

**DETAILED PROCEDURE FOR TRANSACTION OF CARBON CREDIT
CERTIFICATES UNDER COMPLIANCE MECHANISM FOR :**

- I. REGISTRATION OF A OBLIGATED ENTITY AND NON-OBLIGATED
ENTITY (PURCHASER) WITH REGISTRY**
- II. INTERFACE ACTIVITIES BETWEEN POWER EXCHANGES AND
REGISTRY, ADMINISTRATOR AND REGISTRY AND REGISTRY AND
OBLIGATED ENTITY AND NON-OBLIGATED ENTITY (PURCHASER)**
- III. DEALING OF CARBON CREDIT CERTIFICATES, TRANSFER AND
OTHER RESIDUAL MATTERS**

UNDER THE

**CERC (TERMS AND CONDITIONS FOR PURCHASE AND SALE OF
CARBON CREDIT CERTIFICATES) REGULATIONS, 2026**

BY

BUREAU OF ENERGY EFFICIENCY

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I. PROCEDURE FOR REGISTRATION OF A OBLIGATED ENTITY AND NON-OBLIGATED ENTITY (PURCHASER) WITH REGISTRY

1. INTRODUCTION

- 1.1.** This procedure shall be called '*Procedure for Registration of a Obligated Entity and Non-Obligated Entity (Purchaser) with Registry*' and is issued in compliance with Clause 6 (2) (a) of the Central Electricity Regulatory Commission (Terms and Conditions for Purchase and Sale of Carbon Credit Certificates) Regulations, 2026 issued by CERC on 27th February, 2026 (hereinafter referred to as "CCCs Transaction Regulations")
- 1.2.** The Procedures shall enable implementation of the CCCs Transaction Regulations and facilitate the transaction of Carbon Credit Certificates (CCCs) between the Obligated Entities who have been issued CCCs and the Obligated Entities who shall comply with the prescribed Greenhouse gases Emission Intensity (GEI) targets for the current and subsequent compliance years and the Non-Obligated Entity (Purchaser) who wants to purchase the CCCs on voluntary basis from compliance mechanism.
- 1.3.** Words and Expressions used in these Procedures shall have the same meaning as provided in the Environment Protection Act, 1986 (29 of 1986), the Energy Conservation Act, 2001 (52 of 2001), the Electricity Act, 2003 (36 of 2003), the Carbon Credit Trading Scheme, 2023, CCCs Transaction Regulations, and CERC (Power Market) Regulations, 2021.

2. APPLICABILITY AND SCOPE

2.1. This Procedure shall be applicable to the “Obligated Entity” and “Non-Obligated Entity (Purchaser)” participating in the transaction of CCCs under the Compliance mechanism of the Indian Carbon Market .

2.2. The registration of the Obligated Entity and the Non-Obligated Entity (Purchaser) registered with the Administrator on the ICM Portal shall stand automatically registered with the ICM Registry, without requiring any separate application or registration process. The ICM Portal shall, through an Application Programming Interface (API) based push mechanism, share the registration details of all such Obligated Entities and Non-Obligated Entities (Purchaser) intending to participate in the purchase and/or sale of the CCCs. The Obligated Entity and Non-Obligated Entity (Purchaser) as per clause 9 of the CCCs Transaction Regulations are as follows:

2.2.1. Obligated Entity to whom CCCs have been issued in any compliance year, and which intends to sell the CCCs to other Obligated Entities in the current or subsequent compliance years. Upon issuance of such CCCs in any compliance year on the ICM Portal, the Obligated Entity shall make payment of the applicable crediting fee for crediting of the issued CCCs into the ICM Registry.

2.2.2. Obligated Entity that has not achieved their Greenhouse Gas Emission Intensity (GEI) targets prescribed for a compliance year, and which intends to meet its compliance obligation by purchasing CCCs.

2.2.3. Obligated Entity that has achieved their Greenhouse Gas Emission Intensity (GEI) targets in any compliance year, and which intends to meet its compliance obligation for subsequent compliance years by purchasing CCCs.

2.2.4. Non-Obligated Entity (Purchaser) registered with the Registry for the purpose of purchasing CCCs on a voluntary basis.

2.2.5. Any other registered entity permitted under the Energy Conservation Act, 2001, and notified by the Bureau to the Commission from time to time, may, upon approval by the Commission, be eligible to participate in the purchase and sale of CCCs on the Power Exchange(s).

2.3. In accordance with Clause 11(7) of the Carbon Credit Trading Scheme, 2023, an Obligated Entity referred to in Clause 2.2.2, shall meet shortfall by purchasing CCCs from the Compliance Market under the Indian Carbon Market.

2.4. CCCs purchased through the Compliance Market shall not be eligible for resale under any circumstances.

2.5. The registration granted by the Registry to an Obligated Entity or a Non-Obligated Entity (Purchaser) shall remain valid unless otherwise revoked in pursuance of conditions for revocation as outlined under these Procedures.

3. STEP -WISE DESCRIPTION OF THE PROCEDURE

The Procedure for registration of the Obligated Entity and Non-Obligated Entity (Purchaser) with the Registry includes the following steps:

3.1. **STEP 1:** The registration of the Obligated Entity and the Non-Obligated Entity (Purchaser) registered with the Administrator on the ICM Portal shall stand automatically registered with the ICM Registry, without requiring any separate application or registration process. The ICM Portal shall, through an Application Programming Interface (API) based push mechanism, share the registration details of all Obligated Entities and Non-Obligated Entities (Purchaser) intending to participate in the purchase and/or sale the CCCs.

3.2. STEP 2: Upon receipt of the registration details transmitted under Step 1, the Registry shall register such Obligated Entity and Non-Obligated Entity (Purchaser) on the ICM Registry on the basis of the data already registered with the Administrator on the ICM Portal, without requiring any separate application, fresh registration process from such entity.

3.3. STEP 3: Upon successful replication of the registration details under Step 2, the Registry shall issue the electronic 'Certificate of Registration' to the respective Obligated Entity and Non-Obligated Entity (Purchaser) and share the list of Obligated Entities and Non-Obligated Entities (Purchaser) for the relevant compliance year to the Power Exchange(s) and Administrator.

4. Crediting of CCCs issued by the Bureau of Energy Efficiency, Ministry of Power (MoP) on the ICM Portal into the ICM Registry

4.1. The CCCs issued by the Bureau of Energy Efficiency (BEE), for a compliance year shall be credited to the registered account of the respective Obligated Entity in the ICM Registry upon payment of the applicable crediting fees. Each CCC shall be assigned a unique identification number in accordance with FORMAT - 1.1. The Obligated Entity, who has been issued CCCs in any compliance year, may use them for purpose of banking or may sell them to any other Obligated Entity or to a Non-Obligated Entity (Purchaser). The validity of CCCs shall be governed by the provisions of the Detailed Procedure for Compliance Mechanism.

4.2. No transaction involving CCCs shall be permitted in the ICM Registry unless the concerned Obligated Entity or Non-Obligated Entity (Purchaser) has completed registration in accordance with these Procedures and the applicable Regulations.

4.3. The bilateral trading even within the same corporate group is not permitted and accordingly, inter-sector self-retention/transfer of CCCs is also not permitted.

5. FUNCTIONS, ROLES AND RESPONSIBILITIES OF ENTITIES INVOLVED

The roles and responsibilities of the entities involved are elaborated in the following paragraphs,

5.1. Obligated Entity and Non-Obligated Entity (Purchaser)

a. The Obligated Entity and Non-Obligated Entity (Purchaser) shall register online on the ICM Portal, and such registration details shall be replicated by the Administrator to the Registry, based on which the entity shall stand registered with the Registry without any separate application.

b. The Obligated Entity and Non-Obligated Entity (Purchaser) shall coordinate with the Registry in respect of registration for transaction of CCCs.

c. All Obligated Entity and Non-Obligated Entity (Purchaser) shall pay the fees as determined from time to time as defined in clause 9 of this Procedure. Further, if entity registered deducts TDS against the respective PAN of the Administrator/Registry, in such cases such entity shall submit the TDS certificates to the Administrator/ Registry. The details of the Permanent Account Numbers and the ratio in which TDS will be deducted against PAN of Administrator/Registry shall be shared by Administrator on its website.

d. Whenever there is a change in the legal status or name of the Obligated Entity or Non-Obligated Entity (Purchaser), the respective entity shall send a request to Administrator within 15 days of the

change / anticipated change for making the required changes in the record.

e. The Administrator, after verification of the relevant documents, shall make the desired changes regarding legal status within 7 days in the record of the concerned Obligated Entity or Non-Obligated Entity (Purchaser) on ICM Portal and communicate the same to the Registry and the Power Exchange(s) (e.g. change from partnership to company) with a copy to the respective entity. Where a change in the legal status of an entity results in a change in its legal identity, the Administrator shall, prior to communicating such change to the Registry, determine and clarify the treatment of the entity's existing registration and CCC holdings.

f. For cases involving a change in the name of the Obligated Entity or Non-Obligated Entity (Purchaser), the following steps shall be followed:

i. Obligated Entity or Non-Obligated Entity (Purchaser) shall make an application to Administrator along with relevant documents like Board Resolution regarding name change, certificate of name changes from Registrar of Companies, approval of concerned authorities, State Agency, etc., to update the records of the respective entities.

ii. Administrator shall make the desired changes in the name of the concerned Obligated Entity or Non-Obligated Entity (Purchaser) in the account on ICM Portal after obtaining the approval from Competent Authority in the Bureau.

iii. The details shall be updated in the database and the same shall be submitted to the Registry with a copy to the Power Exchange(s).

5.2 Registry

- a.** Registry shall comply with the directions issued by the Commission from time to time.
- b.** Registry shall issue electronic Certificate of Registration to the Obligated Entity or Non-Obligated Entity (Purchaser) within the stipulated time, upon receipt of the registration details replicated from the ICM Portal, without requiring any separate application from such entity.
- c.** Registry shall intimate registration of Obligated Entity or Non-Obligated Entity (Purchaser) with the registry to the following through ICM Portal/ICM Registry:
 - Concerned Obligated Entity or Non-Obligated Entity (Purchaser)
 - Administrator
 - Power Exchange(s)
- e.** Registry shall collect fees and charges from entities registered with Registry as may be prescribed in the Order to be issued by the Commission in compliance with clause 12 of the CCCs Transaction Regulations , along with applicable Goods and Services Tax (GST) as per the prevailing statutory provisions.

5.3 Administrator

- a.** For each compliance year, Administrator shall provide the registration data of all Obligated Entities and Non-obligated Entities (Purchaser) that want to purchase or sell the CCCs after the issuance of the CCCs. The number of CCCs issued to the Obligated Entities in that compliance year shall also be sent along with the registration details through the API push by the ICM Portal to the ICM Registry.

b. Administrator shall provide the details of those Obligated Entity and Non-Obligated Entity (Purchaser) whose records are updated in the ICM Portal on account of the change of name/legal status to the Registry and the Power Exchange(s). A comprehensive report containing full trail of such changes shall be maintained in the ICM Portal.

c. Administrator acts as a custodian of the servers and software(s) being utilized for ICM Portal and ICM Registry. Therefore, Administrator shall act as a web administrator for ICM Portal and ICM Registry. Software changes in ICM Portal and ICM Registry shall be made by the Administrator and the same shall be informed to the Registry. However, any changes that may affect the functions of the Registry, CCC accounting or transaction processing shall be undertaken in consultation with the Registry.

d. Administrator shall depute an in-house IT support staff to the Registry for providing IT assistance in ICM Registry during initial phase of implementation of CCCs Transaction Regulations regarding compliance year, trading sessions, and whenever required by the Registry.

e. Provide information related to Obligated Entity and Non-Obligated Entity, Disaster Recovery Mechanism, Software Requirement Specification (SRS) document Interface details of ICM Portal and ICM Registry, details of any changes in the Rules, Notifications, and other details to the Registry.

f. Administrator shall develop an online IT Platform termed as ICM Portal and ICM Registry to facilitate the issuance of CCCs and thereafter purchase and sale of CCCs as per CERC Regulations. Further, cyber security related aspects pertaining to the ICM Portal and ICM Registry shall be handled by Administrator.

6. INFORMATION REQUIREMENT - REGISTRATION DETAILS and CONTENT

To register the Obligated Entity and Non-Obligated Entity (Purchaser) with the Registry, the following details will be furnished by ICM Portal through API – push to ICM Registry as elaborated in **FORMAT-1.2** for Obligated Entity and **FORMAT-1.3** for Non-Obligated Entity (Purchaser).

7. REPORT: FORMAT FOR REGISTRATION CERTIFICATE

The Registry shall grant 'Certificate of Registration' to the Obligated Entity and Non-Obligated Entity (Purchaser) as entity registered with Registry to become eligible for transaction of CCCs on the Power Exchange(s) as per **FORMAT 1.4**.

8. TIMELINES

8.1. The Obligated Entity and Non-Obligated Entity (Purchaser) shall register with Registry within the stipulated timeline as intimated by the Administrator.

8.2. In case the Obligated Entity or Non-Obligated Entity (Purchaser) fails to register with the Registry within the stipulated time frame, the Registry may abandon the registration of the Obligated Entity or Non-Obligated Entity (Purchaser). In this scenario, those Obligated Entities to whom CCCs have been issued shall not be able to sell the certificates on the Power Exchange(s) or those Obligated Entities who are entitled to purchase these CCCs for compliance shall be liable for penalty as per the provision defined in the Greenhouse Gases Emission Intensity Target Rules, 2025.

8.3. After registration, the Obligated Entity or Non-Obligated Entity (Purchaser) shall be allowed to undertake trading in CCCs as per these procedures and the bye laws of the power exchange(s) approved by the Commission.

8.4. If, in any circumstances, the timelines mentioned above require to be modified, the Administrator shall intimate all the stakeholders for change in timelines, and shall inform CERC about the same.

9. FEES AND CHARGES

9.1. Any Obligated Entity who has been issued CCCs in any compliance year shall pay the Crediting Fee including applicable GST, for each CCC as notified by the Commission from time to time to get registered with Registry.

9.2. All fees and charges shall be payable by way of Electronic Clearing System/online payment facility, and the transaction charges shall be borne by the applicant. Registry shall collect fees and charges from Obligated Entity or Non-Obligated Entity (Purchaser) as per fee order of the Commission. Subsequent to realizing the fee and charges by the Registry, an invoice shall be generated, and its copy shall be sent to the Obligated Entity or Non-Obligated Entity (Purchaser) through ICM Portal.

10. EVENT OF DEFAULT/NON-COMPLIANCE AND CONSEQUENCES THEREOF

Revocation of Registration

10.1. If the Registry, after making an enquiry or based on an intimation received from the Administrator, is satisfied that continuation of registration of any Obligated Entity or Non-Obligated Entity (Purchaser) is not in the interest of operations of CCCs transactions, it may initiate the process for revocation of registration of such entity in case of any of the defaults/non-compliance specified below:

- i where the Obligated Entity or Non-Obligated Entity (Purchaser) fails within the period as required by the Registry –

- a. to show, to the satisfaction of the Registry, that it is in a position fully and efficiently to discharge the duties and obligations imposed on it by its registration; or
 - b. to pay the fees or other charges payable under these Procedures.
- ii where the Obligated Entity or Non-Obligated Entity (Purchaser) fails to abide by any other provisions of the CCCs Transaction Regulations or these Procedures or direction by Commission/Administrator under the procedure and regulations.
- iii If directed by CERC or Ministry of Power or Ministry of Environment Forest, and Climate Change by way of an order.

Consequences for Event of Non-compliance:

- 10.2.** Occurrence of any of the event of default, as defined in clause 10.1 of these Procedures may result into revocation of registration granted to such entity for that compliance year.
- 10.3.** In case the Obligated Entity or Non-Obligated Entity (Purchaser) fails to address/rectify the default expressed by the Registry in the Notice within stipulated time period of 7 working days, the Registry shall seek permission from the Commission with the recommendation of the Administrator, for proceeding with revocation of Registration granted to such entity for that compliance year. Administrator shall bring to the notice of the Commission the instances of such non-compliance with the CCCs Transaction Regulations for suitable action by the Commission.
- 10.4.** In case of revocation, the Registry shall give a notice of not less than 14 working days and opportunity to the concerned Obligated Entity or Non-Obligated Entity (Purchaser) to present its case before revocation of registration.

- 10.5.** If Registration is revoked by the Registry, in such cases, CCCs credited/ exchanged shall remain valid as per CCTS. However, such CCCs shall not be available for transaction on the Power Exchange(s) during the period of revocation of registration.

Default in Trading of CCCs:

- 10.6.** In accordance with Regulation 9(8) of the CCCs Transaction Regulations, the Registry shall cross-check the cumulative sale bids placed on all Power Exchange(s) against the availability of CCCs in the respective Registry account. In case the cumulative sale bids exceed the available CCCs, the Registry shall intimate the Power Exchange(s) to treat such entity as a defaulter.

- 10.7.** Obligated Entities with more than three cases of defaults specified under Regulation 9(8) of the CCCs Transaction Regulations in a quarter shall be barred from dealing in CCCs for the next six months, notwithstanding any penalty due to be imposed as per the provisions of the Energy Conservation Act, 2001. This shall be without prejudice to any penalty applicable under the Environment (Protection) Act, 1986. The list of such defaulting entities shall be published by the Registry on a monthly basis.

11. POWERS TO REMOVE DIFFICULTIES

If any difficulty arises in giving effect to any provision of these Procedures or interpretation of the Procedures, the Administrator in consultation with Registry may make such provisions or propose amendments, not inconsistent with the provisions of CCCs Transaction Regulations, for approval of the Commission, as may appear to be necessary for removing the difficulty.

FORMAT - 1.1:
CCCs Number Format

Compliance Year [FY]	CCCs Serial Number	OE Registration Number	DATE (Issued) [DDMMYY]
YY	00000001	OE Registration Number	DDMMYY

FORMAT 1.2:
INFORMATION REQUIREMENT - REGISTRATION DETAILS and
CONTENT - OBLIGATED ENTITY

A. Unit Details

- i. Sector
- ii. Sub-Sector
- iii. State
- iv. Organization Name
- v. Obligated Entity ID
- vi. Year of Establishment
- vii. Website
- viii. Corporate Identification Number (CIN)
- ix. Address
- x. Email ID
- xi. Telephone Number
- xii. Fax

B. Plant Head Details

- i. Name
- ii. Energy Auditor Registration Number
- iii. Email ID
- iv. Mobile Number

C. Energy Manager Details

- i. Name
- ii. Energy Manager Registration Number
- iii. Email ID
- iv. Mobile Number

D. Billing Details

- i. Company Name
- ii. GST Number
- iii. Address
- iv. Email ID
- v. Telephone
- vi. Fax

E. Upload Documents

- vii. Corporate Identification Number (CIN)
- viii. Permanent Account Number (PAN)
- ix. Good and Services Tax (GST) Number
- x. Tax Deduction and Collection Account Number (TAN)

FORMAT 1.3:
INFORMATION REQUIREMENT - REGISTRATION DETAILS and
CONTENT - NON-OBLIGATED ENTITY (PURCHASER)

A. Unit Details

- i. Organization Name
- ii. Nature Of Business
- iii. Year of Establishment
- iv. Website
- v. Corporate Identification Number (CIN)
- vi. Address
- vii. Email ID
- viii. Telephone Number
- ix. Fax

B. Primary Contact Details

- i. Name
- ii. Designation
- iii. Email ID
- iv. Mobile Number

C. Billing Details

- i. Company Name
- ii. GST Number
- iii. Address
- iv. Email ID
- v. Telephone
- vi. Fax

D. Upload Documents

- vii. Corporate Identification Number (CIN)
- viii. Permanent Account Number (PAN)
- ix. Good and Services Tax (GST) Number
- x. Tax Deduction and Collection Account Number (TAN)

FORMAT 1.4:
CERTIFICATE OF REGISTRATION

This is to certify that _____ (*Name of the Obligated Entity/ Non-Obligated Entity – Purchaser*) _____ [*Obligated Entity Registration Number having Address*] has been registered with Registry for the Compliance Year “...”.

This registration is granted subject to fulfilling the Rules, Regulations and Procedures specified by the CERC/Administrator/Registry from time to time.

Authorized Signatory of the Registry
Grid Controller of India Ltd,
34, South Extension II, Uday Park, Ayurvigyan Nagar,
New Delhi - 110049

Date of Issue:

This is a computer-generated Certificate and needs no signature

II. PROCEDURE(S) FOR INTERFACE ACTIVITIES BETWEEN ENTITIES (POWER EXCHANGES AND REGISTRY, ADMINISTRATOR AND REGISTRY, REGISTRY AND OBLIGATED ENTITIES AND NON-OBLIGATED ENTITIES (PURCHASER) FOR TRANSACTION OF CCCs

12. INTRODUCTION

12.1. These Procedures shall provide guidance to the Obligated Entities and Non-Obligated Entities (Purchaser) registered with Registry, as defined in 'Procedure for Registration of a Obligated Entity and Non-Obligated Entity (Purchaser) with Registry' under clause 3 of this Procedure. This procedure shall be called *'Procedure for interface activities between entities (Power exchanges and Registry, Administrator and Registry, Registry and Obligated Entities & Non-Obligated Entities (Purchaser) for transaction of CCCs'*.

12.2. These Procedures are issued in compliance with the clause 6 (2) (a) of CCCs Transaction Regulations in order to enable implementation of the said Regulations so as to facilitate the transaction of Carbon Credit Certificates between the Obligated Entities to whom CCCs have been issued and the Obligated Entities who want to comply with the prescribed Greenhouse Emission Intensity (GEI) targets for the current and the subsequent compliance year and also Non-Obligated Entities (Purchaser) who wants to purchase CCCs under compliance mechanism on voluntary basis.

12.3. Words and Expressions used in these Procedures shall have the same meaning as provided in in the Environment Protection Act, 1986 (29 of 1986), the Energy Conservation Act, 2001 (52 of 2001), the Electricity Act, 2003 (36 of 2003), the Carbon Credit Trading Scheme, 2023, CCCs Transaction Regulations, and CERC (Power Market) Regulations, 2021.

13. APPLICABILITY AND SCOPE

13.1. These Procedures shall be applicable to the Obligated Entity, Non-Obligated Entity (Purchaser), Registry, Administrator and the Power Exchange(s) while facilitating the transaction of Carbon Credit Certificates under the compliance mechanism.

13.2. Power Exchange means the power exchange as registered or deemed to have been registered under Power Market Regulations of the Commission. Power Market Regulations means the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 as amended from time to time.

14. STEP -WISE DESCRIPTION OF THE PROCEDURE

The entities involved in the Transaction of CCCs shall interact through the online platform viz., **ICM Portal** and **ICM Registry**, developed by Administrator. Login credentials and access shall be provided, as applicable, to the Registry, the Power Exchange(s), the Obligated Entities, and the Non-Obligated Entities (Purchaser).

14.1. STEP 1: The Obligated Entity shall place their Sell/buy bids on Power Exchange(s) in the manner as defined in respective Power Exchange(s) Business Rules approved by the Commission. The Obligated Entity may place their sell/buy Bids on the Power Exchange(s) simultaneously. The sum of the sell Bids as placed by the Obligated Entity on the Exchanges shall be less than or equal to the total quantity of CCCs available for transaction in its Registry account. The Non-Obligated Entity (Purchaser) shall place their buy bids on Power Exchange(s) in the manner as defined in respective Power Exchange(s) Business Rules approved by the Commission.

14.2. STEP 2: During the bidding window of the Power Exchange(s), the seller and buyer shall place their sell and buy bids, respectively, through the trading platform of the concerned Power Exchange(s).

14.3. STEP 3: Upon receipt of sell and buy bids up to the closure of the trading window, as provided in bye-laws of respective Exchanges, each Power Exchange shall collate the sell and buy bids and send it to the Registry through its account on ICM Registry for verification of the quantity of CCCs offered for sale against the quantity of CCCs available for transaction in the Registry account of the concerned Obligated Entity.

14.4. STEP 4: The Registry, on receipt of sell Bids from each Power Exchange shall cross-check the cumulative Sell bids placed by an Obligated Entity on the Power Exchange(s) against the quantity of CCCs available for transaction in its Registry account maintained on ICM Registry.

(a) If the sum of such CCCs offered for sale on the Power Exchange(s) is less than or equal to the quantity of CCCs available for transaction in the Registry account of the Obligated Entity, the Registry shall send confirmation through their account on ICM Registry to the respective Power Exchange(s).

(b) In case the cumulative sell bids placed by an Obligated Entity on the Power Exchange(s) exceed the quantity of CCCs available for transaction in their Registry account, the Registry shall intimate the Power Exchange(s) to treat such Obligated Entities as a defaulter. In such case, any bid submitted by such Obligated Entity shall not be considered by the Power Exchange(s) for the purpose of discovering the Market Clearing Price (MCP) and Market Clearing Volume (MCV) in the current trading session, without prejudice to any other action that may be taken under the Energy Conservation Act, 2001, Environmental Protection Act, 1986, the Rules, Regulations and the Procedures.

(c) CCCs issued to an Obligated Entity in a compliance year, may be banked or sold by such Obligated Entity up to the validity of such CCCs.

Provided that the CCCs purchased through Power Exchange(s) shall not be eligible for resale under any circumstances.

Provided further that the CCCs purchased by a Non-Obligated Entity (Purchaser) shall be used solely for the purpose of retirement. And shall not be eligible for resale or banking.

14.5. STEP 5: Upon receipt of the confirmation from the Registry, the Power Exchange(s) shall aggregate all the buy bids and the confirmed sell bids and discover the Market Clearing Price (MCP) and Market Clearing Volume (MCV) for the relevant trading session through the closed double-sided uniform price auction mechanism. Upon completion of bid matching and transaction finalization, each Power Exchange shall upload the transaction confirmation report on the ICM Registry specifying the quantity of CCCs sell and buy volume for each Obligated Entity or Non-Obligated Entity (Purchaser) that has successfully transacted CCCs during the concerned trading session.

14.6. STEP 6: Upon receipt of the transaction confirmation report from the respective Power Exchange, the Registry shall transfer the CCCs by debiting the Registry account of the concerned seller and crediting the Registry account of the concerned buyer. The Registry shall update their Registry accounts with the following details:

- Opening Balance [No. of CCCs]
- CCCs traded on the Power Exchange(s)
- Closing Balance [No. of CCCs]

14.7. STEP 7: Upon successful updation of the Registry accounts, the Registry shall send the transaction approval acknowledgement to the Power Exchange(s).

14.8. STEP 8: Transaction of CCCs shall be based upon First-In-First-Out (FIFO) principle.

14.9. In case an Obligated Entity purchases CCCs in excess of its compliance requirement for any compliance year, such excess CCCs shall be banked and may be utilized only for compliance with the Greenhouse Gas Emission Intensity (GEI) targets in subsequent compliance years. Such banked CCCs shall not be eligible for resale.

15. FUNCTIONS, ROLES AND RESPONSIBILITIES OF ENTITIES INVOLVED

The roles and responsibilities of the entities involved are as follows:

15.1. Obligated Entity

- a.** Adhere to directions given by the Commission, Administrator, Registry and the Power Exchange(s) from time to time.
- b.** Place sell or buy bids for Carbon Credit Certificates on the Power Exchange(s) as per the prescribed timelines.

15.2. Non-Obligated Entity (Purchaser)

- a.** Adhere to directions given by the Commission, Administrator, Registry and the Power Exchange(s) from time to time.
- b.** Place buy bids for Carbon Credit Certificates on the Power Exchange(s) as per the prescribed timelines.

15.3. Power Exchange

- a.** Formulate Rules and Byelaws for transaction of CCCs on the Power Exchange(s) in accordance with the provisions of Carbon Credit Trading Scheme 2023, Detailed Procedure for Compliance Mechanism, the CCCs Transaction Regulations and these Procedures and issue the same after taking due approval from the Commission.

- b.** In line with the CCCs Transaction Regulations, Exchanges shall adopt double sided closed auction with uniform pricing.
- c.** Develop the IT Platform compatible with the ICM Registry for enabling online transaction of CCCs.
- d.** Permit the transaction of Carbon Credit Certificates only to the Obligated Entities and Non-Obligated Entities (Purchaser) registered with Registry under the compliance mechanism.
- e.** Determine the market clearing price and the market clearing volume. The transaction results shall be published and made available to Obligated Entities and Non-Obligated Entities (Purchaser).
- f.** Shall send reports for transaction confirmation and financial obligation, invoices including financial settlement i.e. the generated pay-in and pay-out for the executed transaction to the Obligated Entity and Non-Obligated Entity (Purchaser).
- g.** Shall issue the purchase certificate to the Buyers and details of the same shall be shared with the Registry.
- h.** After each trading session, shall display CCCs demand supply curves on their website to enable the Obligated Entities and Non-Obligated Entities (Purchaser) to understand demand supply dynamics in the market.

15.4. Registry

- a.** Assist in development of ICM Registry and for maintaining secure database of CCCs and records of transaction of CCCs.
- b.** Formulate protocol for sharing of information related to transaction of Carbon Credit Certificates in 'electronic form' with Power Exchange(s) and Administrator.
- c.** Maintain records with respect to the transaction of Carbon Credit Certificates based on information received from Power Exchange(s).

- d.** After each trading session, the Registry shall update dashboard of the concerned Obligated Entity or Non-Obligated Entity (Purchaser).
- e.** Discharge the following functions in the process of CCCs transaction

 - i.** Blocking and freezing transaction of defaulters, wherever applicable.
 - ii.** Record keeping of CCCs
- f.** After the compliance of each compliance year, on intimation from the Administrator about the extinguishment of CCCs for the considered Obligated Entity, Registry shall extinguish such CCCs from the Registry account of the concerned Obligated Entity, and thereafter the balance CCCs, if any, shall be treated as Banked CCCs of concerned compliance year.
- g.** After the trading session, on intimation of confirmation from the Power Exchange(s) about the purchase of CCCs by the Non- Obligated Entity, Registry shall transfer such CCCs from the Registry account of the concerned Obligated Entity to the Registry account of the Non-Obligated Entity (Purchaser) and thereafter extinguish such CCCs from the account of the Non-Obligated Entity (Purchaser).
- h.** Inform the Obligated Entities about the details of extinguished CCCs and balance CCCs through ICM Portal.
- i.** Publish, on a monthly basis, the list of default Obligated Entities who have been barred from the sale and purchase of CCCs for the next six months as specified under the CCC Transaction Regulation.
- j.** Any other function, as suggested by Commission in consultation with Administrator.

- k. Submit records and MIS reports to the Commission on quarterly basis

15.5. Administrator

- a. Provide assistance to the Commission, Registry and Power Exchange(s) in matters involving transaction of CCCs on the Power Exchange(s).
- b. Develop and maintain IT Platform for online transactions of CCCs in accordance with the provisions of Carbon Credit Trading Scheme 2023, Detailed Procedure for Compliance Mechanism, the CCCs Transaction Regulations, and Orders.
- c. Disseminate relevant market information to Obligated Entity, Non-Obligated Entity (Purchaser), Registry, Power Exchange(s) etc.
- d. Provide information related to Obligated Entities and Non-Obligated Entities (Purchaser) for each compliance year, Disaster Recovery Server, and Software Requirement Specification (SRS) document, communication protocol for any modification in the Registry platform, etc.
- e. Coordinate with the Power Exchange(s) and Registry for smooth interface for transaction of CCCs.
- g. Help manual for interface activities shall be prepared by the software developer and the same shall be provided to the Registry.
- h. Ensure the accountability of the software developer to maintain the integrity and probity of the scheme.
- i. Discharge such other functions as may be assigned under these Procedures and Regulations.

16. INTERFACING AND INFORMATION EXCHANGE

- 16.1.** Various activities outlined under this Procedure shall be undertaken in 'Electronic Form' to the extent feasible. It is envisaged that Administrator shall devise an appropriate information sharing protocol for sharing information with Registry, Power Exchange(s), Obligated Entities, Non-Obligated Entities (Purchaser) and the Commission, as may be necessary for implementation of this Procedure. The ICM Registry, Administrator and the Power Exchange(s) would ensure generation and preservation of electronic trail of all transactions. Administrator shall also provide access to the Commission to view ICM Registry for reports on issuance of CCCs to the Obligated Entities and Non-Obligated Entities (Purchaser), list of registered entities, status of CCCs being traded and any other related reports.

III. PROCEDURE(S) FOR DEALING OF CARBON CREDIT CERTIFICATES, TRANSFER AND OTHER RESIDUAL MATTERS

17. TIMELINES FOR TRANSACTION OF CCCs

- 17.1.** The Buy Bids on Power Exchange(s) may be placed by any Obligated Entity who wants to comply with the prescribed Greenhouse gases Emission Intensity (GEI) targets notified by the Central Government for the current and/or the subsequent compliance year or by any Non-Obligated Entity (Purchaser) who wants to purchase CCCs on a voluntary basis, in accordance with the scope of trading for transaction of CCCs.
- 17.2.** Transaction of CCCs shall be undertaken on Power Exchange(s) in accordance with the Rules/Byelaws of the Power Exchange(s) approved by the Commission. All valid and eligible offers for CCCs received by the Power Exchange(s) shall be considered for trading to be carried out on last Thursday of every month.
- 17.3.** In the event of a public holiday or bank holiday falling on last Thursday of any month, trading shall take place on the next working day.
- 17.4.** Bureau in consultation with the Power Exchange(s), shall place the list of bank holidays and public holidays on their website and ICM Portal, on or before 31st December of the preceding year and any changes in the trading date shall be communicated by the Bureau to the stakeholders. The list of bank holidays and public holidays shall also be published by the Power Exchange(s) on their respective websites. If there are other exigencies warranting

change in the day for trading, the Bureau can make such change as considered necessary under intimation to all concerned.

- 17.5. On the day of the trading session, the Registry shall freeze the CCC inventory position of all Obligated Entities on the ICM Portal by 11:00 Hrs, and such inventory shall remain frozen till the conclusion of the trading session, so as to ensure that the quantity available for trading is fixed and validated for that session.
- 17.6. The bidding window would open simultaneously on all the Power Exchange(s) designated by the Commission for dealing in CCCs and shall remain open from **12:00 Hrs to 14:00 Hrs** on the day of trading session.
- 17.7. The Power Exchange(s) shall intimate to the Registry by **14:30 Hrs** on the day of trading session, the details of sale and buy bids placed by each Obligated Entity and Non-Obligated Entity (Purchaser) for cross-verification of the availability of CCCs in their respective Registry account.
- 17.8. The Registry shall cross-check the cumulative sale bids placed on all the Power Exchange(s) by each Obligated Entity against the quantity of CCCs available in their respective Registry account by **15:00 Hrs**. When the cumulative sale bids exceed the available CCCs in the Registry account, the Registry shall intimate the Power Exchange(s) to treat such Obligated Entity as a defaulter, and any bid submitted by such Obligated Entity shall not be considered by the Power Exchange(s) for the purpose of price discovery. The bids submitted by such Obligated Entity shall become void and ineffective for that trading session.
- 17.9. The Power Exchange(s) shall discover the Market Clearing Price (MCP) and the Market Clearing Volume (MCV) by **16:00 Hrs**

after taking into account the confirmation received from the Registry.

- 17.10.** The Power Exchange(s) shall send the final cleared transactions of each Obligated Entity and Non-Obligated Entity (Purchaser), including the details of purchase and sale of CCCs through a 'Transaction Confirmation Report' to the Registry by **16:15 Hrs.** The Power Exchange(s) shall also provide the executed transaction reports to the respective Obligated Entity and Non-Obligated Entity (Purchaser).
- 17.11.** Upon receipt of the 'Transaction Confirmation Report', the Registry shall update the Registry account of respective Obligated Entity and Non-Obligated Entity (Purchaser), whereby the seller's account shall be debited, and the buyer's account shall be credited. Thereafter, the Registry shall send the 'Transaction Approval Acknowledgement' to the Power Exchange(s) by **16:45 Hrs.**
- 17.12.** Upon issuance of the 'Transaction Approval Acknowledgement', the Registry shall unfreeze the CCC inventory of the concerned Obligated Entities on the ICM Portal.
- 17.13.** The Power Exchange(s) shall send the Management Information System (MIS) Report by 10:00 Hrs on the next working day.