure of any communication services/ links [including telephone, internet, vsat etc.], or worldwide pandemic resulting in national or state level lockdown or any other circumstances beyond the control of the affected party.
- 2.1.8 **Guidelines** means Guidelines for Registration and Filing Application for Establishing and Operating Over the Counter (OTC) Platform, 2022.
- 2.1.9 **Interest Free Security Deposit or IFSD** means an amount that shall be deposited by the Member and the Service Provider. This shall be refundable by the Platform Operator on the expiry of the Membership or unlisting of the Services on the Platform in accordance to the Platform Membership Agreement

or Service Listing Agreement.

- 2.1.10 **Member** means and refers to a legal entity registered as such in accordance with these Bye-Laws.
- 2.1.11 **OTC Platform Operator or 'NAME'** means New Age Markets in Electricity Private Limited, the company operating the Platform.
- 2.1.12 **Membership Agreement** means an agreement, which is executed between the Member and the Platform, in the form and manner that may be specified by the Platform from time to time.
- 2.1.13 **Platform or OTC Platform** means an electronic platform for exchange of information amongst and between the buyers and sellers and all other stakeholders for various purposes and services including regulatory reporting, data access etc. which is owned, managed and operated by NAME.
- 2.1.14 **PMR** means Power Market Regulations, 2021.
- 2.1.15 **Quote** means the price quantity or any other term and condition provided by an intended seller to buyer of the Contracts which is listed on the Platform.
- 2.1.16 **Service** means the services listed and offered to the Members of the Platform.
- 2.1.17 **Service Listing Agreement** means an agreement, which is executed between the Service Provider and the Platform in context of the Services that shall be rendered by the Service Provider, in the form and manner that may be specified by the Platform from time to time.
- 2.1.18 **Service Provider** means any service provider that provides Service listed on the Platform including services towards risk identification, management and mitigation by the platform.
- 2.2** Unless the contrary intention appears:
- a) A reference to any gender includes the others.
 - b) Words in the singular include the plural and words in the plural include the singular.
 - c) A reference to a 'time' is reference to IST.
- 2.3** Headings are for convenience only and shall not affect the interpretation of the Bye-Laws.
- 2.4** The decision of the Platform Operator shall be final in relation to the interpretation of these Bye-Laws.

CHAPTER – 3

RESPONSIBILITIES AND FUNCTIONS OF THE OTC PLATFORM OPERATOR/PLATFORM

- 3.1** The Platform may provide such Services as shall be permitted from time to time under the applicable laws, including the Act and the PMR.
- 3.2** Without prejudice to the generality of clause 3.1 above, the Platform may list Service Providers on its Platform including the ones who offer risk identification, management and mitigation.
- 3.3** (a) Subject to the provisions of these Bye-Laws, the Board shall have the power to issue and approve the Bye Laws and issue directions from time to time:
- i) for operation of the Platform;
 - ii) to regulate the functioning and activities of the Members, the Authorized Users, the Service Providers and all other persons operating under or through them or dealing with them;
 - iii) for dealing with the Platform and their inter-se dealings and to determine terms and conditions of the Services on the Platform;
 - iv) to organize, facilitate, maintain, manage, control and regulate the operations, functions and supervision of the Platform and to regulate the activities and functioning of the Members, the Authorized User and the Service Provider, as may be necessary or expedient; and
 - v) all other matters considered necessary or expedient to carry out the functions and objective of the Platform.
- (b) Without prejudice to the generality of the powers of the Board , the Board may delegate to the Managing Director or such other authority as it may deem fit, the power, rights and responsibilities to operationalize these Bye laws including by framing business rules and prescribing other terms and conditions for the Members or Service Providers on the Platform as such delegated authority may deem fit.

3.4 Operating Framework

Subject to these Bye Laws, the Board may delegate to the Managing Director or such other authority and on such terms and conditions as it may deem fit the power, rights and responsibilities to operationalize these Bye Laws including by framing rules, regulations, and guidelines on one or more of the following operating aspects of the Platform:

- 3.4.1** Availability of the Platform and the Services.
- 3.4.2** Proceedings/process in such services on the Platform.

- 3.4.3 Membership award process.
- 3.4.4 Limits and variations on Quotes, including quantity and price, and maximum and minimum Quotes;
- 3.4.5 The framework for levying, collecting and disbursing charges/fees/monies payable by the Members, or Authorized Users for availing Services including any third-party charges that may be collected on behalf of a third-party service provider.
- 3.4.6 Appropriation, calculation, collection and disbursement of any regulatory charges or fee in the manner specified appropriate regulatory or governmental authority.
- 3.4.7 Suspension of services.
- 3.4.8 Procedure for settlement of disputes.
- 3.4.9 Working out, finalizing and adopting appropriate rates for penalties and disputes for indemnification of members and the platform including non-fulfillment of contracts by giving or receiving deliveries.
- 3.4.10 Norms, procedures, terms and conditions for use of the Platform, including all the matters incidental or ancillary thereto.
- 3.4.11 Facilitation of contracts by the Platform.
- 3.4.12 Any other relevant matters in relation to the operations and functions of the Platform.

3.5 Risk Management Framework

3.5.1 Risk emanating as a repository:

The Platform will:

- 3.5.1.1 maintain a centralized electronic record (database) of transaction data by centralizing the collection, storage, and dissemination of data, with effective risk controls which can enhance the transparency of information to relevant authorities and the public;
- 3.5.1.2 promote financial stability, and support detection and prevention of market abuse;
- 3.5.1.3 provide information that supports risk reduction, operational efficiency, and cost savings for both individual entities and the market as a whole;
- 3.5.1.4 ensure continuous availability, reliability, and accuracy of data on the Platform;
- 3.5.1.5 defining standards/procedures/process/mechanism of collection of data, details of sources for data collection, various data heads/fields to be displayed on the Platform, periodicity of data collection and dissemination on Platform, details of repository of

data, details of analytics to be conducted by the OTC Platform Operator, and various reports to be published by the Platform.

3.5.2 Systemic Risk:

3.5.2.1 The Platform will have common participants and may serve interconnected institutions and markets. Complex interdependencies will be a normal part of the Platform's structure and/or operations. Interdependencies will be utilized to facilitate significant improvements in the safety and efficiency of the Platform.

3.5.2.2 In order to enhance public confidence in the safety, soundness, and reliability of the Platform, the Platform shall aim towards safe and efficient mitigation of systemic risk by identifying, measuring and monitoring the inability of one or more participants to perform which may lead to disruptions on the Platform or for its Members, users or Service Providers.

3.5.3 Legal Risk:

The Platform shall monitor the legal risks on an ongoing basis, including changes in law, or its interpretation, or an unexpected application of a law, which may have a potential of causing economic hardships to its Members, Authorized Users and Service Providers accessing the Platform.

3.5.4 General Business Risk:

In addition, the Platform may face general business risks, which are the risks related to the administration and operation of the Platform as a business enterprise. The Platform shall take appropriate steps to manage or prevent such risks.

3.5.5 Operational Risk:

The Platform will be exposed to operational risk, which is the risk that deficiencies in information systems or internal processes, human errors, management failures, or disruptions from external events will result in the reduction, deterioration, or breakdown of the Services provided by the Platform. These may lead to consequent delays, losses, liquidity problems, and in some cases systemic risks. The Platform shall take appropriate steps to manage or prevent such risks.

3.5.6 Monitoring, Managing and Mitigating the Risks:

3.5.6.1 The Platform shall identify the risks, information and control systems, and shall manage risks by implementing suitable processes and procedures.

3.5.6.2 The Platform shall ensure that it can effectively manage the risks that may arise from interdependent entities.

3.5.6.3 The Platform will have comprehensive internal controls to help the Board and senior management, to monitor and assess the adequacy and effectiveness through internal/independent compliance, programs, internal audit and independent audits, as per need.

3.6 Market Oversight Framework

3.6.1 The Platform shall take all steps necessary to detect and prevent market manipulation, insider trading, cartelization and abuse of dominant position to ensure that the Member, Authorized Users and the Service Provider have confidence in the integrity and fairness of the Platform.

3.6.2 The market oversight shall include, but not limited to the following:

- i) procedure for registration of the Member, the Authorized User and the Service Provider;
- ii) mechanism for collecting data from the Member, the Authorized User and the Service Provider;
- iii) details of the Member, the Authorized User, the Service Provider or any other entities who shall furnish information;
- iv) details of information to be furnished by the entities specified in clause (c) above;
- v) periodicity and formats for reporting of information;
- vi) measures to prevent any misuse of or unauthorized access to the information furnished by the Member, the Authorized User and the Service Provider or any other information collected from any other source;
- vii) conducting analytics and market surveillance based on the data furnished by the Member, the Authorized User and the Service Provider or collected from any other source;
- viii) conducting analytics and market surveillance based on the reports as furnished and specified by the Commission; and
- ix) any other information as may be required by the Commission.

3.6.3 In case, during an investigation or intervention, the Platform is satisfied that an act in contravention of the PMR and has been committed and/or continues to be committed or that such act is about to be committed, the Platform may, by order, temporarily restrain any Member, Authorized User and the Service Provider from carrying on such act until the conclusion of such investigation or intervention or until further orders, after giving notice to such Member, Authorized User and the Service Provider.

3.7 Preservation, Access and Reporting of Data

3.7.1 All data relating to the activities on the Platform shall be maintained in easily retrievable media for at least 10 years. Without prejudice to the minimum requirement for storage of data, the data sought for any investigation by the Commission or any other authority as required under the Indian laws or regulations shall be maintained for three years from the date of completion of the investigation.

3.7.2 The Platform shall provide data or information as required by Commission in the format and within the time frame as may be required by the Commission, submit copies of Annual Reports including Directors' report, Auditor's report, Balance Sheet and Profit and Loss Account along with all the Schedules and notes to the accounts, not later than 9 (nine) months after the close of the respective Financial Year and inform the Commission of any event(s) resulting in disruption of activities or market abuse, if observed, without undue delay.

3.8 Technological Framework

3.8.1 The Platform Operator shall own 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 associated risks.

3.8.2 The Platform Operator's technological infrastructure shall be capable of the exchange of information on a real-time basis or near real-time basis.

3.8.3 The Platform 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 and submit it to the Commission for information.

3.9 Dispute Resolution

The Platform Operator shall put in place an arrangement to address any dispute that may arise or are likely to arise between its Members and shall draft a record of every dispute that shall take place and shall submit the same to the Commission as and when required or asked for.

3.10 Governing Law and Jurisdiction

3.10.1 These Bye-Laws, the Business Rules and circulars issued by the Platform shall be governed by and construed in accordance with the laws of India.

3.10.2 Subject to the powers of Commission and the Dispute Resolution provisions under the Bye-Laws, the courts at New Delhi, India shall have the exclusive jurisdiction to determine any dispute in relation to or arising from these Bye-Laws and the Business Rules.

3.10.3 The Platform shall be entitled to bring proceedings in any other competent jurisdiction against the Members or Authorized User to enforce the obligations of the Members or Authorized User which arise under or in connection with these Bye-Laws and Business Rules, or judgment or award.

3.11 Surveillance and Transparency

The Platform Operator shall implement systems and controls to ensure that the

Authorized Users and the Service Provider provide Services with fairness and integrity and monitor the activities on a real time as well as a post-facto basis. The Platform Operator may disclose conflict of interest if any, arising from participation of related parties or group agencies to the Commission.

CHAPTER – 4

SERVICES

- 4.1** The Platform shall provide such Services as it is permitted to provide in accordance with the applicable laws, including the Act and the PMR, as amended from time to time.
- 4.2** The Platform shall have the authority and discretion to finalize specifications including modifications, if any, to the Services which have been permitted under the PMR.
- 4.3** The Members may avail the Services listed, offered and specified by the Platform, on such terms and conditions and in such manner as may be prescribed by the Platform from time to time.
- 4.4** The Platform may allow a Member or Authorized User to avail one or more Services, including bundled Services.
- 4.5** The Member or Authorized User may have to specify the details sought for each Service and it shall adhere to the procedural requirements as specified by the Platform.
- 4.6** The Platform may specify the procedure and the format for prudent risk management between the Members and their Service Providers.
- 4.7** The Platform will not be engaged in clearing and settlement of the Contracts. However, in order to maintain the accuracy of data and for systemic risk management, the Platform may require the Member and the Service Providers to share data and information about the Contracts cleared and settled by the Service Providers.
- 4.8** The Platform shall, have the right to determine, specify and modify any Contract from time to time subject to PMR.
- 4.9** The Platform shall undertake due diligence for the Members and the Service Providers at the time of on-boarding them and shall maintain all the information about them at all times.
- 4.10** The Platform shall have the authority and discretion to determine, specify and modify the limits with respect to volume and/or value of the Contracts admitted on the Platform. The limits will be based on, including, the rights and obligations of a member, as part of prudent risk management, indemnification, policy guidelines, regulatory advice and any other statutory requirement.
- 4.11** The Platform may specify exceptions for any Contracts in the appropriate rules.
- 4.12** The Platform may specify and modify the price limits with respect to Quotes for the Contracts listed on the Platform, which shall be binding on the Members. The lower

limit, upper limit and any other suitable methodology may be specified including period, duration etc.

- 4.13** The Platform may specify the Service fee, or any other fee payable by the Member. The Platform may specify the limits of the fees to be charged by the Members in line with the regulations.
- 4.14** The Platform shall have the right to define, specify, mandate the terms and manner of ensuring the settlement of Contracts through physical delivery in line with the PMR.
- 4.15** The directions or order of the Commission may lead to change in the Services including suspension of Services.

CHAPTER – 5

MEMBERSHIP OF THE PLATFORM AND FEES

5.1 Eligibility of the Authorized User to access Services

5.1.1 The Member registered with the Platform may avail any Service from the pool of Services offered by the Platform from time to time, including those set out in Clause 4 (*Services*). However, it is clarified that the Authorized User shall not have access to the Services listed on the Platform merely by registering themselves as the Authorized User. The Authorized Users shall be required to agree to adhere to the terms of use of the Platform.

5.1.2 The Authorized User intending to access a particular Service, or a set of Services, may need to subscribe to those Services separately upon payment of Fees and on such terms and conditions as may be prescribed from time to time.

5.2 Membership Application and Admission

5.2.1 A person eligible to become the Member will need to apply to the Platform for seeking the membership of the Platform. Following are the categories of persons who can submit an application for being admitted to the Platform as the Member and get access to the membership of the Platform:

- i) Trading Licensee(s)
- ii) Generating Company(ies)
- iii) Distribution Licensee(s)
- iv) Open Access Consumer(s)
- v) any other Grid Connecting Entities
- vi) Government Bodies
- vii) any other person, as may be specified by the Platform Operator from time to time.

5.2.2 Any person who desires to become a Member of the Platform shall be required to submit an application, in the format prescribed by the Platform, along with executing the Membership Agreement, fees, deposits and all other charges and relevant documents as may be required for the said purpose.

5.2.3 Any person who desires to become the Service Provider of the Platform shall be required to submit an application, in the format prescribed by the Platform, along with executing the Service Listing Agreement fees, deposits, all other charges and relevant documents as may be required for the said purpose. Admission of any person as the Member to the Platform shall be at the sole discretion of the Platform Operator.

5.2.4 The Platform, from time to time, may notify the membership criteria for admission any person as the Authorized User of the Platform and further specify pre-requisites,

conditions, formats, and procedures for application for admission, termination, re-admission, etc. of the Authorized Users.

5.2.5 Membership of the Platform shall entitle the Members and the Authorized Users a non-exclusive, non-sub-licensable, and non-transferable license to use the Platform, subject to the terms and conditions set out for such usage. While every attempt shall be made to inform the Member and the Authorized User in advance, the Platform Operator reserves the right to change the AI of the Platform including features, methods, and specifications for any reason, including for improvements, without prior intimation to the Authorized Users. This Platform can only be accessed by Authorized Users.

5.3 Representations of the Authorized User and the Service Provider

The Members, the Authorized Users and the Service Provider shall affirm and guarantee that:

- i) they have legal authority to accept the terms and conditions;
- ii) they are able to enter into arrangements and/ or agreements that are enforceable by law;
- iii) they shall not publish any obscene, malicious, unlawful, or otherwise objectionable or defamatory material on the Platform through its account, either directly or through another person; and
- iv) they shall take necessary precautions to guard against any forms of viruses, worms, or any other items of malicious/ destructive nature in any form which may afflict the internet/ sites from time to time. The OTC Platform Operator or any of its Affiliates shall not be responsible or liable for any such aforesaid material of malicious/ destructive nature in any form. The OTC Platform Operator or any of its Affiliates shall also not be responsible for any obscene, threatening, objectionable, defamatory, offensive or illegal information/material or conduct of the Authorized User or any other party.

5.4 Fees and IFSD

The Platform may charge various fees i.e. admission fee, subscription fee, membership fee, listing fee, IFSD and any other fees or charges, as may be notified by the Platform Operator from time to time (“Fee”) from the Members, Authorized Users and the Service Providers, for providing Services on the Platform. The Platform may modify the Fee and/or add other Fee in relation to Services offered by the Platform Operator on the Platform, details of which will be notified by Platform Operator from time to time. The Platform Operator shall have a right to forfeit the IFSD of the Member, Authorized User and the Service Provider on terms and conditions set out in the Membership Agreement or the Service Listing Agreement.

CHAPTER – 6

GOVERNANCE OF THE PLATFORM

6.1 Committees by the Platform

In order to carry out various functions, and to discharge various responsibilities, the Board may establish such committees as it may deem fit, including the following:

- i) Product Advisory Committee - to define the product strategy, roadmap and priorities including suggestions and comments on objectives, key results, specifications, target members, timelines etc.
- ii) Risk Management Committee - to define the procedure and the format for prudent risk identification, management and mitigation, between the Members, OTC Platform and Service Providers.
- iii) Grievance Redressal Committee – to resolve claim, differences, or disputes between the participants or arising out of or in relation to any Services provided on the Platform or with reference to anything incidental thereto or in pursuance thereof or relating to validity, construction, interpretation, or fulfilment and/or the rights, obligations and liabilities of the parties for services rendered and/or facilitated through the platform.
- iv) Market Participant’s Default Redressal Committee - to define the framework for the disciplinary, penalty and default mechanism.
- v) Standards Committee - to define the standards of communication, power purchase agreements, and data exchange amongst market participants and stake holders for seamless integration and data integrity.
- vi) Fund Management Committee – to define the framework for operationalizing the Member education and protection fund.
- vii) Committee on data integration– to define the process and procedures to create unified sets of information for both operational and analytical uses on the Platform.

6.2 Composition of the Committees

The Board in its discretion may appoint such members to the committees as it may deem fit, including persons representing market participants, stakeholders, academia, consumer interest organizations, regulatory commissions, statutory bodies, industry associations etc.

6.3 Member Protection and Education Fund

6.3.1 A Member Protection and Education Fund (“**Fund**”) may be established by the Board.

6.3.2 The Fund may be credited with the following amounts:

- i) contribution to the Fund that the OTC Platform Operator may make;

- ii) grants and donations made to the Fund by the Central Government, State Government, or any other organization designated by the Board for such purposes;
- iii) amounts forfeited for the Members' failure to meet their duties after accounting for penalties and administrative costs;
- iv) interest or any other revenue received from any investments out of the deployment of funds by the Fund; and
- v) any other sum that may be contributed into the Fund as the Board deems appropriate in the Members' best interests.

6.3.3 In accordance with these Bye-Laws, the Fund may be used to promote member education and awareness as well as to safeguard and protect members. The Fund may be utilized for the following objectives, without limiting the scope of the object in subclause 6.3.2, such as:

- i) educational initiatives aimed at market participants and consumer interest, such as seminars, training, research, and publishing;
- ii) programs to raise awareness among market participants using print and electronic media;
- iii) financing the activities of industry associations, market players, and consumer interest groups that the Board has identified as having a stake in consumers; and
- iv) organizing the orderly development of OTC markets towards a deeper power market.

CHAPTER – 7

SERVICES SYSTEM

7. Access to Platform

7.1 The Platform shall provide an Automated Service System, or any other system, to the Members to access and avail the Services for the Contracts admitted and available on the Platform.

7.2 The Platform may provide multilayered architecture and infrastructure for the various Services offered through it. This not only ensures that different Services are segregated but also that access control is ensured for the Services.

7.3 The Platform will define the terms of usage for the Platform and shall have the exclusive rights to define the terms and administer them to the market participants. The Platform may also specify the minimum requirements of the hardware, software, equipment, connectivity, bandwidth, firewall or security, controls through digital signatures class 3 and above etc. depending upon the risk framework. The Members and Authorized Users are expected to strictly adhere to the same on ongoing basis.

7.4 The Platform will define the rights and obligations of the Members with respect to:

- i) the procedure to register, activate or de-activate its Authorized User by the Member;
- ii) the procedure to appoint, activate and/or de-activate the Authorized Users on the Platform;
- iii) the conditions precedent to the activation;
- iv) the maximum number of the Authorized Users that can be appointed; and
- v) process towards compliance towards cyber security and cyber resilience.

8. Unique Codes

8.1 The Platform may provide for an appropriate mechanism for specification, alteration and definition of the unique codes for the Contracts, the Members, the Authorized Persons, and operational parameters, for ticket sizes, Bid Types, Bid attributes, Bid matching logic, market view contents, and participation norms for availing services through the Platform.

8.2 The Platform may also provide for any other parameters deemed necessary in the relevant Business Rules of the Platform that may be in force from time to time.

9. Members Data, Database, Surveillance, and Investigation

9.1 The Platform may, at its discretion, decide on surveillance, investigation and any other market related activities, either by itself or by a separate entity through outsourcing or

by a separate and distinct entity established by it, either jointly or in collaboration with any other institution.

- 9.2** The Platform may, at its sole discretion, define the provisions relating to market surveillance, market watch system, investigation, any other market related activities to prevent deals to create false depth and false price in the market to ensure that market participants participate with fairness and market trust is not eroded.
- 9.3** The Platform may install market surveillance from a physical and restricted area, wherein the entry and access are both restricted.

10. IT Audit of Service System

The Platform shall also carry out periodic IT system audit for data security, data integrity and operational efficiency and submit its reports to the Commission periodically, or as required by the Commission.

CHAPTER – 8

REPORTS AND ACCOUNTS

- 11.1** In respect of the Services availed by the Members on the Platform, the Platform may either electronically or otherwise, communicate with the appropriate Service Provider, the details of services availed on the Platform and any obligations to be discharged by the Service Provider in relation thereto, including towards clearing and settlement or any Contract. The reports issued by the Platform shall constitute prima facie evidence of the services availed by the Member or the Authorized User on the Platform and shall be binding on the Members and the Service Provider, save on account of any error apparent on the face of record.
- 11.2** The Platform may seek such reports from the Member, the Authorized User and the Service Provider as it may deem fit and the Member, the Authorized User and the Service Provider shall provide such reports in the manner sought by the Platform. In addition, the Members and the Service Providers shall also provide such reports as the Commission may require from time.
- 11.3** The Platform may require that the Members and the Service Provider shall, in respect of their dealings on or through the Platform, maintain books of accounts, registers, statements and other records, in physical form or electronically, in the manner prescribed by the Platform. Such books of accounts, registers, statements and other records shall be preserved for the period specified by the Platform, and be made available to the Platform for inspection, whenever required.
- 11.4** The Platform shall have the right to conduct audit and investigation of the books, records, files and such other information as are required to be maintained by the Member or Service Provider in the manner set out in Clause 10.3, and upon the Platform Operator's request, the Member and the Service Provider shall submit themselves to such investigation or inspection. The audit and investigation shall be restricted to the affairs of the Member and the Service Provider in relation to the services availed on or through the Platform.
- 11.5** The Members, the Authorized Users and the Service Provider may also be subject to audit and inspection by the Commission. If the Commission requires the Platform to conduct any audit, inspection or investigation on any Member, the Authorized User and/ or the Service Provider, they shall fully cooperate with the Platform, in carrying out such exercise, and shall further ensure that their employees, officers, agents and service providers also comply with the directions of the Platform in this regard.

CHAPTER – 9

CODE OF CONDUCT

- 12.** The Members and the Service Providers shall be bound to promote to the best of their ability the objects and interests of the Platform and to protect and safeguard the interests of users of the Platform, including the Members, the Authorized Users and the Service Providers. The Members and the Service Providers shall be liable to expulsion, suspension and/or to payment of a fine for any violation of good and ethical business practices, which may be specified by the Platform from time to time. An indicative list of good and ethical business practices is set out below:
- 0.1** The Platform may prescribe risk disclosure statements, which shall be furnished by the Member, and the Service Providers, in the dealings of the Members and the Authorized Users inter se, or with the Service Providers. The Platform may also make such risk disclosure statements. Each Member, the Authorized Person and the Service Provider shall acquaint itself fully with such risk disclosure statement and shall act accordingly on the Platform.
- 0.2** The Members, the Authorized Users and the Service Providers shall acquaint themselves fully with the Bye-Laws and Business Rules and notices, circulars, orders and instructions issued by the Platform, and any other applicable laws that may apply on them, and shall abide by them.
- 0.3** The Members, the Authorized Users, and the Service Providers shall protect Services related information, if applicable, and to do so the Members, the Authorized Users and the Service Providers shall ensure that their directors, employees, officers and agents shall maintain the confidentiality of any information transmitted on or through the Platform. The Members, the Authorized Users and the Service Providers shall ensure that any information transmitted or shared through the Platform is not misused by them or by their directors, employees, officers, and agents.
- 0.4** Each Member, the Authorized User and the Service Provider shall be responsible for maintaining appropriate infrastructure, including hardware and software, and trained staff, for accessing the Platform, and the Platform shall not be responsible for any deficiency at the Member, the Authorized User or the Service Provider's level.
- 13.** The Platform may expel, suspend, or impose fines/penalties on the Member, the Authorized User or the Service Provider, for;
- 13.1** non-compliance with the applicable laws, or the Bye-Laws, Business Rules, circulars, notifications and other communications of the Platform;
- 13.2** actions that are detrimental to the interests of the Platform or its users for conduct unbecoming of the Member and the Service Provider;

- 13.3** for any fraud, or misconduct, including for fraudulent, or market manipulation practices, breach of anti-money laundering laws, breach of good and ethical conduct principles, which is determined as such by the Platform through a process established by the Platform;
- 13.4** for unethical, incorrect, inappropriate, wrong or misleading representation about the Services, Contracts, or the Platform, which is calculated to damage the reputation of the Platform or otherwise harm interest of market participants;
- 13.5** for not complying with instructions issued by the Platform in connection with audit, inspection or investigation that the Platform may seek to conduct, or for otherwise denying any reasonable request of the Platform for any information that the Platform is reasonably entitled to; and
- 13.6** for failure to pay any amount due, including fee, charges, costs, fines and penalties, under the Bye- Laws, Business Rules, or any amount payable under any order issued pursuant to the dispute resolution mechanism, within 10 (ten) days after the same shall become payable.
- 14.** In the event the Platform intends to impose a fine, penalty, expulsion or suspension on the Member, the Authorized User or the Service Provider, the following procedure shall be followed:
- 14.1** The Platform shall provide a written notice to the concerned person, requiring such person to present its defense in writing or in person before such authority as the Platform may constitute for this purpose. The concerned person against whom an action is proposed shall be given suitable time to provide its defense.
- 14.2** If necessary, the Platform shall provide the concerned person an opportunity to present evidence, both written or oral in its defense. It is clarified that the proceedings conducted for determining a fine, penalty, expulsion or suspension shall be considered as internal proceedings of the Platform, and the decisions may be based on balance of probabilities.
- 14.3** Where the Member, the Authorized User or the Service Provider is suspended, such person shall cease to have the rights and privileges of membership during the period of suspension. The suspension that, however, does not affect the obligations outstanding at the time of suspension and the suspended person shall continue to remain liable to fulfil the same, including for the consequences of non-fulfilment of such obligations.
- 14.4** Where the Member, the Authorized User or the Service Provider is expelled by the Platform, such person shall cease to have the rights and privileges of membership, from the date of expulsion. The expulsion that, however, does not affect the obligations outstanding at the time of expulsion and the suspended person shall continue to remain liable to fulfil the same, including for the consequences of non-fulfilment of such obligations.

- 14.5** Where the Member, the Authorized User or the Service Provider has been suspended, or expelled, no other Member, the Authorized User or the Service Provider shall engage with such Member, the Authorized User or the Service Provider through the Platform.
- 14.6** While taking the decision to take actions taken under this Clause 14, the OTC Platform Operator shall attempt to limit the action proportionate to the nature of the default.

Chapter – 10

EMERGENCIES AND POWERS TO HANDLE EMERGENCIES

- 15.1** In case of emergency, crisis, or where the Platform identifies unusual activities which may have the potential of market manipulation, market abuse or fraud, the Platform may suspect the Services on the Platform, in whole or in part, or for certain Members, Authorized Users or a class of them. The Platform may take such additional actions that it may deem fit, including, calling for information and reports from the Members, Authorized Users and the Service Providers in relation to their engagement on or through the Platform.
- 15.2** The Platform may, in its sole discretion, forbid any Quote for any contract at any rate or rates above a maximum and/or below a minimum as may be specified, for a specified period of time or until further notice as may be specified, if it believes that an emergency has arisen or exists or that doing so is expedient in the public interest.
- 15.3** If the Platform is of the opinion that continuation of a Service, or Member, Authorized User or Service Provider is detrimental to the interests of the Platform or to the larger public interest or in the interest of the power sector, then notwithstanding anything to the contrary contained in these Bye-Laws or Business Rules, the Platform may restrict access to such Service or Service Provider, Member or Authorized User for such period as it may deem fit. .
- 15.4** Any illegal behavior, wrongdoing, or legal violation that the Member, Authorized User or the Service Provider becomes aware of shall be reported to the Platform by Member, Authorized User or the Service Provider by letter or email, promptly and without any delay.

Chapter – 11

MISCELLANEOUS

16 Limitation of Liability

- 16.1** There is no principal-agent relationship between the Member, the Authorized User, the Service Provider or the Platform, and each shall have a principal-to-principal relationship as independent contractors with each other and with the Platform. Therefore, for any activities conducted by the Member, the Authorized User, or the Service Provider, amongst themselves, either on their own or through an agent, the Platform shall not be liable to any of them.
- 16.2** The Platform shall not be liable to the Authorized User, the Member or the Service Provider for any consequences, financial or otherwise, arising out of:
- i) any force majeure event, or change in law;
 - ii) any losses or damages, including consequential losses and damages, which arise in the course of discharge of any duties or responsibilities that may be entrusted on the Platform under applicable laws, including the Act and PMR;
 - iii) any failure, omission or error caused by a counterparty (i.e. a Member vis-a-vis another Member), or a Service Provider, including failure, omission or error of a Member against a Service Provider;
 - iv) the closure, suspension or cancellation of the Platform or the Service Provider or any inoperability or malfunction of the ASS or any equipment, software, computer system or any other product operated, supplied or used by the Platform or the Service Provider;
 - v) any disciplinary action taken by the Platform against any Member, Authorised User or Service Provider;
 - vi) the failure to exercise any discretion or rights under these Bye-Laws and Business Rules; or
 - vii) failure of the Service Provider to fulfil any obligations to the Members, including on account of scheduling and dispatch related issues.
- 16.3** Without any prejudice to the foregoing, the Platform does not make any warranty, express or implied, and shall not have any liability to any person in connection to or as result of any failure by the Platform and the Service Provider to provide any information to each other, the accuracy, originality, completeness or timeliness of any information, data, or indices, the merchantability and fitness for a particular purpose of, or use of any indices, information or data, or the ASS or any computer, trading, clearing and settlement systems of the Service Provider, any direct or indirect, special, punitive, consequential damages or loss of profits.
- 16.4** In relation to the operation or use of any such systems, including but not limited to, whether for any breach of law, injury, death, damage to physical property, any losses, any act, or omission, loss of operating time or equipment or process, loss of reputation

or damages, economic loss, incidental or consequential to the use or operation or installation of any such systems, the Platform shall not hold any liability. All express and implied warranties and conditions as to the performance, quality, description, condition, fitness for purpose, durability or otherwise of such systems or any components thereof are excluded except if required by law.

- 16.5** These Bye-Laws confer no special duties on the Platform to act in a particular manner or to exercise its powers in any specific way, neither do these Bye-Laws shall be deemed to specify any duty on the Platform to act within a specific timeframe. For actions taken in good faith, the Platform or its directors, employees, officers and agents shall not be liable in any claim, suit, prosecution or any other legal proceedings.
- 16.6** These Bye-Laws and Business Rules confers no power on the Platform to impose any duty on the Platform to exercise its power or to exercise such power in a particular way, and no person shall have any claim against the Platform in relation to any decision made in good faith to exercise or refrain from exercising such powers.
- 16.7** The Platform, or its directors, employees, officers and agents shall not be liable in any claim, suit, prosecution or any other legal proceedings, for any action taken or omission by the Platform in good faith in exercise of any power under these Bye-Laws or Business Rules or in pursuance of any direction, order or other communication received by the Platform, in writing, from any court, tribunal, Central or State Government, the Commission or any other government authority empowered under any law or delegated legislation for the time being in force on.
- 16.8** Any delay or failure to observe or comply with any requirement, either in full or in part under these Bye-Laws or Business Rules, may be dealt with by the Platform as a violation of these Bye-Laws or Business Rules.
- 16.9** A person who is not the Member or the Service Provider has no rights under any law to enforce any provisions of these Bye-Laws and Business Rules.
- 16.10** Confidential information that is received and obtained under these Bye- Laws and Business Rules shall not be disclosed by the Platform or by any of its directors, officers, employees, committee members or agents or by a person coming into possession of the information, subject to such disclosure as is required to ensure compliance with any applicable law, rule, or regulation. The Platform shall take all necessary steps to preserve and protect confidential information.

16.11 Indemnity

- 16.11.1** Each Member, the Authorized User and the Service Provider (each an “**Indemnifying Party**”) shall indemnify and keep indemnified the Platform, and its directors, officers, employees and agents (each of them an “**Indemnified Party**”), from and against all harm, loss, damages, injury and penalty suffered or incurred and all costs, charges and expenses incurred in instituting and/or carrying on and/or defending any suits, action,

litigation, arbitration, disciplinary action, prosecution or any other legal proceedings suffered or incurred by the Indemnified Parties on account of or as a result of (i) any act of commission or omission or default in complying with any of the provisions of the Act, PMR, Bye-Laws, Business Rules, or (ii) breach of any agreement, or contract by any of the Indemnifying Parties, wherein the Platform may be made party to a dispute, (iii) breach of any agreement or contract by the Indemnifying Parties with the Platform, or (iv) on account of negligence or fraud on the part of any Indemnifying Party Member, the Authorized User, or the Service Provider.

16.11.2 The Indemnifying Party shall indemnify the Indemnified Party, no later than 10 days from the date a claim is made by the Indemnified Party. Failure to indemnify shall constitute a default entitling the Platform to take appropriate disciplinary action set out in the Bye-Laws.

17 Force Majeure

17.1 The Platform shall not be liable to the Members, the Authorized Users, the Service Providers or to any third party, for any harm, loss, damage and injury caused to any person on account of any Force Majeure Event. However, the Force Majeure Event shall not affect the payment obligations of any Member, the Authorized User or the Service Provider to each other or to the Platform.

17.2 Notwithstanding anything contained in Clause 17.1, the Platform shall be entitled to require any Member or the Service Provider to perform such obligations which have not been impacted by the Force Majeure Event.