

GENERAL TERMS AND CONDITIONS FOR ECO eMARKET

Index

CHAPTER NO	DESCRIPTION
1.	INTRODUCTION
2.	DEFINITIONS
3.	MEMBERS
4.	TRADING SYSTEM
5.	Eco eMarket LIABILITY
6.	TRADING MEMBERS AND APPROVED USERS
7.	TRADING DAYS
8.	TRADING HOURS
9.	TRADING PARAMETERS
10.	TRADE TYPES/SETTLEMENT PERIODS/ TRANSACTION TYPES
11.	FAILURE OF TRADING MEMBER'S TERMINAL
12.	TRADING IN COMMODITIES
13.	PROCEDURE FOR SETTLEMENT OF DEALS
14.	PENALTIES FOR DEFAULTS
15.	CLEARING AND SETTLEMENT PROCESS
16.	PRIVITY OF CONTRACT
17.	RECORD FOR EVIDENCE
18.	MEMBERS ONLY PARTIES TO DEALS
19.	ALL DEALS SUBJECT TO RULES, GENERAL AND SPECIAL TERMS AND CONDITIONS
20.	INVIOABILITY OF ADMITTED XTRADES/DEALS
21.	LIABILITY OF Eco eMarket
22.	NOTICES AND DIRECTIONS
23.	Eco eMarket BILLS
24.	COMPLIANCES AND RECORDS
25.	ACCOUNTS AND AUDIT
26.	COMPLAINT BY CONSTITUENT
27.	RELATIONSHIP BETWEEN CLEARING MEMBER AND CONSTITUENT
28.	DECLARATION OF DEFAULT
29.	LIMITATION OF LIABILITY
30.	ACCREDITED WAREHOUSE / DELIVERY CENTRE
31.	ARBITRATION
32.	INSPECTION
33.	NOTICE OR COMMUNICATION
34.	MODIFICATIONS OF GENERAL TERMS AND CONDITIONS
35.	MEASURES TO MEET EMERGENCIES
36.	SAVING

GENERAL TERMS & CONDITIONS OF ECO eMARKET.

1. INTRODUCTION

- A) All trades and/or transactions done on platform of Eco eMarket or services provided by Eco eMarket relating to the commodities shall be subject to these General Terms and Conditions and/or Special Terms and Conditions, if any, prescribed by Eco eMarket from time to time.
- B) The titles of the clauses are only for convenience and may not be read as subject for the contents of clauses.

2. DEFINITIONS

Unless in the context it is explicitly stated otherwise, all words and expressions used herein but not defined, and defined in the following, shall have the meanings respectively assigned to them therein in the following order of priority:

- a) Companies Act, 1956 as well as the amended Companies Act, 2013
- b) Special Terms and Conditions as applicable to specific commodity/commodities
- c) General Terms and Conditions of Eco eMarket.

A. APPROVED USER

Approved User means the Trading Member or any other person/s appointed by him to use the Trading System with the prior consent of the Eco eMarket provided that such Approved User possesses such qualification as may be prescribed by the Eco eMarket.

B. AUCTION

Auction refers to a process of public sale/purchase online or otherwise where goods /commodity are sold/purchased by inviting bids.

C. BRANCH OFFICE

Branch office in relation to a Trading Member means:

- a) any establishment described as a branch and approved by the Eco eMarket.
- b) any establishment carrying on either the same or substantially the same activity as that carried on by the head office and approved by the Eco eMarket.
- c) any other place, which the Eco eMarket may approve.

D. BUYER

For the purpose of these General Terms and Conditions, unless the context indicates otherwise, the term Buyer includes the buying Constituent and the buying Member through whom such client trades and denotes the buying Member when he is dealing on his own account as a principal.

E. COMMODITY

Commodity shall mean all goods and products that are electronic waste and other waste materials that may be permitted for trading on the Eco eMarket platform.

F. CONTINUOUS TRADING

Continuous Trading means trading on Eco eMarket electronic platform in permitted commodities with prescribed specifications, throughout the trading hours as announced by the Eco eMarket and in which the matching of orders shall take place online during the trading hours as per process put in place by the Eco eMarket.

G. CONTRACTS / DEALS/TRADE

Contracts/Deals/Trade means, unless the context indicates otherwise, a trade, contract or a ready delivery contract relating to buying and selling of commodities admitted to dealings by the Eco eMarket on its platform and which shall be cleared and settled in the manner prescribed by the Eco eMarket and shall be governed by these General Terms and Conditions as well as special terms and conditions as may be prescribed for trading in any particular commodity.

H. DELIVERY

Delivery means delivery of commodity in accordance with the applicable clearing and settlement obligations under, these General Terms and Conditions or any Special Terms and Conditions as applicable to the trade.

I. ECO eMARKET

Eco eMarket shall mean the facility of online trading including trade clearing and settlement and other services set up by NeML and Eco eMarket Private Limited jointly for the purpose of trading in specified commodities including but not limited to electronic and other waste.

J. FINAL SETTLEMENT OBLIGATIONS

Final Settlement Obligations means the amounts payable and/or the commodities deliverable by a Member in respect of the transactions concluded on Eco eMarket platform, as determined by Eco eMarket in such time and such manner as may be prescribed from time to time.

K. PARTICIPANTS

Participants shall mean and include collectively all the trading members, Clients of trading members and persons authorized by trading members. The term includes all the entities involved in the trading activities excluding Eco eMarket.

L. RELEVANT AUTHORITY

Relevant Authority shall mean the Market Oversight Committee comprising of such officials of NeML and Eco eMarket Private Limited as decided from time to time or such other Official as may be defined/specified/authorized as Relevant Authority for a specified purpose/s. Relevant Authority shall also include any Regulatory authority specifically specified by Eco eMarket as a Relevant Authority for the purpose of these General Terms and Conditions.

M. SELLER

For the purpose of these General Terms and Conditions unless the context indicates otherwise the term seller includes the selling Trading Member..

N. SETTLEMENT CALENDAR OR SETTLEMENT SCHEDULE

Settlement Calendar shall mean the dates for settlement of contracts — Pay-in, Pay-out, Delivery and all other obligations and rights of Trading Members in respect of every Contract. The phrase `Settlement Calendar` and `Settlement Schedule` shall have the same meaning and shall be used interchangeably.

O. SETTLEMENT DATE

Means the date on which the outstanding obligations in a Trade are required to be settled as provided in these General Terms and Conditions or as may be prescribed by the Eco eMarket.

P. SPECIAL TERMS AND CONDITIONS

Means the terms and conditions applicable to any particular auction according to which the auction, related trade settlement and other activities shall take place. The Special Terms and Conditions may be specific to any auction and/or commodity offered for trade. The terms "Special Terms and Conditions" "Contract Note" are interchangeably used in this document and shall have the same meaning attached to it.

Q. TRADING

Trading for the purpose of these General Terms and Conditions shall mean trading in commodities through automated trading system of Eco eMarket as prescribed by Eco eMarket from time to time and shall include all types of categories of trading including but not limited to auction trading, continuous market, e-pledge services. The term Trading shall also include any other category of dealing with commodities defined as such by Eco eMarket from time to time.

R. TRADING DAY

Trading Day means days other than Sunday and other than days which are declared as Trading Holidays by the Eco eMarket.

S. TRADING MEMBER

Trading Member means the person or entity granted membership of Eco eMarket for the purpose of trading on the Trading System of Eco eMarket on his own account and the term includes all types of entities registered with Eco eMarket as Members of Eco eMarket. .The term "Trading Member" and "Member" are interchangeably used in these General Terms and Conditions and should carry the same meaning as defined herein.

T. TRADING SYSTEM

Trading System refers to Automated electronic online Trading System of Eco eMarket.

3. MEMBERS

- 3.1 The term `Member' shall wherever referred, include Trading Members, and any other category of Members recognized by Eco eMarket as such.
- 3.2 Eco eMarket may define and admit any other category or categories of Members on terms and conditions deemed fit and proper by Eco eMarket and / or prescribed by the Relevant Authority from time to time. Eco eMarket or the Relevant Authority may at its absolute discretion reject any application for membership without assigning any reasons thereof.
- 3.3 All Members shall adhere to the General Terms and Conditions and/or the Special terms and conditions as applicable and prescribed from time to time by Eco eMarket and shall comply with such operational parameters, rulings, notices, guidelines and instructions of the Relevant Authority as may be applicable from time to time.
- 3.4 Members shall deposit with Eco eMarket interest free security deposit/s or any other deposit, cost, guarantee of such amount and in such manner as may be prescribed by Eco eMarket from time to time.
- 3.5 Every Member is directly and wholly liable, in accordance with the General Terms and Conditions, Special Terms and Conditions or under any notifications or directions of Eco eMarket for due fulfillment of the deals and all obligations related thereto, whether such deals be for his own account or for the account of any of its Constituent.
- 3.6 The process and procedure for admission of any entity as Member of Eco eMarket shall be as defined in the General Terms and Conditions or Special Terms and Conditions as applicable from time to time or any other method as deemed fit and proper by Eco eMarket from time to time.

4. TRADING SYSTEM

- 4.1 Eco eMarket shall provide access to an Automated online Trading System for trading in specified commodities. A Member shall have a non-exclusive permission to use the Trading System as provided by Eco eMarket subject to such terms and conditions as the Relevant Authority may specify from time to time, including payment of such membership, transaction or any other applicable charges as may be specified from time to time.
- 4.2 Trading Member shall not have any title, rights or interest whatsoever with respect to the Trading System, its facilities, software and the information provided by/through the Trading System.
- 4.3 The Trading system shall be made available to the Trading Member for trading subject to such terms and conditions as the Relevant Authority may determine from

time to time, inter-alia, subject to payment of such membership, transaction or other charges as may be specified from time to time.

- 4.4 Access to the Trading System may be withdrawn or restricted by the Relevant Authority at any time without assigning any reason and at its absolute discretion. The decision of the Relevant Authority in this regard shall be final and binding on the Trading Member.
- 4.5 The Trading Member shall, at their own costs, install, use and maintain such equipment, hardware and software as specified by Eco eMarket from time to time for the purpose of accessing the Trading System.
- 4.6 A Trading Member shall not, himself or permit any other person(s) to:
 - a) use the software provided by Eco eMarket for any purpose other than for the purpose specified and/or in a different manner as approved and specified by Eco eMarket.
 - b) copy, alter, modify or make available to any other person the software provided by Eco eMarket, and
 - c) attempt directly or indirectly to de-compile, disassemble or reverse engineer the same.

5. Eco eMarket LIABILITY

- 5.1 Eco eMarket shall provide its services on a best effort basis but shall not be liable for failure or malfunctioning of the Trading System or any other support systems for any reason and for any loss, damage, or other costs arising thereupon including and/or in any way out of:
 - a) failure or malfunctioning of telecom network or systems including failure of ancillary or associated systems, or any other application /software deployed or used by the Member or fluctuation of power, or other environmental conditions; or
 - b) accident, transportation, neglect, misuse, errors, hacking, frauds of the Trading Member or its Authorized Persons or the agents or any third party; or
 - c) any fault in any attachments, system or equipments (either supplied by the Eco eMarket or approved by Eco eMarket) which forms or does not form part of the trading workstation installation; or
 - d) act of God, fire, flood, war, act of violence, or any other similar occurrence or for any reason beyond the reasonable control of Eco eMarket; or
 - e) any incidental, special or consequential damages.

6. TRADING MEMBERS AND APPROVED USERS

- 6.1 Trading Members shall be entitled to appoint Approved Users subject to such terms and conditions, as may be specified by the Eco eMarket or the Relevant Authority from time to time.
- 6.2 Each Trading Member shall be permitted to appoint such number of Approved Users as permitted by Eco eMarket.

6.3 Each Approved User shall be given a unique identification number through which he/she shall have access to the Trading System.

7. TRADING DAYS

7.1 Eco eMarket shall operate on all days except Sundays, public and trading holidays as Eco eMarket may declare from time to time. Eco eMarket may prescribe trading days or trading holidays for Commodity specific or area specific at its absolute discretion.

7.2 Eco eMarket may close the trading on days other than or in addition to scheduled holidays or open the market on days originally declared to be holidays and the decision of Eco eMarket in this matter shall be final and binding.

7.3 The Relevant Authority or Eco eMarket may provide for Opening, Normal and Closing sessions or any other sessions of trade as may be deemed necessary and notified.

8. TRADING HOURS

8.1 Eco eMarket shall announce the normal trading hours in advance from time to time.

8.2 Eco eMarket may extend or reduce the trading hours by notifying Trading Members as and when it deems fit and necessary or if required under law.

9. TRADING PARAMETERS

9.1 Eco eMarket shall from time to time specify trading parameters relating to the Trading System.

9.2 Eco eMarket shall from time to time specify the lot size, tick size, trading limits, position limits, regulation of price fluctuations etc. in terms of which orders can be placed for contracts in specified commodities.

10. TRADE TYPES/SETTLEMENT PERIODS/ TRANSACTION TYPES

Eco eMarket may permit, notify and prescribe from time to time different trade types and market types and settlement periods that will be permitted to Trading Members for dealing in commodities.

11. FAILURE OF TRADING MEMBER'S TERMINAL

In the event of failure of Trading Member's workstation and / or the loss of access to the Trading System, Eco eMarket may at its discretion without being bound to do so, upon a valid request from such Trading Member, undertake on behalf of the Trading Member, necessary functions which the Trading Member is eligible subject to such

terms and conditions which Eco eMarket may deem necessary and impose on such Member. The Trading Member shall be liable and accountable for the functions so executed by the Eco eMarket on his behalf and shall indemnify the Eco eMarket against any losses or costs incurred by the Eco eMarket or any claims on the Eco eMarket arising therefrom.

12. TRADING IN COMMODITIES

- 12.1 All Commodities permitted for trading on Eco eMarket trading system shall be traded by way of such mode as may be prescribed in the contract specifications and special terms and conditions applicable to specific commodities. All trades and transactions shall be subject to terms and conditions stated in the contract specifications and special terms and conditions applicable to respective commodity as well as these General Terms and conditions and every person placing an order on the Eco eMarket shall be deemed to have agreed to such contract specifications, General as well as special terms and conditions of the Eco eMarket.
- 12.2 All specifications and terms and conditions of trade for the commodities shall be communicated by Eco eMarket through trading system or circular, direction, notification or any other mode of communication as deem fit by Eco eMarket from time to time.
- 12.3 Trading Members may trade on the Trading System in Commodities that are admitted for dealing on Eco eMarket, either on behalf of their Constituents or on their own account unless otherwise specified by Eco eMarket or the Relevant Authority and such trading shall be during the prescribed trading hours and subject to such conditions as the Eco eMarket may prescribe from time to time.
- 12.4 Members may enter orders of quantities in specified delivery lots. All lots partially matched shall be deliverable while the remainder of the lot may be permitted by Eco eMarket to be put up for trade at such time and in such manner as may be specified and deemed fit.
- 12.5 A Member may enter multiple buy orders or sell orders on the Trading System. The execution of orders would be done by the Trading System on the basis of allocation logic as prescribed in contract specifications or Special Terms & Conditions or on such basis as prescribed by Eco eMarket from time to time.
- 12.6 A Member shall not enter orders such that the Member himself, shall be a seller as well as a buyer in respect of the same sell order or a buy order as the case may be unless specially permitted by Eco eMarket.

12.7 Eco eMarket Discretion

- 12.7.1 The Eco eMarket may at its discretion, in addition to any other measures as it may deem fit, at any time, suspend trading for all or any of the specified commodities as it deems fit under the following circumstances :

- a. On account of any direction, notification, circular or any order being passed by Relevant Authority, Regulatory Authority, Judicial authority, any Law enforcement authority authorized to pass any such orders or Central or any State Government suspending trading in specified commodities.
- b. There is law and order problem, which in the opinion of the Eco eMarket may, affect the market conditions adversely;
- c. For reasons beyond the control of participants it may not be possible in the opinion of the Eco eMarket for the participants to perform the contracts;
- d. Any other reason or circumstances under which, the Relevant Authority deems, in the interest of Market, to suspend or stop trading in particular Commodity or commodities or the spot market as a whole.

The decision of Eco eMarket in this regard shall be final and binding on all the market participants.

12.7.2 Eco eMarket may, without assigning any reason, at any time restrict a Member conditionally or unconditionally, from dealing in all or any of the commodities.

12.8 Liability Of Member For Trades Done On The System

12.8.1 The Trading Member shall be liable for all orders placed and/or trades executed on or through his/their trading terminal/system, and shall be responsible and liable for all the actions or omissions of their Approved Users.

12.9 Amendment of Orders

Trades generated on the system are irrevocable and 'locked in'. However, Eco eMarket reserves the right to cancel or permit cancellation of Trades in the circumstances and subject to such terms and conditions as may be deemed appropriate by Eco eMarket.

12.10 Margin Requirements

12.10.1 Eco eMarket shall levy margin and/or additional margins for transacting on the Eco eMarket trading platform based on prudent risk management principles and the same shall be binding upon the Trading Members.

12.10.2 Subject to the provisions as contained in these General Terms and Conditions and circulars as may be issued and in force from time to time, every Trading Member shall in respect of trades to which he is a party, deposit the stipulated margin with Eco eMarket, in the manner, within the stipulated time and to the extent specified by Eco eMarket. All margins payable by a Trading Member shall be paid directly to Eco eMarket, unless otherwise directed by Eco eMarket. The

procedure for refund/adjustment of margins if any, will be such as may be notified by Eco eMarket from time to time.

- 12.10.3 Eco eMarket may from time to time or during the trading hours, impose any special or other margin requirements as deem fit.
- 12.10.4 On failure to deposit margins as required herein, Eco eMarket may withdraw the trading facility of the defaulting Trading Member without prejudice to any other action which Eco eMarket may take under the Rules of Eco eMarket and these General & special Terms and Conditions.
- 12.10.5 Margins received from Members in respect of trades on the trading system would continue to be under lien of Eco eMarket till successful completion of physical delivery and Settlement or till such time as deemed fit by Eco eMarket on a case to case basis.

12.11 Order Validation

- 12.11.1 A Trading Member shall be permitted to modify or cancel his orders till such time as specified by Eco eMarket, provided a trade has not already taken place in respect of that order. The modified order shall lose or retain its original time priority as per the trading parameter set by Eco eMarket.
- 12.11.2 Orders entered into the Trading System by Trading Members shall be subject to various validation requirements as prescribed by Eco eMarket from time to time including trading parameters, and/or other restrictions placed on transactions in general or any commodity in specific. The Trading System will not accept orders that do not meet the validation checks.
- 12.11.3 The orders entered by members on behalf of their Constituents may match on the basis of allocation logic as Specified in the contract terms & conditions. In case of Normal market the orders would be matched on price time priority basis and in case of auctions various allocation logics shall be implemented as specified in the contracts terms and conditions. In absence of any specific conditions or directions relating to execution of orders specified in the contract terms and conditions or otherwise, the methodology of execution of orders shall be as decided by Eco eMarket from time to time in this regard.
- 12.11.4 Eco eMarket shall specify from time to time the kinds of order books that shall be maintained on the system, the order matching algorithms and the matching rules and parameters that shall be followed therein. Eco eMarket may modify or change the matching algorithms relevant to any market or order books any time as it deems fit.
- 12.11.5 Where, in the opinion of the Eco eMarket, it is in the interests of the market to do so, it may at any time make unavailable any particular order books or forms of matching, in the case of a particular contract of any specified commodity or Trading Member or to the market as a whole.

12.12 Charges/Fees/Commission

- 12.12.1 All the orders entered on the Trading System by the Trading Member shall be at prices exclusive of any Charges/ Fees/ Commission
- 12.12.2 The Eco e Market shall be entitled to collect such Charges/ Fees/ Commission as the case may be and at such rate as may be defined and specified in the Special Terms and Conditions applicable to the trade

12.13 Office Related Procedure

- 12.13.1 No Trading Member shall carry on any activity connected with or pertaining to its operations as a Trading Member of Eco eMarket in any office or premises, if the full address of such office/premises has not been intimated to Eco eMarket
- 12.13.2 Each office/department of the Member for trading on Eco eMarket platform shall be under the supervision and control of the Trading Member and of the personnel delegated with such authority and responsibility in this regard.
- 12.13.3 The Trading Member shall pay such fees, charges and other sums in such time and manner as required and notified by Eco eMarket.
- 12.13.4 The Trading Member must inform Eco eMarket within 15 days of any change in the status, constitution, operation and activities of the Trading Member effecting or likely to effect the business relationship with Eco eMarket. Eco eMarket reserves the right to withdraw the Membership on account of any such change in the status, constitution, operation or activity of the Member.

12.14 General Principles & Guidelines For Members

- 12.14.1 **Professionalism:** A Member in the conduct of his business shall observe high standards of commercial honour of just and equitable principles of trade.
- 12.14.2 **Adherence to Trading Practices:** Members shall adhere to the Rules, these General Terms and Conditions and special terms and conditions for Sale / Purchase and shall comply with such operational parameters, rulings, notices, guidelines and instructions of the Relevant Authority as may be applicable from time to time.
- 12.14.3 **Honesty and Fairness:** In conducting his business activities, a Trading Member shall act honestly and fairly, in the best interests of his Constituents.
- 12.14.4 **Capabilities:** A Trading Member shall have and employ effectively the resources and procedures, which are needed for the proper performance of his business activities.
- 12.14.5 A Trading Member shall desist from the following trading practices while conducting business on Eco eMarket.

- 12.14.6 **Misleading Transactions:** A Trading Member shall not-
- a. make bids and/or offers for commodities with an intention of creating a false or misleading appearance with respect to the market for, or the price of any commodity or;
 - b. make a transaction or give an order for the purchase or sale of commodities, the execution of which would involve no change of beneficial ownership,
- 12.14.7 No Trading Member shall buy, sell or deal in Commodities in a fraudulent manner, or indulge in any unfair trade practices including market manipulation.

12.15 Trading Principles

- 12.15.1 Members shall ensure -
- a. that any employee who commits the Members to a transaction has the necessary authority to do so
 - b. that employees are adequately trained in operating in the relevant market segment in which they deal, are aware of their own, and their organization's responsibilities as well as the relevant Statutory Acts governing the Trading Member, the Rules, General and special Terms and Conditions of Eco eMarket including any additions or amendments thereof.
- 12.15.2 Trading Member shall be responsible for all the actions including trades originating through or with the use of Trading Member Id, User Id and valid User password at that point of time. However if the Trading Member satisfies Eco eMarket that the action(s) and /or trade(s) took place due to fraud or misrepresentation by any other person other than his authorized person(s) or employee/s and that the action(s) and/or trades did not originate from any of his approved workstations, Eco eMarket may, at its absolute discretion, issue such directions as it considers just and reasonable and all parties to such deal shall be bound by such directions of Eco eMarket.
- 12.15.3 When entering into trades the Trading Members shall ensure that they abide by the Trading Principles and guidelines and the provisions of these General Terms and Conditions and special terms and conditions.
- 12.15.4 A Member shall not indulge in falsification of his books, accounts and records
- 12.15.5 Notwithstanding anything to the contrary contained in these General Terms and Conditions, Eco eMarket may from time to time extend or postpone the time for performance of contracts for all or any of the specified commodities whenever deemed fit and any such discretion shall be final and binding on all the Members and the Constituents.

13. PROCEDURE FOR SETTLEMENT OF DEALS

- 13.1 All deals executed and matched on the trading platform of Eco eMarket shall result in compulsory physical delivery and on the Settlement Date, shall be settled by the Trading Members in accordance with and as per manner prescribed and permitted by Eco eMarket from time to time.
- 13.2 Eco eMarket reserves the right to direct or permit settlement by payment of difference in price together with such penalties as may notified by Eco eMarket in circumstances where, in the opinion of Eco eMarket, delivery of goods is not possible due to any reason.
- 13.3 The delivery of commodity arising out of each trade will be in accordance with the terms specified in the contract specifications and as per special terms and conditions if any, as the case may be. Settlement in each market segment of Eco eMarket or with respect to specified commodities shall be either on netted basis, gross basis trade for trade basis or any other basis as may be specified by the Relevant Authority, Eco eMarket or contract specifications and special terms and conditions from time to time. Settlement shall be effected by Members (clearing) giving and receiving delivery and/or paying and receiving funds as may be specified by the Relevant Authority, Eco eMarket or contract specifications and special terms and conditions from time to time.
- 13.4 The General Terms and Conditions from time to time in force relating to any procedure for settlement of deals and to the Clearing System and clearance of deals through the warehouse management system or any other such system put in place by Eco eMarket and the resolutions, notices, directions and decisions of Eco eMarket or delegated authority thereunder for the time being in force shall be part of the terms and conditions of every contract/deal/trade.
- 13.5 Deliveries shall be in a manner prescribed by Eco eMarket or Special Terms and Conditions or Contract Specifications through notified delivery centers and in accordance with the settlement system put in place by Eco eMarket for the purpose. The General Terms and Conditions relating to the Clearing shall be deemed to form a part of any settlement process so prescribed.
- 13.6 No order/trade shall be permitted in the trading system unless the quantity of goods equivalent to the quantity proposed to be sold through Eco eMarket platform is available for delivery as specified in the Special Terms and Conditions and/or Contract Specifications issued for any particular commodity
- 13.7 The goods with pre-specified quality and other parameters offered for trading shall be delivered as per the terms and conditions specified for the purpose by Eco eMarket or any other process prescribed by Eco eMarket.
- 13.8 Eco eMarket may modify or prescribe any other manner of giving and taking deliveries of commodities sold through Eco eMarket platform. Alternately, Eco eMarket may permit the goods to be delivered directly from the Sellers own

warehouse/godown/ yard/factory subject to such terms and processes as may be stipulated in that regard.

- 13.9 In case of certain specific commodities , NEML may prescribe certain specific norms or terms and conditions like Assayer’s CertificatPollution control board/ licensing authority’s approval/ instructions/specification/guidlines etc. for accepting any such commodities for trading through NEML platform.
- 13.10 Eco eMarket may prescribe from time to time such norms and procedures which may include delivery with respect to market lot, odd lot, minimum lot, part delivery, delivery period, expiry date, designated tender days, delivery orders, delivery grades, delivery centers, freight adjustment factors, sampling analysis & certification method, warehousing/assaying charges etc. along with any other norms and procedures which are necessary for the purpose.
- 13.11 The Goods deposited at the warehouse shall continue to be owned by the holder in the electronic system till electronic credit of such Goods is held by such depositor/holder. The ownership of Goods shall stand transferred to the Buyer upon the transfer of electronic credit to such Buyer. Accordingly, the warehouse charges shall be payable by the depositor/seller/holder till the electronic credit of Goods is held in its electronic account.
- 13.12 The Eco eMarket may prescribe from time to time the requirements and procedures for determining disputed deliveries or defective deliveries, and measures, procedures and system of resolving the dispute or defect in deliveries or of consequences of such deliveries or the resolution
- 13.13 Without prejudice to the generality of the foregoing, the relevant authority may close out deals against a Member in the following circumstances,
- In case of the selling Members - on failure to complete good delivery on the due date; and
 - In case of the buying members - on failure to pay the amount due on the due date,
 - Any other circumstances as may be prescribed by the Eco eMarket.

and any loss, damage or shortfall sustained or suffered as result of such closing out together with penalty if any, shall be payable by the Clearing Members who failed to give due delivery or to pay amount due.

13.14 TAXES

13.14.1 Registration with Sales Tax / Vat / GST & Other Authorities

- All Members shall ensure that they, while trading on their own account are registered with Sales Tax/VAT/ GST /Mandi and other tax/revenue authorities

as applicable under all such States in which deliveries are affected for a particular commodity traded on Eco eMarket.

- b. Trading Members shall maintain records/details of such registration of themselves and furnish the same to Eco eMarket as and when required.
- c. Further all the Trading Members shall also ensure that they are registered under all the applicable tax authorities mandated by the Government of India from time to time and shall continue to hold valid and renewed certificates and licenses under all the taxation authorities under the Indian Laws.
- d. It shall be the responsibility of Sellers to ensure that any commodity sold on Eco eMarket are in conformity with the applicable Laws and any other provisions applicable for sale of such goods along with their amendments from time to time.

13.14.2 Payment of Sales Tax /Vat

Subject to special terms and conditions, the Seller/Buyer would be liable to pay GST / sales tax/VAT under the local State sales tax law/VAT legislation or the Central Sales Tax Act, 1956, as may be applicable and also other levies if any, and will be solely responsible for complying with all the provisions and General as well as special Terms and Conditions of the applicable laws in that regard. In no event Eco eMarket shall be liable for payment of GST/Sales Tax/VAT or any other local tax, fees, levies etc. and in the event of any of the aforesaid liability of any party is discharged or paid by the other party, Eco eMarket or warehouse, the party liable for such payment under Special Terms and Conditions shall be liable to reimburse the same together with penalty if any for such default and interest thereon.

13.14.3 Information Submission Relating To Sales Tax / Vat to Eco eMarket

Trading members shall be solely and fully responsible for collection and verification of GST/Sales Tax/VAT information relating to applicability of GST/Sales Tax/VAT, Exemptions and/or Concessions claimed, Rate of tax to be levied, from their delivering and/or receiving Constituent, as the case may be, and furnishing the same to Eco eMarket for Settlement purposes within the time limit and in a manner as specified from time to time by Eco eMarket.

13.14.4 Raising Of Invoice And Determination Of Sale Value

Seller shall raise an Invoice as required by GST/Sales Tax/VAT laws for the deals executed/made on Eco eMarket platform within the time period as may be prescribed by Eco eMarket. For the purpose of raising invoice, Sale price shall be calculated on the basis of Quality and Quantity of commodities delivered or as notified by Eco eMarket from time to time.

13.14.5 Disputes Relating To Incorrect GST/ Sales Tax/Vat Information / Documents For Commodities Delivered / Received

- a) a) In case where a Constituent or Member taking or receiving delivery deems the GST/ Sales tax/VAT information / documents for commodities delivered or received is/are not correct or are insufficient, the said Constituent or Member shall file the complaint with Eco eMarket about incorrectness or insufficiency or non-receipt of any information or document with regard to GST/Sales Tax/VAT/, if any, not later than 1 week following the pay-in or pay-out day as specified in the Settlement Calendar subject however, to the special terms and conditions. If no such complaint is received by Eco eMarket from the Trading Member or Constituent as aforesaid within the time as prescribed, it shall be deemed conclusively that all the requisite information or documents have been exchanged between the selling and buying Constituents or Members.
- b) Upon receiving the complaint as prescribed above, Eco eMarket shall determine the extent of incorrectness and notify the Trading Members or the representing parties to delivery / receipt, of the results of determination.
- c) If Eco eMarket decides upon the complaint that the commodities for delivery / receipt to have inappropriate or insufficient GST/ Sales Tax/VAT information for delivery / receipt, Eco eMarket shall cause the party making / accepting delivery, as the case may be, to furnish proper information/document as required under applicable GST/ Sales Tax/VAT laws / rules. Eco eMarket may also levy a penalty for each failure in addition to the liability of GST/Sales Tax/VAT.
- d) Eco eMarket may impose such penalty and other charges as it may deem fit and/or as prescribed from time to time on Member for non-supply or supply of insufficient information/document/s or supply of incorrect information/documents.

13.14.6 MAINTENANCE OF RECORDS OF TAX

All the Members of Eco eMarket shall maintain proper records relating to GST/Sales Tax/VAT/Mandi tax which include but not limited to maintenance of:

- (i) Records of registration with GST/Sales Tax/VAT/Mandi Authorities for themselves as well as Constituents as per applicable law
- (ii) Details of Information / Documents required under GST/Sales Tax/VAT/Mandi laws and furnished to respective Buyer / Seller for deals executed on Eco eMarket

14. PENALTIES FOR DEFAULTS

In the event of a default by the seller or the buyer in delivery of commodities or payment of the price, as the case may be, Eco eMarket would close out the deals in the manner as may be prescribed or as deemed appropriate by Eco eMarket from time to time and the

margin money and/or other monies held by Eco eMarket shall be forfeited and appropriated as deemed fit by Eco eMarket. Eco eMarket may additionally, impose penalties on the defaulting seller or buyer, as the case may be, and also to use the deposits/securities of such member to recover the loss and toward penalties imposed.

15. CLEARING AND SETTLEMENT PROCESS

15.1 The Relevant Authority, Eco eMarket, Special Terms and Conditions or the Contract Specifications shall prescribe the process from time to time for the functioning and operations of Clearing and settlement of the trades executed on the Eco eMarket trading platform and to regulate such functions which shall be deemed to form a part of any clearing and settlement process so provided. The Relevant Authority, Eco eMarket, Special Terms and Conditions or the Contract Specifications may specify different process and procedures for clearing and settlement for any or all Members or in respect of any or all commodities or any specific commodity from time to time.

15.2 Transactions Subject To Change in Settlement Procedure

Eco eMarket may at any time through a notice, Circular or directive bring into effect any substitution of or any additions to or deletions from or variations, alterations or amendments in any settlement procedure or in any clearing and settlement process or in the time or forms prescribed thereof, in respect of all or any deals or trades entered into or to be entered into the Eco eMarket trading system, and all such changes shall be binding on both the parties to the trade.

15.3 Clearing Bank

15.3.1 Eco eMarket would notify identified Clearing Banks to perform the functions of collection of margin money and settlement of all deals entered into through Eco eMarket and for any other transfer of fund between Trading Members and Eco eMarket and/or between Trading Members inter-se or between Eco eMarket and Constituents as the case may be, as may be directed by Eco eMarket from time to time.

15.3.2 Payment in respect of all trades for the Clearing shall be made through such Clearing Bank(s); Provided however that the trades of Sales and Purchases executed between different Constituents of the same Clearing member in the same Settlement, may be offset by process of netting of funds to arrive at Net Obligations of funds. However the physical delivery will have to be settled on gross basis by giving and taking delivery of the quantities of commodities as per trades concluded on Eco eMarket.

15.4 Members To Have Bank Account for Clearing of Trades

Every Member of Eco eMarket shall have a clearing account designated for Clearing and Settlement of trades. Members shall operate the clearing account for the purpose of

settlement of deals entered through Eco eMarket, for the payment of margin monies and for any other purpose as may be specified by Eco eMarket from time to time.

15.5 Clearing Bank To act as per the instructions of Eco eMarket

Eco eMarket shall instruct the Clearing Bank as to the debits and credits to be carried out for the funds settlement between the Members. The Clearing Bank shall act as per the instructions received from Eco eMarket for the funds movement.

15.6 Clearing Hours, Days, Scheduled Timings And Clearing Charges

15.6.1 The Relevant Authority shall from time to time fix the various clearing hours, clearing days, the Pay-in and Pay-out days and the scheduled time to be observed in connection with the clearing and settlement operations of Trades/Deals. The Relevant Authority may specify different schedules for any or all Clearing members from time to time.

15.6.2 The Relevant Authority may at any time curtail, extend, alter or postpone to any other date or dates the entire Clearing or any or all of the various clearing days in respect of any or all of the trades/deals in commodities.

15.6.3 The Relevant Authority shall from time to time prescribe the scale of clearing charges for the clearing and settlement of transactions through Eco eMarket clearing system.

15.7 Settlement Obligations Statements For Members

Eco eMarket shall generate and provide to each Member, Settlement Obligations Statements showing the fund obligations, quantities of the different kinds of commodities for which delivery/ deliveries is/ are to be given and/or taken and the funds payable or receivable by him in his capacity as member. The Obligations Statement shall be deemed to be confirmed by the member for which deliveries are to be given and/or taken and funds to be debited and/or credited to his account as specified in the Obligations Statements .

15.8 Receipt Of Commodities

Commodities which are to be received by a Member in all trades/deals shall be delivered to him directly by the seller or would be credited to buyers account in electronic form in Commodity management system on the respective pay-out day as per instructions of Eco eMarket and in accordance with the process put in place by Eco eMarket or as specified in the Special Terms and Conditions applicable to the trade

15.9 Mode Of Receipt Of Funds

15.9.1 On the Pay-out day, unless otherwise prescribed for a member regarding the mode of payment, the Clearing Bank shall credit the accounts of the members who are due to receive funds or make payments to members as per the instructions received from Eco eMarket

15.9.2 All funds due to a member shall normally be credited to his account unless

- a) the member has not delivered commodities on Pay-in day as per Settlement Obligations Statement or
- b) the full extent of funds obligation of the member was not available with Eco eMarket Pay-in or
- c) it is otherwise ordered by Eco eMarket or Relevant Authority.

15.15 Withholding Of Commodities And Funds

Notwithstanding anything contained in these General Terms and Conditions, Eco eMarket may withhold, for such period(s), pay-out of any commodities and any funds including commodities and funds including margins, if

- a) the Member has not delivered the required commodities on pay-in day or
- b) there are no adequate funds deposited by the member in the Eco eMarket Clearing bank Account to meet the funds pay -in obligation on the pay -in day or
- c) the Member fails to satisfy the margin requirements or
- d) the Member fails to fulfill any other obligation or
- e) the Relevant Authority, otherwise, deems fit.

15.16 Withheld Commodities And Funds - How Dealt With

The commodities and funds withheld shall be dealt with by the Eco eMarket in such manner as it may deem fit by Eco eMarket or the Relevant Authority or as per the provisions of these General Terms and Conditions, Special Terms and Conditions and/or the Contract Specifications applicable from time to time, which may include appropriating the withheld commodities/funds for the purpose of fulfilling the obligations of the Member or registering the withheld commodities in the name of the Eco eMarket or any other entity as decided by the Eco eMarket. The Eco eMarket may deal with the funds received out of withheld commodities in such manner as it may deem fit.

15.17 Death Of Member

If a Member dies on or before the Pay-in day, the procedure to be followed in clearing and settling the account of such Member shall be the procedure prescribed for clearing and settlement of the account of a defaulter, provided that with the permission of the Eco eMarket the heirs or legal representatives of such deceased member may receive and/or deliver commodities and make and receive payment on account of such deceased member whom Eco eMarket approves. Eco eMarket may, if it deems appropriate at its discretion

decide the sale as not complete and Goods in such event shall be returned/continue to be owned by the Seller.

15.18 Delivery When Complete

15.18.1 Delivery and payment

On the due date of settlement as notified under the settlement calendar, the selling member shall deliver to the buying member at such place and at such time, in such manner and in such delivery units as the Eco eMarket may notify from time to time, commodities together with the necessary documents, electronic or otherwise and the applicable invoices and the buying member shall pay for them on the same day or such other day and in such manner as the Eco eMarket may specify from time to time or as prescribed under the applicable Special Terms and Conditions. For farmers, once the delivery process in the prescribed manner is complete, the farmers will get the payment possibly on the same day if banking operations remain open and/or as per terms specified in the contract

15.18.2 Commodities delivered by the Constituent / delivering Member in accordance with the contract specifications or in accordance with the quality and quantity offered for sale, to the Buying Constituent / receiving Member accompanied by the related documents of title as above, shall, in the absence of fraud or apparent error, be considered as good delivery and the receiving Member shall accept them as good delivery and failing such acceptance, Eco eMarket shall be entitled to close-out or deal with the same against the receiving Member in accordance with the Rules, General Terms and special terms and conditions relating thereto or as deemed fit by Eco eMarket.

15.18.3 If there is a shortage in the goods delivered or the goods are not of the quality as notified in the contract specification or are not of quality offered for sale on the trading system, only in case where quality specifications have been specified, then the delivery shall not be complete **provided** such shortage or deficiency in quality is notified by the Buyer or Buying Member to the Eco eMarket within 2 days from the date of pay out. Eco eMarket may however, prescribe specific period for notifying such shortage or deficiency in quality to Eco eMarket for this purpose under Special Terms and Conditions or otherwise.

15.18.4 Eco eMarket shall withhold the sale proceeds, fully or partly as may be prescribed by Eco eMarket, during the period specified for the Buyers to lodge complaint with regard to the quality or quantity of the goods and if any such complaint is received, Eco eMarket may withhold such sale proceeds till the dispute is resolved.

15.18.5 If the Buyer does not refer any shortage or deficiency in the goods within the time stipulated, the delivery shall be deemed to be good delivery and the buyer shall not dispute the quality or quantity thereafter and the settlement obligation for physical delivery shall be deemed to be completed for all purposes.

15.19 Penalty For Bad Delivery Or Non-Delivery

- 15.19.1 Eco eMarket may impose on a delivering Trading Member responsible for the commodities of which delivery is not given or which are not good delivery or of which there is incomplete delivery, such penalty /compensation and other charges as it may prescribe from time to time in this regard. Such penalty/compensation and other charges shall be in addition to any loss arising on account of closing-out and shall be in addition to the commission/charges chargeable/payable in that behalf.
- 15.19.2 Notwithstanding such penalties, Eco eMarket may initiate such action as it may deem fit under the Rules, General or Special Terms and Conditions and circumstances.

15.20 Disputes relating to Delivery

- 15.20.1 In case of any shortage in quantity of commodity other than shortage as prescribed by the Eco eMarket the delivering Member shall make good the shortage or in the alternative, pay up the receiving Member, the price of the commodity to the extent of the short quantity together with such compensation/penalty as may be prescribed / notified by the Eco eMarket or the Relevant Authority or Special Terms and Conditions or the Contract Specifications within such period permitted by Eco eMarket or the Relevant Authority or Special Terms and Conditions or the Contract Specifications respectively.
- 15.20.2 In case of any specific quality has been specified in the Special Terms and Conditions or contract note and any deficiency in such specified quality of commodity delivered and notified to Eco eMarket within the period prescribed above, Eco eMarket may request the seller to rectify the defect or substitute the defective commodity with the commodity meeting the quality specifications as per terms of sale together with compensation if prescribed/imposed by the Eco eMarket and resolve the issues raised by the Buyer within such time as may be stipulated by the Eco eMarket.
- 15.20.3 In the event of dispute on quality, in case of any specific quality have been specified in the Special Terms and Conditions or contract note, the Eco eMarket may refer the commodity for quality inspection from such third party as deem fit and the decision of such third party shall be final and binding upon the Buyer, Seller and the warehouse person/delivery centre and the Buyer shall be bound to take delivery and physical possession of the goods if such third party certifies that the goods are of quality specified in the contract specifications or as per quality notified for auctions as the case may be. However, if the third party on retesting certifies that the goods delivered or being delivered are not of quality as per contract specifications or not of quality offered for sale, the seller shall be bound to rectify the defect or substitute the defective commodity with the commodity meeting the quality specifications as per terms of sale together with

compensation if prescribed/imposed by the Eco eMarket and resolve the issues raised by the Buyer within such time as may be stipulated by the Eco eMarket.

- 15.20.4 In the event of the issues not being able to be resolved between the Buyer and the Seller, the matter shall be dealt in accordance with Special Terms and Conditions stipulated in the contract or in absence of any such special Terms and conditions, in accordance with these General Terms and Conditions and as further stipulated from time to time.
- 15.20.5 Disputed Documents - When documents tendered for delivery in settlement of deals are considered by the receiving member to be defective in their title, ownership, genuineness, regularity or validity or not in order for any other reason and the objection is not accepted by the delivering member, the disputes relating thereto shall be resolved in accordance with the provisions of Special Terms and Conditions stipulated in the contract or in absence of any such special Terms and conditions, in accordance with these General Terms and Conditions as stipulated from time to time by Eco eMarket.

15.21 Delivery through Agents

The Relevant Authority may, in general or in specific cases, permit Trading Members / Constituents to complete delivery under these General Terms and Conditions through their Agents on the terms and conditions as may be stipulated by the Relevant Authority from time to time. The deliveries given to or taken by such Agents shall be construed as deliveries given to or taken by Trading Members / Constituents for the purpose of compliance of delivery obligations under these General Terms and Conditions. Trading Members / Constituents shall be responsible for all acts and omissions of their Agents and for statutory compliances required in that regard.

15.22 Charges

- 15.22.1 Transportation / loading /unloading costs while the goods are deposited in the warehouse would be borne by the Seller and by the Buyer while taking out delivery or as may be prescribed under the applicable special terms and conditions. The applicable storage charges shall be payable by the Seller upto the date of pay out of goods to the Buyer as per process of the Eco eMarket and by the Buyer thereafter.
- 15.22.2 Quality Inspection charges, if applicable and payable, at the time of deposit of commodity shall be borne by the Seller.
- 15.22.3 Quality Inspection charges, at the time of verifying quality arising out of a reference of a dispute, would be borne by the party disputing the quality who shall also bear the storage charges till the time of actual physical delivery or resolution of dispute in his/its favour as per General Terms and Conditions herein. In the event of the dispute being decided against the seller, the seller shall be responsible to refund /pay the storage charges.

15.22.4 Individual bonafide participant may be allowed membership of the Eco eMarket subject to fulfillment of eligibility criteria and making application to Eco eMarket for membership in the prescribed format specified by Eco eMarket from time to time. The Eco eMarket reserves the right to charge such amount of fee for admission on yearly membership fee or otherwise as deem fit by Eco eMarket from time to time and such fees shall be binding on the Members.

15.22.5 Cooperatives/companies/Producers Companies will also be allowed membership of Eco eMarket. However for all other provisions/ margins etc, they will be treated at par with all other members. Eco eMarket reserves the right to increase the amount of fee for admission and/or yearly membership fee without assigning any reason and such increase shall be binding on the Members.

15.23 Disabling Of A Member

Any Member who fails to deliver commodities or pay funds on the pay-in day shall (without prejudice to any other right of the Eco eMarket), may be forthwith disabled from dealing through the trading system until the Eco eMarket or Relevant Authority may decide otherwise.

16. PRIVACY OF CONTRACT

16.1 Except as provided herein, Trading Members giving and receiving delivery as provided in the Rules and General Terms and Conditions shall be deemed, notwithstanding that no direct contract may exist between them, to have made between themselves, a contract with each other for the purpose of complying with the settlement obligations as delivering Member and receiving Member. However, the contract of sale and purchase concluded on Eco eMarket platform shall be between the Seller and the Buyer. Eco eMarket shall not be responsible in respect of the title, ownership, genuineness, regularity and validity of the documents delivered or received and in regard to the loss and damages arising therefrom, which shall be dealt with in accordance with the provisions of these General Terms and Conditions.

16.2 Notwithstanding anything contained in these General Terms and Conditions, the responsibility of Eco eMarket shall be limited to the extent of financial settlement by payment of difference in prices as may be determined by process put in place by Eco eMarket and shall primarily be governed by the provisions contained in the Special Terms and Conditions and in absence of any such Special Terms and Conditions, by these General Terms and Conditions.

Provided that such financial settlement by Eco eMarket extends only:

- a. to its own members, and
- b. to those transactions that have been executed, registered and accepted for clearing and settlement by Eco eMarket after having been matched by Eco eMarket,

Provided however, Eco eMarket shall not be deemed to guarantee the title, ownership, genuineness, regularity or validity of any goods or any document passing through Eco eMarket, the object of Eco eMarket being to facilitate the delivery and payment in respect of the goods or documents between members.

Provided further that Eco eMarket shall not be made party to any dispute, claim, petition, application, suit, judicial or non-judicial proceeding between the buyer and seller and the dispute shall be resolved as provided for in the Special Terms and Conditions and in absence of any such provision, as provided for in this General Terms and Conditions.

17. RECORD FOR EVIDENCE

The record of Eco eMarket as maintained by a central processing unit or a cluster of processing units or computer processing units or maintained in any other manner shall constitute the agreed and authentic record in relation to any deals entered, cleared and settled through Eco eMarket. For the purposes of any disputes regarding clearing and settlement of deals, the records as maintained by Eco eMarket shall constitute valid evidence in any dispute or claim between the members

17.1 False Or Misleading Statements

The Relevant Authority may fine, suspend or expel a Member who makes any false or misleading statement in the Forms required to be submitted in conformity with these General Terms and Conditions or any resolutions, orders, notices, directions and decisions of the Relevant Authority there under.

18. MEMBERS ONLY PARTIES TO DEALS

Eco eMarket does not recognize, as parties to deals, any persons other than its own Members, and every Member shall be directly and wholly liable in respect of all deals and any incidental obligation thereunder to Eco eMarket whether such deal be for account of the Member effecting it or for the account of a Constituent.

19. ALL DEALS SUBJECT TO RULES, GENERAL AND SPECIAL TERMS AND CONDITIONS

All deals shall be made subject to and in accordance with the Rules and General as well as Special Terms and Conditions and this shall be a part of the terms and conditions of all such deals and the deals shall be subject to the exercise by the Relevant Authority of the powers with respect thereto vested in it by the Rules and General as well as Special Terms and Conditions.

20. INVIOABILITY OF ADMITTED TRADES/DEALS

20.1 All the Trades/dealings in commodities on Eco eMarket shall be in-violable and shall be cleared and settled in accordance with General and Special Terms and

Conditions, and the contract specifications. However, Eco eMarket may by a notice annul the deal(s) on an application by a Clearing Member in that behalf; if the Relevant Authority is satisfied after hearing the other party/parties to the deal(s) that the deal(s) is /are fit for annulment on account of fraud or wilful misrepresentation or material mistake in the deal.

20.2 Notwithstanding anything contained in clause (1) above, Eco eMarket may, to protect the interest of members in commodities and for proper regulation of the commodities market, suo moto annul deal(s) at any time if the Relevant Authority is satisfied for reasons to be recorded in writing that such deal(s) is/ are vitiated by fraud, material mistake, misrepresentation or market or price manipulation and the like.

20.3 Any annulment made pursuant to clause (1) and (2) above, shall be final and binding upon the parties to deal(s). In such an event, the Member shall be entitled to cancel the relevant deal(s) with its constituents.

21. LIABILITY OF Eco eMarket

21.1 The transactions on Eco eMarket will be deemed to have taken place between the buying and selling Trading Members and Eco eMarket shall not be deemed to guarantee the title, ownership, genuineness, regularity or validity of any commodity passing through the Clearing System put in place and the only obligation of Eco eMarket in this matter shall be to facilitate the delivery and payment in respect of commodities between Trading Members. No liability shall attach either to Eco eMarket or to the Relevant Authority by reason of anything done or omitted to be done by the Trading Members or other participants of the Clearing System in the course of its operations.

21.2 While, reasonable care and diligence will be taken by Eco eMarket in discharge of its responsibilities, the buyers/sellers shall indemnify Eco eMarket against all liabilities, losses, damages, claims, charges etc. for any shortcomings on these aspects. It is clearly understood that these activities are undertaken by Eco eMarket to assist the buyers/sellers in participation but the ultimate responsibility on all these counts lies totally with the trade participants i.e. members and clients as the case may be.

21.3 Eco eMarket shall not be liable for any claims arising against the Trading Members in relation to any duties, actions or obligations correctly performed and / or rights or powers exercised by Eco eMarket in accordance with these General Terms and Conditions or any Special Terms and Conditions applicable to any particular trade/contract thereof. The Parties to the dispute shall defend, indemnify and hold harmless the Eco eMarket against any claim arising against Eco eMarket for due discharge of its obligations under these General Terms and Conditions or any Special Terms and Conditions.

22. NOTICES AND DIRECTIONS

All Members shall comply with the instructions, resolutions, orders, notices, directions, circulars, notifications and decisions of Eco eMarket in all matters

connected with the operations of the Trading and Clearing Systems.

23. Eco eMarket BILLS

Eco eMarket shall periodically render bills for the charges, fees, fines and other dues payable by trading / Clearing Members, which would also include the charges, fines and other dues payable on account of the business cleared and settled through Eco eMarket Clearing System and debit the amount payable by such Trading Members to their accounts. All such bills shall be paid within a week of the date on which they are issued.

24. COMPLIANCES AND RECORDS

24.1 Every Member shall comply with all applicable statutory and regulatory laws, these General Terms and Conditions or special terms and conditions and guidelines here under, and the requirements of and under any notifications, directives and guidelines issued by the Government and/or any statutory body or local authority or authority acting under the direction of the State or Central Government relating to maintenance of accounts and records.

24.2 In addition to the above, Every Trading Member of the Eco eMarket shall maintain the records relating to its business for a period of minimum five years and such period as may be stipulated in the relevant statute or as may be specifically prescribed for any record whichever is higher.

25. ACCOUNTS AND AUDIT

25.1 Every Member of Eco eMarket shall maintain separate running account or any other account as may be notified by Eco eMarket, for all the registered clients and shall make available to Eco eMarket, the books of accounts and details of such clients as may be required by Eco eMarket from time to time for inspection and audit of the member. For maintenance of books of accounts of clients, the members shall follow the standard accounting practices as are required for the same.

26. COMPLAINT BY A Member

When a complaint has been lodged by a member with the Relevant Authority that any Member has failed to perform his part of the obligation required for execution of trades/dealings, the Relevant Authority shall investigate the complaint and if it is satisfied that the complaint is justified it may take such disciplinary action as it deems fit in accordance with the provisions of the Rules of Eco eMarket.

27. DECLARATION OF DEFAULT

27.1 A Member may be declared a defaulter by direction/circular/ notification of the Relevant Authority if:

- 27.1.1 He is a Member of any Stock or Commodity Exchange and the said Exchange declares him as a defaulter; or
- 27.1.2 He is a clearing member of any Stock or Commodity exchange/clearing house and the said Exchange or clearing House declares him to be a defaulter; or
- 27.1.3 He is unable to fulfil his clearing / settlement obligations; or
- 27.1.4 He fails to pay the amounts or fails to deliver commodities payable to his Constituents.
- 27.1.5 He admits or discloses his inability to fulfil or discharge his duties, obligations and liabilities; or
- 27.1.6 He fails or is unable to pay within the specified time the damages and the money difference due on a closing-out effected against him under the Rules and General Terms and Conditions; or
- 27.1.7 He fails to pay any sum due to Eco eMarket or its Clearing House as the relevant authority may from time to time prescribe; or
- 27.1.8 If he fails to pay or deliver moneys, commodities, securities and other assets due to a member who has been declared a defaulter within such time of declaration of default of such member in such manner and to such person as the relevant authority may direct; or
- 27.1.9 If he fails to abide by the arbitration award or the amount declared by any court to be due from the Member or declared by Eco eMarket to be due as laid down under the Rules and General Terms and Conditions; or
- 27.1.10 If he has been adjudicated as an insolvent or being a Company incorporated under the Companies Act, has been ordered to be wound-up by a court of law in the petition filed by any of his creditors, he shall ipso facto be declared a defaulter though he may not have at the same time defaulted on any of his obligations on the Clearing House; or
- 27.1.11 If he files a petition before a court of law for adjudication of himself as an insolvent or for winding-up, as the case may be, although he may not have at the same time defaulted on any of his obligations on the Clearing House; or
- 27.1.12 Under any other circumstances as may be decided by the relevant authority from time to time;

27.2 Defaulter's Book And Documents

When a Member has been declared a defaulter, the Relevant Authority may take charge of all his books of accounts, documents, papers and vouchers to ascertain the state of his

affairs and the defaulter shall hand over such books, documents, papers and vouchers to the relevant authority. Any amount of the Defaulting Member with Eco eMarket shall be dealt with as deemed fit by Eco eMarket from time to time.

27.3 Application Of Amounts with Eco eMarket

The Relevant Authority shall apply the net assets remaining in its hands after defraying all such costs, charges and expenses as are allowed under Rules and General Terms and Conditions to be incurred by Eco eMarket, in satisfying the claims in the order of priority provided hereunder:-

- 27.3.1 **Dues to Eco eMarket:** The payment of such subscriptions, debts, fines, fees, charges and other moneys due to Eco eMarket / Clearing House of Eco eMarket.
- 27.3.2 **Dues to other Trading Members / Clearing Members and to Constituents of the defaulter:** The payments as may be admitted by the Relevant Authority, as being due to other Trading Members of the defaulter for debts, liabilities, obligations and claims arising out of any contracts made by the defaulter subject to and in accordance with General as well as Special Terms and Conditions of Eco eMarket, provided that if the amount is insufficient then the amounts shall be distributed pro rata against dues amongst Trading Members and all the Constituents of the defaulter. The other Trading Members shall in turn share the amounts so received with on pro rata basis.
- 27.3.3 **Dues to the Approved Banks, Warehouses and claims of any other persons as approved by the Relevant Authority:** After making payments under Clause ii above, the amounts remaining, if any, shall be utilised to meet the claims of the approved banks and of any other person as may be admitted by the Relevant Authority. The claims of the approved banks should have arisen by virtue of Eco eMarket invoking any bank guarantee issued by the bank concerned to Eco eMarket on behalf of the defaulter to fulfill his obligation of submitting bank guarantee, guaranteeing discharge of obligations under the Byelaws, Rules and General as well as special Terms and Conditions of Eco eMarket. The claims of other persons should have arisen out of or incidental to the transaction done on Eco eMarket or requirements laid down by Eco eMarket, provided that if the amount available be insufficient to pay all such claims in full, they shall be paid pro rata, and
- 27.3.4 **Surplus:** Surplus, if any, to the defaulter Member.

28 LIMITATION OF LIABILITY

- 28.1 The liability of Eco eMarket resulting from the deals and any matter incidental thereto by the Members with Eco eMarket and to losses in connection therefrom be limited to the extent of moneys of the particular defaulting Member available with Eco eMarket.

28.2 Eco eMarket only provides an electronic trading platform for sale and purchase of commodities/goods. Eco eMarket is neither owner nor seller or purchaser of goods for any purpose whatsoever.

28.3 The Sellers and/or Buyers, as the case may be, shall be responsible to comply with the laws applicable to the physical delivery/sale of goods including but not limited to GST/ VAT, excise, sales or any other taxes.

29 ACCREDITED WAREHOUSE / DELIVERY CENTRE

29.1 Eco eMarket may specify, on a case to case basis, accredited warehouse(s) or delivery centres as the case may be, through which delivery of a specific commodity may be effected and which may facilitate the acceptance, storage and delivery of commodities in the manner as prescribed by Eco eMarket from time to time.

29.2 Process And Procedures For Accredited Warehouse /Delivery Centre

Eco eMarket may specify from time to time the criteria, process flow, processes, procedures, and operations that every Warehouse, Constituents, Assayers and other participants shall be required to follow for the participation, functioning and operations of the accredited warehouse. The General Terms and Conditions relating to the accredited warehouse or delivery centre shall be deemed to form a part of any settlement process so provided.

29.3 Alternate Delivery Mechanism:

All deliveries in respect of trades/deals on Eco eMarket shall be through a mechanism put in place by Eco eMarket in that regard and shall be effected through delivery centres notified for the purpose. The Eco eMarket may prescribe different mode and manner of deliveries and settlement for different commodities or class of commodities and also establish specific mechanism for deposit and withdrawal of commodities to and from such delivery centres for such deals.

30 ARBITRATION

30.1 Eco eMarket shall, without prejudice to the provisions of any Statute or any rules framed thereunder, provide for a dispute resolution mechanism by way of arbitration by independent arbitrators empanelled by Eco eMarket for the purpose.

30.2 Reference To Arbitration

All claims, differences or disputes between the Members inter se and between Members and Constituents and arising out of or in relation to dealings, trades and transactions executed on Eco eMarket or registered with Eco eMarket as per process prescribed by Eco eMarket and made subject to and in accordance with the Rules and General as well as special Terms and Conditions of Eco eMarket or with reference to anything incidental thereto or in pursuance thereof or relating to interpretation, fulfilment or the rights,

obligations and liabilities of the parties thereto shall be submitted to arbitration in accordance with the provisions of these General and special Terms and Conditions. Provided however that the Relevant Authority may satisfy itself that the above referred claims, differences or disputes arise out of or in relation to dealings, contracts and transactions executed/reported on Eco eMarket and are in accordance with and subject to General and special Terms and Conditions of Eco eMarket and are referable to Arbitration.

30.3 Limitation Period For Reference Of Claims, Differences Or Disputes For Arbitration

All claims, differences or disputes referred to in clause (1) above shall be submitted to arbitration within **three** years from the date on which the claim, difference or dispute arose or shall be deemed to have arisen. The time taken in conciliation proceedings, if any, initiated and conducted as per the provisions of the applicable statute and the time taken by the Relevant Authority to administratively resolve the claim, differences or disputes shall be excluded for the purpose of determining the period of three years.

30.4 Administrative Assistance

For the purpose of section 6 of the Arbitration and Conciliation Act, 1996, in all claims, differences or disputes which are required to be submitted to arbitration as per the provisions of the General Terms and Conditions, the parties shall be deemed to have arranged for administrative assistance of Eco eMarket in order to facilitate the conduct of the arbitral proceedings.

30.5 Provisions Of The Rules And General As Well As Terms And Conditions Deemed To Form Part Of All Dealings And Transactions

In all dealings, contracts and transactions, which are made or deemed to be made subject to the General as well as Special Terms and Conditions of Eco eMarket, the provisions relating to arbitration as provided in the General and/or Special Terms and Conditions shall form and shall be deemed to form part of the dealings and transactions and the parties shall be deemed to have entered into an arbitration agreement in writing by which all claims, differences or disputes of the nature referred to in clause (1) above shall be submitted to arbitration as per the provisions of the Rules and General and/or special Terms and Conditions.

30.6 Jurisdiction

All disputes arising out of or in connection with or in relation to any matter or deal under General Terms and Conditions or Special Terms and Conditions or any matter incidental thereto to which Eco eMarket is a party or is made a party, shall be subject to the exclusive jurisdiction of the courts in Mumbai.

30.7 Deposit Towards Cost Of Arbitration

30.7.1 The parties to the claim, difference or dispute shall bear the cost of arbitration.

30.7.2 The amount of deposit, which has to be deposited by the parties to the dispute shall be as determined by the Relevant Authority from time to time keeping in view the amount of claim and the cost of arbitration and such amount shall be deposited by the parties in equal shares towards the cost of arbitration. The balance if any after adjusting the cost of arbitration therefrom shall be returned to respective party(ies). All deposits towards costs and expenses shall be made with the Eco eMarket and no payment shall be released to the arbitrators directly by the parties.

30.7.3 Notwithstanding what is mentioned above, Eco eMarket may call for such additional deposits as it may deem fit if in its opinion the deposits already made will be insufficient to defray the expenses of arbitration. Such additional deposits shall partake the character of deposit and shall be dealt with accordingly.

30.7.4 Notwithstanding anything mentioned above, Eco eMarket shall not be party to any arbitration between the Members inter se and between Members and Constituents as specified above and no arbitration shall be filed against Eco eMarket by any of the Members or constituent.

30.8 SEAT OF ARBITRATION

The Relevant Authority may provide for different seats of arbitration for different regions of the country either generally or specifically and in such an event the seat of arbitration shall be the place so provided by the Relevant Authority. Save as otherwise specified by the Relevant Authority, the seat of arbitration shall be Mumbai.

30.9 Appointment of Arbitrator and procedure of arbitration proceedings -
Unless otherwise specified by the Relevant Authority, the procedure relating to the entire arbitration proceedings including appointment of arbitrator, procedure for arbitration and passing of award and all other incidental processes to be followed shall be in accordance with the Arbitration and Conciliation Act, 1996 including its amendments from time to time.

31 INSPECTION

31.1 Inspection Authority

Eco eMarket may appoint one or more persons as inspecting authority/ies to undertake inspection of books of accounts, other records and documents of the Members/Clients for any of the purposes specified in the General Terms and Conditions and Special terms and conditions relating to the dealing with Eco eMarket.

31.2 Obligations Of A Trading Member/Client On Inspection

It shall be the duty of every Member or every director, officer and employee of the Member who is being inspected, to produce to the inspecting authority such books, accounts and other documents in his custody or control or arrange to produce where such books, accounts and other documents when they are in any other person's custody or control including that of an associate and furnish him such statements and information within such time as the said inspection authority may require. The Member and/or his associate shall provide all assistance to the inspecting Authority in connection with the inspection.

32 NOTICE OR COMMUNICATION

32.1 All communication in general to the Members of Eco eMarket shall be by way of Circular issued by Eco eMarket and/or notified on the Trading Terminals.

32.2 These refer to any such intimation that can be served at the ordinary business address and/or ordinary place of residence and/or last known address/e-mail address/ address of the Trading System of the Member in any one or more of the following ways:

- by post
- by registered post
- under certificate of posting
- by speed post / courier services.
- by telegram
- by affixing it on the door at the last known business or residential address
- by advertising it in at least one prominent daily newspaper having circulation in the area where the last known business or residential address of Member/Respondent/Addressee is situated
- by electronic mail or fax
- by hand delivery
- by any other mode notified by the Eco eMarket

32.3 Any communication sent by Eco eMarket to any party shall be deemed to have been properly delivered or served, even if such communication is returned to Eco eMarket as unclaimed/ refused/ undelivered, if the same was sent to the ordinary business address/e-mail address and/ or ordinary place of residence and/ or last known address of the party, in any one or more of the ways mentioned in clause (1) above.

33 MODIFICATIONS OF GENERAL TERMS AND CONDITIONS

Eco eMarket shall have right to modify, substitute or alter these General Terms and Conditions or Special Terms and Conditions or issue directions by way of circulars or notifications hereunder at any time if deemed appropriate by Eco eMarket in the interest of regulation of the Eco eMarket.

34 MEASURES TO MEET EMERGENCIES

If in the opinion of the Relevant Authority, an emergency exists or has arisen or is likely to occur or if in its opinion, the conditions are such as to make free trading in specified commodities extremely difficult, the Relevant Authority may take such action as it deems fit and any such action shall be binding on the Members and the Constituents.

35 SAVING

- 35.1 Save as otherwise specifically provided in these General Terms and Conditions or the Special Terms and Conditions, Eco eMarket its directors, employees and agents while performing functions of regulating, promoting, facilitating, assisting, operating or performing any function under General Terms and Conditions or Special Terms and Conditions, shall not be deemed to have incurred any liability and accordingly no claim or recourse shall lie against Eco eMarket, their employees, directors or authorized persons.
- 35.2 No claim, suit, prosecution or other legal proceedings shall lie against Eco eMarket their directors, employees or any authorized persons in respect of anything which is in good faith done or intended to be done in order to regulate the functions of Eco eMarket or done or intended to be done pursuant to any orders issued by any regulatory authority concerned or any other authority under law for the time being in force.