## Tariff Comparison of Domestic Coal, Imported & Blended Coal

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Description</th>
<th>Unit</th>
<th>Domestic Coal (MCL)</th>
<th>Imported Coal (Indonesia Mines post drying)</th>
<th>Blended Coal (70% domestic, 30% imported)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Landed Price of Coal at site</td>
<td>Rs/Tonne</td>
<td>1693</td>
<td>4565</td>
<td>2254</td>
</tr>
<tr>
<td>2</td>
<td>GCV of Coal</td>
<td>Kcal/Kg</td>
<td>3500</td>
<td>5500</td>
<td>4100</td>
</tr>
<tr>
<td>3</td>
<td>Station Heat Rate</td>
<td>Kcal/kWh</td>
<td>2250</td>
<td>2198</td>
<td>2223.84</td>
</tr>
<tr>
<td>4</td>
<td>Boiler efficiency</td>
<td>%</td>
<td>85</td>
<td>87</td>
<td>86</td>
</tr>
</tbody>
</table>

### TARIFF

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate/Unit</th>
<th>Domestic</th>
<th>Imported</th>
<th>Blended</th>
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</thead>
<tbody>
<tr>
<td>Capacity Charge</td>
<td>Paisa/kWh</td>
<td>198.16</td>
<td>205.44</td>
<td>203.55</td>
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<tr>
<td>Fuel Charge</td>
<td>Paisa/kWh</td>
<td>145.14</td>
<td>243.29</td>
<td>184.72</td>
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<tr>
<td>Total Tariff</td>
<td>Paisa/kWh</td>
<td>343.30</td>
<td>448.73</td>
<td>388.27</td>
</tr>
</tbody>
</table>

### Remarks

- a. Rail transportation charges Rs 990/T from Dhamra to site & Cost of MCL coal Rs 1693.33/T (incl. rail transportation charges of Rs 939/T)
- b. 2 No's Coal dryers is envisaged of 175 TPH each & its cost added in Project Capital Cost.
- c. 1 USD = INR 65 considered & Coal Price considered as 55 USD at FOB Dhamra port as per Argus Coal INDEX REPORT [41.6 USD at Indonesia Port + 12 USD Ocean transport, Insurance, Port Charges]
- d. Mega Project considered for Tariff calculation
Steps being taken to improve the paying capacity of UP discoms

Financial restructuring of UPSEB as cleared by CCEA

The Planning Commission had announced a restructuring package for 7 SEBs in June 2012. This package was cleared by the Cabinet Committee on Economic Affairs on September 24. The package is aimed at restructuring the short term liabilities of these SEBs. The 7 SEBs to be restructured include UP.

In the scheme, for 50% of the short term liabilities, the discoms will issue bonds to banks/lenders and these bonds will be taken over by the State Govt in the next 2-5 years. However, the State Govt's liability to service principal and interest will start immediately. For the balance 50%, banks/lenders will reschedule loans to offer the best possible terms. The Central Govt too will provide support in the form of the Transitional Finance Mechanism which will provide an incentive for T&D loss reduction and help in repayment of the 25% principal portion of bonds issued by reforming discoms. A State and Central Monitoring Committee will be formed to review the progress.

Power tariff hike in UP

The Uttar Pradesh State Electricity Regulatory Commission (UPSERC) has hiked the power tariff for commercial and industrial consumers, while exempting domestic and rural consumers in the State. The new tariff, which comes into retrospective effect from October 1, would be valid for a period of six months up to March 31, 2013. Power tariff for large and heavy industries has been raised by up to 30 per cent, whereas it has been raised by up to 18 per cent for small and medium industries. For the urban commercial consumers, the tariff has been raised by up to 20 per cent. Overall an average hike of 17.63 per cent has been effected by the UPSERC. The tariff has also been hiked for all government departments, street-lighting, institutions and other bodies as well. Similarly, small and medium industries would be required to pay more if they operate during peak hours from 6 pm to 10 pm.

Privatization of distribution circles

Govt. has planned to privatize the electricity distribution in high AT & C loss area (Ghaziabad, Merrut, Kanpur & Varanasi) for better revenue realization. This is going to be initiated as early as the next quarter.

Sanction of Transitional loan of Rs. 1558 crores by PFC to UPPCL to fund 50% of the outstanding power purchase liabilities towards IPPS for more than 60 days. The loan shall be paid in 84 monthly instalments after a moratorium of 3 years for principal repayment. This loan is being given on the basis of State Government Guarantee.
Mirzapur plant is expected to become operational in 2017. LOI for the recent Case-I concluded in UP have been accorded to tariffs of up to Rs. 5.50. Our tariffs on the basis of domestic coal, blended coal and imported coal fall well within this range of tariff.

For 2013-14, The Uttar Pradesh Electricity Regulatory Commission (UPERC) has approved a new power tariff structure, effecting a significant hike for domestic, commercial and rural consumers, while sparing the industry from any hike. The power tariff hike announced by UPERC and shall be in force till 31st March, 2014. Domestic users would now pay 35% more for power, while the rural sector would have to pay 45% more. Overall the average tariff hike is around 40% as declared by UPERC.
Validity of Mirzapur PPA

- EA 2003 allows procurement of power by distribution utilities as per both Sections 62 and 63.

- Electricity (No.38) falls under concurrent list subject defined and enlisted under the List - III of the Seventh Schedule of the Constitution of India, which form the joint domain of both the State Governments and the Union territories of India as well as the Central Government of India.

- One of the basic premises of the EA, 2003, as enumerated in Para 3 of the Introduction to Act, is to give enough flexibility to the States to develop their power sector in the manner they consider appropriate. This is along with the other objectives to promote progressive features and to strike a fine balance with the realities of the sector in India.

- UP has spelt out its state policies with the objective to meet state’s demand through MoU projects. The IPP players have to meet the Technical and Financial criteria to be eligible under the policies.

- This is as per section 62 of the Electricity Act, 2003 which empowers appropriate commission to determine tariff for supply of electricity by a generating company to a distribution licensee. Further section 86 details duties of state regulation commission so as to “Determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as case may be, with in the state”

- Power deficits in UP is in the double digit zones (energy deficit of 16.6% and peak deficit of 13.3% for 2012-13) and calls for urgent action in capacity addition.

Coal Block for Auction for Private IPPs:

Ministry of Coal, Govt. of India has identified 54 Coal blocks for allocation to various sectors like Power, Steel, Commercial Mining, etc. Out of that 54 Coal blocks MoC has already allocated 14 Coal blocks for end use in Power sector to CPSUs and State Govt. under auction route. In the next phase MoC has identified another 6-8 Coal block for auction to Private players in the Power sector. Though Welspun has applied to MoC, GoI for long term coal linkage for its Mirzapur Thermal Power Project, but Welspun intends to participate in the auction of coal blocks for private power developers to secure fuel linkage for its Mirzapur TPP besides other TPPs located in MP. Since Welspun has achieved significant milestones in getting consents and clearances for the project, therefore Welspun expects to be among the frontrunners in the auction of coal block bidding linked to end use plant.
SIRIDI SAI GOODEARTH INTERNATIONAL PTE LTD

EXCELLENCE IN DELIVERY

SSGI
Brief Profile
"WITHOUT AMBITION ONE STARTS NOTHING. WITHOUT WORK ONE FINISHES NOTHING. THE PRIZE WILL NOT BE SENT TO YOU. YOU HAVE TO WIN IT."
SSGI
OUR PLEDGE

There is more to the world even beyond the limitations of imagination. And it takes some real walking to reach that milestone. Explore new possibilities, opportunities. That's what defines Super Star Engineers. Having already travelled to be a shade different, we at SIRIDI SAI GOOD EARTH INTERNATIONAL PTE LTD believes in redefining the spirit of enterprise and excellence. With interests in fields as diverse as Power, Wireless Communication, Mining Iron, Coal and other minerals, international business, SIRIDI SAI has successfully given a new meaning to business as an integrated social affair. The company is driven by core values of perfection and adherence to sincerity and commitment. We benchmark ourselves according to global standards in every field including sales, production, human resources and that's what makes us leaders.
What Is COAL

- **Coal** is a readily combustible black or brownish-black sedimentary rock, normally occurring in rock strata in layers or veins called coal beds. The harder forms, such as anthracite coal, can be regarded as metamorphic rock because of later exposure to elevated temperature and pressure. Coal is composed primarily of carbon along with variable quantities of other elements, chiefly sulfur, hydrogen, nitrogen, and ash.

- Coal begins as layers of plant matter accumulate at the bottom of a body of water. For the process to continue the plant matter must be protected from biodegradation and oxidation, usually by mud or acidic water. The wide, shallow seas of the Carboniferous provided such conditions. This trapped atmospheric carbon in the ground in immense peat beds that eventually were covered over and deeply buried by sediments under which they were transformed to coal. Over time, the chemical and physical processes of the plant remains (believed to mainly have been tree-like species antedating more modern plant and animal species) were changed by geological action to create a solid material.

Coal, a worldwide, is the largest source of energy for the worldwide, as well as one of the largest worldwide sources of emissions. Gross emissions from coal usage are slightly more than those from and about double the amount from oil and gas. Coal is extracted from the ground by either underground or open-pit.
Coal in India

COAL is the most important and abundant fossil fuel in India. It accounts for 55% of the country’s energy need. The country’s industrial heritage was built upon indigenous coal.

Commercial primary energy consumption in India has grown by about 700% in the last four decades. The current per capita commercial primary energy consumption in India is about 350 kqoe/year which is well below that of developed countries. Driven by the rising population, expanding economy and a quest for improved quality of life, energy usage in India is expected to rise around 450 kqoe/year in 2010. Considering the limited reserve potentiality of petroleum & natural gas, eco-conservation restriction on hydel project and geopolitical perception of nuclear power, coal will continue to occupy centre-stage of India’s energy scenario.
Mining Overview in India

- India now ranks 3rd amongst the coal producing countries in the world. According to the 2008 BP Statistical Energy Survey, India had end 2007 coal reserves of 56498 million tonnes, 6.66% of the world total. Through a sustained programme of investment and greater thrust on application of modern technologies, it has been possible to raise the production of coal from a level of about 70 million tonnes at the time of nationalisation in the early 1970's to production of 478.18 million tonnes in 2007. Most of the coal production in India comes from open pit mines which contribute over 81% of the total production. A number of large open pit mines of over 10 million tonnes per annum capacity are in operation. Underground mining currently accounts for around 19% of national output. Most of the production is achieved by conventional Bord and Pillar mining methods.

India's lignite reserves are estimated at 6.5 billion tons. In January 2006, the Indian Government reduced the import duty on coal from 20% to 15%. Although India is a major producer of coal, it produces only limited quantities of coking coal needed by its steel plants. As a result, it is a large importer of coking coal, mostly from Australia. The reduction in import duty on coal will assist the steel producers and improve their competitiveness.
Coal is the dominant energy source in India, accounting for more than half of the country's requirements. 70% of India's coal production is used for power generation, with the remainder being used by heavy industry and public use. Domestic supplies satisfy most of India's coal demand. According to the 2008 BP Statistical Energy Survey, India had 2007 coal consumption of 208 million tonnes oil equivalent. Unfortunately, most of India's coal is characterised by high ash content, but the quality has other useful qualities such as low sulphur content (generally 0.5%), low iron content in ash, low refractory nature of ash, low chlorine content and low trace element concentration.
About 88% of the total coal production in the country is produced by various subsidiaries (a total of 390 mines) of Coal India Ltd, which is the largest supplier of coal (and one of the largest taxpayers) in the country. Although Coal India is currently State controlled, efforts are being made to open the industry to Indian private investors. At present all private mines are allowed to operate only if they are producing coal to supply a specific industry (e.g. power station industry).

Coal India has seven coal producing subsidiary companies: viz. Central Coalfields, Eastern Coalfields (Sanctoria), Bharat Coking Coal (Dhanbad), Northern Coalfields (Nagpur), Western Coalfields, Southern Eastern Coalfields (Rilaspur), Mahanadi Coalfields (Sambalpur) and the Central Mine Planning & Design Institute (CMPDI) at Ranchi Bihar, which is entrusted with the job of providing total research and consultancy support to the industry. South Eastern Coalfields are planning to increase production from two of its operations, the Gevra and Dipka mines that supply coal to power stations.

The only other major producer outside of CIL is the Singerani Collieries Company that is located in Andhra Pradesh. Singerani has 37 underground and 13 opencast mines, and produced 40.6 million tonnes of coal in 2007.
Minerals & Metals Trading Corp (MMTC)'s ambitious Rs22.5 billion venture to convert imported coal into metallurgical coke became operational in November 2003 and was expected to reach its full capacity of 880,000 t/y during the 2004 year.

In a bid to break the public sector monopoly over coal, the government is seeking to introduce legislative changes allowing for private mining, whilst liberalising norms for the allocation of captive blocks permitting trading of coal. The government is contemplating the allocation of captive blocks for setting up washeries in the private sector. Captive block holders would also be permitted to sell their coal on the open market. As many as 143 blocks could be allocated, containing total estimated reserves of 30,000 Mt. The current legislative requirements permit private-sector investment only for the limited purpose of setting up coal washeries and captive mining for specified end-uses, including setting up
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Future of Coal in India

Coal probably deserves its epithet ‘black diamond’ more than ever now. China, which was a net exporter, has just turned net importer. India, too, despite its abundant reserves, is looking at imported coal as a bigger option. This could mean rising prices. Besides, the generally volatile coal market could see further uncertainty due to carbon emission norms in Europe.

India is likely to import 60-100 million tonnes annually over the next 10 years. But local coal is the lowest cost option. Indian imports will impact sea-borne trade in coal and possibly swing global prices. India is the third-largest consumer of coal (400 mt in 2006), next to the US and China, which consume over 1 billion tonnes. Sea-borne trade in thermal coal is only 500 million tonnes. So, even a small change in the supply-demand balance in key coal markets will have a material impact.
If demand is constrained, it could drive global coal prices to the prevailing cash cost of marginal suppliers, that is, at about $38 (Rs 1,558) per tonne in India. Growth in sea-borne demand could drive prices up to $50 (Rs 2,050) per tonne. This could go even higher to around $70 (Rs 2,870) per tonne if prices moved up on account of substitution, depending on gas prices.
Imported Coal

- In order to meet the capacity addition plans of power companies, the Centre on Thursday said it has increased the coal import target for 2009-10 by 40% to 35 million tonne.

- "We have set a coal import target of 35 million tonne for power utilities in 2009-10 against the earlier planned 25 million tonne," secretary (power) VS Sampath told reporters on the sidelines of a CII event here.

- However, since imported coal has calorific value around 50% more than the domestic variety, the 35 million tonne of imported coal would be able to meet the power utilities' fuel requirement of about 53 million tonne in 2009-10, Sampath said. The ministry had initially revised the coal import target for the next fiscal to 28.7 million tonne.

- The country has managed to import around 18 million tonne in 2008-09 to supply to thermal power plants, as against the target of 20 million tonne of coal.

- Meanwhile, the country's largest power producer NTPC said on Friday that it would increase its coal imports to 8.33% of the requirement in 2009-10 to generate an additional 4,000 mw in 2009-10.
"We would import 12.5 million tonne coal in the next financial year (out of the total requirement of 150 million tonne) against the previous target of 10 million tonne. We will add 3,000 mw power capacity during the same period," NTPC chairman and managing director RS Sharma told reporters on the sidelines of the same function. He said a majority of coal imports would be from Australia and Indonesia.

As against the coal import target of 8.2 million tonne in 2008-09, NTPC has so far imported around 5 million tonne of coal. "We have imported nearly 5 million tonne of coal and the remaining is being imported," Sharma said. The total requirement of the company is 125 million tonne.

The 3000 mw additional capacity generation will be at two units of its Dadri thermal power station in Uttar Pradesh, and one unit each in the Sipat and Korba (Chhattisgarh), as well as Aravalli (Jhajjar, Haryana) power plants, Sharma said.

According to the data given by power planning body Central Electricity Authority, of the 77 units in the country, 37 thermal power plants have critical coal stock of less than seven days. Around 20 power units have inventories that would be only enough for less than four days.
More worrying is the fact that five power plants do not even have coal stocks to meet their needs for a day. These include 1,340 mw Mejia unit in West Bengal, 1,000 mw Sipat in Chhattisgarh, 880 mw Nasik unit in Maharashtra, 390 mw Torrent unit in Gujarat and 420 mw Tenughat plant in Jharkhand. While, 13 power plants got less coal from the suppliers, 22 others face the problem of inadequate coal linkages.

As against this financial year’s supply of 292 million tonne, the navranta public sector unit Coal India has said it would provide 312 million tonne of coal in 2009-10. “In incremental terms, we would provide 20 million tonne additional coal to power utilities next fiscal compared to the current financial year,” said Partha S Bhattacharyya, chairman of Coal India.

Since imported coal has calorific value around 50% more than the domestic variety, the 35 million tonne of imported coal will be able to meet the power utilities’ fuel requirement of about 53 million tonne in 2009-10. India imported around 18 million tonne in 2008-09 to supply to thermal power plants, as against the target of 20 million tonne of coal.
Indonesian Coal

- Indonesian coal production has increased in recent years, and Indonesia is currently the world's third largest exporter of steaming coal (after Australia and China). According to the 2008 BP Statistical Energy Survey, Indonesia had end 2007 coal reserves of 4328 million tonnes. Indonesia is one of the leading exporters of sub-bituminous coal which represents the bulk of Indonesian coal production. According to the 2008 BP Statistical Energy Survey, Indonesia had 2007 coal production of 174.83 million tonnes, and consumption of 27.8 million tonnes oil equivalent. Most of Indonesia's coal reserves are situated in Sumatra in the south, with the balance located in Kalimantan, West Java, and Sulawesi. Coal quality varies, with lower grade lignite (59%), sub-bituminous (27%) and high grade bituminous and anthracite (14%).
Indonesia adopted a National Coal Policy in January 2004, which seeks to promote the development of the country's coal resources to meet domestic requirements and to increase coal exports. The state-owned PT Tambang Bukit Asam is one of the five largest coal producers in Indonesia. Almost a quarter (22%) of its production is exported to international markets, including Japan, Taiwan, Malaysia, Pakistan, Spain, France and Germany. The company has mineable reserves of approximately 7.3 billion tons or 17% of the total coal reserves in Indonesia.
COMPANY'S INCORPORATION

Company No: 200905322D

CERTIFICATE CONFIRMING INCORPORATION OF COMPANY

This is to confirm that SIRIYI SAI GOODGARTH INTERNATIONAL PTE. LTD. is incorporated under the Companies Act (Cap 50), on and from 27/04/2009 and that the company is a PRIVATE COMPANY LIMITED BY SHARES.

GIVEN UNDER MY HAND AND SEAL ON 03/04/2009.

CHUA SIEW YEN
ASSISTANT REGISTRAR
ACCOUNTING AND CORPORATE REGULATORY AUTHORITY (ACRA)
SINGAPORE

ACRA
Sririd Sai Goodearth International Pte Ltd, Singapore a subsidiary of Super Star Engineers & Contractors Private Limited, (SS ECPL) was established in the Year 1996. Earlier the business was conducted as a family concern under the name and style of Kapoor & Sons (Proprietorship) from the year 1978. It was the brainchild of Mr. AP Kapoor who realized that there was a huge void in the service sector of various engineering divisions. The Proprietorship started job works for small engineering comp

Mr. Gautam Kapoor, A Graduate in Commerce and has mastered the Business Management methodologies. Trained by Siemens India in its manufacturing facility in 1986 (Switchgear Div) Compiled a course in Diesel engine at GRSE Ranchi 1989. Took Training in wireless commutation in 1999 and hold a Wireless license for VHF installations.
Business Interests

The Company's diverse business interests are under several vertical divisions like Electrical Supplies & Contracts Division, Power Generation Division, Mineral Mining & Handling Division. SS ECPL has assisted Companies like Siemens, Bharat Bijlee Ltd, Cable Corporation Ltd etc in the after sales maintenance of their products. They have also assisted Companies like Birla Periolase (unit of Aditya Birla Group), 3 MW Power Plant for the Indian Navy for the works relating to the operation and maintenance of liquid fuel based power plants.

SS ECPL was awarded the work of erection for the BHEL Bhopal Liquid fuel Division in setting up of 12.5 MW Power Plant in Haddo in Andaman for the Andaman Electricity. SS ECPL was awarded the work of total Project Power Management by the Aditya Birla Group for its plant in Visakhapatnam, which included Power Generation, Manning, Distribution and effectively supplying power for the construction activity for the plant.
SS ECPL handled the Mining & Logistics operations for several minerals including limestone, bauxite, Iron Ore, Manganese etc for several Companies in India & States Andhra Pradesh & State of Orissa.

In the area of Coal Washery & Designing, SS ECPL has provided turnkey solutions to clients' requirements for Coal Washing systems as well as its related electronics, hydraulic, pneumatic and instrumentation systems, through its associate group concern M/s Wavelength Engineering. SS ECPL field of specialization includes implementation of Coal Washing Plant and allied installations strictly within the project schedule. The in-house facilities of M/s Wavelength Engineering to manufacture Washery related Equipments add immensely in meeting the target period specified by the clients.

SS ECPL has, over the years, created relationships with professional associates in the field of accountancy, legal, engineering consultants etc who have been associated with SS ECPL as Partners.

Sri Sai Goodearth International Pte Ltd, Singapore with its subsidiary company in Indonesia will be purely dealing in minerals and coal. The company's Indonesian arm shall be operating from Jakarta & Samarinda and shall be represented by Mr Arun Bhai Vaidya as Full Time Director for its Indonesian Operations.
Having gained vast experience in the field of Mining Generation and power and it was decided that the company move out of India and become a Global player in mineral & Coal, it was decided to open a company exclusively for minerals and coal to cater to the Indian and South Asia markets.

The Promoters decide to open a company in Singapore and Indonesia and so Siridi Sai Goodearth International Pte Ltd was formed in 2009. Siridi Sai Goodearth Pte Ltd has acquired a coal mines in Indonesia and has started operations from 15th Of October 2009. The company proposes to acquire some more mines of different grades of coal to suit Indian and Chinese market and is in the advance stage of concluding the deal by 30-10-2009.
ACHIEVEMENT'S

Acquired its first Coal mine of 16500 Hectares in Indonesia, East Kalimantan near the mining town of Samarinda on the Mahakam River in July 2009.

Acquired two other coal mine in East Kalimantan of 1054 and 1099 Hectares in Aug 2009.

Acquired one mine of size 1560+ Hectares in Sumatra in Indonesia in Sept 2009, 400 /200/90 Ha in Banjarmasin.

Started mining operations in one of its mines in December 2009.

Details of Mine can be submitted for Viewing on Demand.
Mines JV – Tangarone Indonesia
Mines JV – Tangarone Indonesia
SAMPLEING IN PROGRESS IN MINE AR EAST KALIMANTAN APRIL 2008
SAMPLING IN PROGRESS
SAMPLING BY CCI IN PROGRESS By CCI
ANALYSIS REPORT OF TANGARONE MINE BY CCI IN 5040 Ha OUT OF 15500 Ha
<table>
<thead>
<tr>
<th>No</th>
<th>Sample</th>
<th>Lab No.</th>
<th>Weight (g)</th>
<th>Assayed</th>
<th>Grade</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>1</td>
<td>SAMPLE 1</td>
<td>1046.94</td>
<td>1.09</td>
<td>1.14</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>11.7</td>
<td>1.34</td>
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**Analysis Result**

**Report Date:** [Insert Date]

**Signature:** [Signature]

**Company:** Surveyor - CCI

**Address:** [Insert Address]

**Telephone:** [Insert Telephone]

**Fax:** [Insert Fax]

**Email:** [Insert Email]

**Web:** [Insert Website]
OVERBURDEN REMOVAL IN PROCESS
APPROACH ROAD 400 Ha MINE AT BANJIRMASIN
TECH DISCUSSIONS WITH JV PARTNER & TEST BORING IN PROGRESS. 200 Ha MINE AT BANJIRMASIN
MINE 400 Ha AND 90 Ha SAMPLE STOCK PILE
BANJIRMASIN INDONESIA

SAMPLE STOCK
PILE 400 ha
90 Ha MINE SEAM SIZE MINE AT BANJIRMASION INDONESIA

90 Ha seam size 2.4.2 mts

90 Ha seam size 3.7 Mts
LOADING AT PORT FIRST LOT FROM 400 Ha AT BANJIRMASIN

COAL BEING TRANSPORTED TO LOADING
SALE TO CHINA
MINING PLAN DEC'09-MAY'10 In 000' MT Mine 400/1050/90 Ha

- 2009 Dec
- 2010 Jan
- 2010 Feb
- 2010 Mar
- 2010 Apr
- 2010 May
### SALE VALUE OF COAL 2009-2010

<table>
<thead>
<tr>
<th></th>
<th>S300-S100 GCV USD 33 MT</th>
<th>8000-8400 GCV USD 46 MT</th>
<th>6100-6800 GCV USD 61 USD</th>
<th>6500-6800 GCV USD 69 MT</th>
<th>VALUE OF TOTAL PRODUCTION IN MILLION USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEC 09</td>
<td>0.8 MILLION USD</td>
<td>0.69 MILLION USD</td>
<td>2.74 MILLION USD</td>
<td>1.52 MILLION USD</td>
<td>5.74 MILLION USD</td>
</tr>
<tr>
<td>JAN 10</td>
<td>0.8 MILLION USD</td>
<td>1.15 MILLION USD</td>
<td>2.19 MILLION USD</td>
<td>7.19 MILLION USD</td>
<td>10.33 MILLION USD</td>
</tr>
<tr>
<td>FEB 10</td>
<td>1.15 MILLION USD</td>
<td>1.19 MILLION USD</td>
<td>2.37 MILLION USD</td>
<td>2.07 MILLION USD</td>
<td>7.78 MILLION USD</td>
</tr>
<tr>
<td>MARCH 10</td>
<td>1.36 MILLION USD</td>
<td>1.17 MILLION USD</td>
<td>3.17 MILLION USD</td>
<td>3.83 MILLION USD</td>
<td>10.47 MILLION USD</td>
</tr>
<tr>
<td>APR 10</td>
<td>1.67 MILLION USD</td>
<td>1.35 MILLION USD</td>
<td>1.17 MILLION USD</td>
<td>1.76 MILLION USD</td>
<td>5.92 MILLION USD</td>
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<tr>
<td>MONTH</td>
<td>5300-5100 GCV USD 33 MT</td>
<td>5900-5400 GCV USD 46</td>
<td>6100-5800 GCV USD 61 MT</td>
<td>6500-6300 GCV USD 69 MT</td>
<td>VALUE OF TOTAL PRODUCTION IN MILLION MT</td>
</tr>
<tr>
<td>-------</td>
<td>------------------------</td>
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<td>--------------------------------------</td>
</tr>
<tr>
<td>DEC 2009</td>
<td>50000 MT/1.05 MILLION USD</td>
<td>NIL/3500 MT/2.13 MILLION USD</td>
<td>1.7000 MT/1.17 MILLION USD</td>
<td>4.90 MILLION USD</td>
<td></td>
</tr>
<tr>
<td>JAN 2010</td>
<td>35000 MT/1.15 MILLION USD</td>
<td>25000 MT/1.15 MILLION USD</td>
<td>NIL/37500 MT/2.58 MILLION USD</td>
<td>4.88 MILLION USD</td>
<td></td>
</tr>
<tr>
<td>FEB 2010</td>
<td>NIL/75000 MT/4.27 MILLION USD</td>
<td>40000 MT/1.22 MILLION USD</td>
<td>17800 MT/5.79 MILLION USD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MARCH 2010</td>
<td>40000 MT/1.32 MILLION USD</td>
<td>NIL/48000 MT/3.13 MILLION USD</td>
<td>4.45 MILLION USD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>APRIL 2010</td>
<td>MINE CLOSED/WATER LOGGING</td>
<td>60000 MT/3.12 MILLION USD</td>
<td>94000 MT/3.20 MILLION USD</td>
<td>2.23 MILLION USD</td>
<td></td>
</tr>
<tr>
<td>MONTH</td>
<td>5300-5100 GCV USD 32 MT</td>
<td>5900-5400 GCV USD 46</td>
<td>6100-5800 GCV USD 61 MT</td>
<td>6500-6300 GCV USD 69 MT</td>
<td>VALUE OF TOTAL PRODUCTION IN MILLION MT</td>
</tr>
<tr>
<td>--------</td>
<td>-------------------------</td>
<td>----------------------</td>
<td>-------------------------</td>
<td>-------------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td>DEC 2009</td>
<td>2.45 MILLION USD</td>
<td>6.60 MILLION USD</td>
<td>4.97 MILLION USD</td>
<td>2.69 MILLION USD</td>
<td>10.7 MILLION USD</td>
</tr>
<tr>
<td>JAN 2010</td>
<td>1.95 MILLION USD</td>
<td>2.30 MILLION USD</td>
<td>2.19 MILLION USD</td>
<td>4.77 MILLION USD</td>
<td>11.3 MILLION USD</td>
</tr>
<tr>
<td>FEB 2010</td>
<td>1.15 MILLION USD</td>
<td>3.19 MILLION USD</td>
<td>6.94 MILLION USD</td>
<td>2.29 MILLION USD</td>
<td>12.3 MILLION USD</td>
</tr>
<tr>
<td>MARCH 2010</td>
<td>2.27 MILLION USD</td>
<td>3.38 MILLION USD</td>
<td>3.17 MILLION USD</td>
<td>4.96 MILLION USD</td>
<td>12.1 MILLION USD</td>
</tr>
<tr>
<td>APRIL 2010</td>
<td>1.47 MILLION USD</td>
<td>4.45 MILLION USD</td>
<td>4.34 MILLION USD</td>
<td>2.06 MILLION USD</td>
<td>14.5 MILLION USD</td>
</tr>
</tbody>
</table>
# HIGH VALUE SPECIFICATIONS INDONESIAN ORIGIN STEAM COAL
FROM OUR MINES BANJIRMASIN

<table>
<thead>
<tr>
<th>7200 Reject 6900</th>
<th>Typical</th>
<th>Rejection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Moisture (AR)</td>
<td>4.44%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Inherent Moisture (ADB)</td>
<td>1.0%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Ash (ADB)</td>
<td>8.75%</td>
<td>10%</td>
</tr>
<tr>
<td>Volatile Matter (ADB)</td>
<td>45.35%</td>
<td></td>
</tr>
<tr>
<td>Fixed Carbon (ADB)</td>
<td>42.93%</td>
<td></td>
</tr>
<tr>
<td>Sulphur (ADD)</td>
<td>0.09%</td>
<td>&gt;1%</td>
</tr>
<tr>
<td>HI</td>
<td>38</td>
<td>Below 33</td>
</tr>
<tr>
<td>Size &gt; 50mm</td>
<td>10.3%</td>
<td></td>
</tr>
<tr>
<td>1 - 50mm</td>
<td>89.7%</td>
<td></td>
</tr>
</tbody>
</table>
GENERAL SPECIFICATIONS INDONESIAN ORIGIN STEAM COAL

<table>
<thead>
<tr>
<th></th>
<th>Typical</th>
<th>Rejection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Moisture (AR)</td>
<td>12.3%</td>
<td>15%</td>
</tr>
<tr>
<td>Inherent Moisture (ADB)</td>
<td>4.5%</td>
<td></td>
</tr>
<tr>
<td>Ash (ADB)</td>
<td>9.6%</td>
<td>11%</td>
</tr>
<tr>
<td>Volatile Matter (ADB)</td>
<td>40.3%</td>
<td></td>
</tr>
<tr>
<td>Fixed Carbon (ADB)</td>
<td>38%</td>
<td></td>
</tr>
<tr>
<td>Sulphur (ADB)</td>
<td>0.74%</td>
<td>&gt;1%</td>
</tr>
<tr>
<td>HGI</td>
<td>41</td>
<td>Below 35 Above 45</td>
</tr>
<tr>
<td>Size &gt; 50mm</td>
<td>10.3%</td>
<td></td>
</tr>
<tr>
<td>0 – 50mm</td>
<td>89.7%</td>
<td></td>
</tr>
</tbody>
</table>

NOTE: SPECIFICATIONS MAY SLIGHTLY VARY FROM MINE TO MINE
# General Specifications Indonesian Origin Steam Coal

<table>
<thead>
<tr>
<th></th>
<th>Typical</th>
<th>Rejection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Moisture (AR)</td>
<td>17.6%</td>
<td>22%</td>
</tr>
<tr>
<td>Inherent Moisture (ADB)</td>
<td>4.9%</td>
<td></td>
</tr>
<tr>
<td>Ash (ADB)</td>
<td>15.6%</td>
<td>18%</td>
</tr>
<tr>
<td>Volatile Matter (ADB)</td>
<td>41.5%</td>
<td></td>
</tr>
<tr>
<td>Fixed Carbon (ADB)</td>
<td>38%</td>
<td></td>
</tr>
<tr>
<td>Sulphur (ADB)</td>
<td>0.74%</td>
<td>0.1%</td>
</tr>
<tr>
<td>HGI</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td>Size &gt; 50mm</td>
<td>10.3</td>
<td></td>
</tr>
<tr>
<td>0 - 50mm</td>
<td>89.7%</td>
<td></td>
</tr>
</tbody>
</table>

Note: Specifications may slightly vary from mine to mine.
## General Specifications Indonesian Origin Steam Coal

<table>
<thead>
<tr>
<th></th>
<th>Typical</th>
<th>Rejection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Moisture (AR)</td>
<td>27.4%</td>
<td>30%</td>
</tr>
<tr>
<td>Inherent Moisture (ADB)</td>
<td>8.1%</td>
<td></td>
</tr>
<tr>
<td>Ash (ADB)</td>
<td>6.9%</td>
<td>10%</td>
</tr>
<tr>
<td>Volatile Matter (ADB)</td>
<td>41.3%</td>
<td></td>
</tr>
<tr>
<td>Fixed Carbon (ADB)</td>
<td>37%</td>
<td></td>
</tr>
<tr>
<td>Sulphur (ADB)</td>
<td>0.56%</td>
<td>11%</td>
</tr>
<tr>
<td>HGI</td>
<td>48</td>
<td></td>
</tr>
<tr>
<td>Size &gt; 30mm</td>
<td>10.3%</td>
<td></td>
</tr>
<tr>
<td>0 - 50mm</td>
<td>89.7%</td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Specifications may slightly vary from mine to mine.
**GENERAL SPECIFICATIONS INDONESIAN ORIGIN STEAM COAL**

<table>
<thead>
<tr>
<th>Component</th>
<th>Typical (%)</th>
<th>Rejection (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Moisture (AR)</td>
<td>35.3%</td>
<td>40%</td>
</tr>
<tr>
<td>Inherent Moisture (ADB)</td>
<td>13.11%</td>
<td></td>
</tr>
<tr>
<td>Ash (ADB)</td>
<td>5.75%</td>
<td>10%</td>
</tr>
<tr>
<td>Volatile Matter (ADB)</td>
<td>42.13%</td>
<td></td>
</tr>
<tr>
<td>Fixed Carbon (ADB)</td>
<td>39.01%</td>
<td></td>
</tr>
<tr>
<td>Sulfur (ADB)</td>
<td>0.15%</td>
<td>&gt;1%</td>
</tr>
<tr>
<td>HGI</td>
<td>61</td>
<td></td>
</tr>
<tr>
<td>Size &gt; 50 mm</td>
<td>76.85%</td>
<td></td>
</tr>
<tr>
<td>0 - 50 mm</td>
<td>14.73%</td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:** SPECIFICATIONS MAY SLIGHTLY VARY FROM MINE TO MINE.
ANALYSIS REPORT 400/200/90 Ha MINE AT BANJIRMASIN

REPORT OF ANALYSIS

COUNTRY:   GEAINGA/GEOGEO CORPORATION

REPORT NO:  GE-123456

RECEIVED BY: GEOSURV SERVICES LTD

ATTACHMENTS:  1. Site Plan

FILE REFERENCE:  123456

DATE REPORT:  November 15, 2023

The report is to be considered confidential and should not be distributed without permission from the respective parties.
## 1. SAMPLES

The following samples are ready for testing and analysis:

<table>
<thead>
<tr>
<th>Customer Sample ID</th>
<th>First Analysis ID</th>
<th>Date of Analysis</th>
<th>Testing Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>01 - 00000014</td>
<td>001</td>
<td>01/01/2020</td>
<td>Normal</td>
</tr>
<tr>
<td>02 - 00000015</td>
<td>002</td>
<td>02/02/2020</td>
<td>Normal</td>
</tr>
<tr>
<td>03 - 00000016</td>
<td>003</td>
<td>03/03/2020</td>
<td>Normal</td>
</tr>
</tbody>
</table>

## 2. ANALYSIS

The samples were received and analyzed by the following laboratory:

- **Laboratory Name**: GeoServices Laboratory
- **Location**: Surabaya, Indonesia
- **Analysis Date**: 05/05/2020

The results are as follows:

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moisture</td>
<td>10%</td>
</tr>
<tr>
<td>Humidity</td>
<td>9%</td>
</tr>
<tr>
<td>pH</td>
<td>7.5</td>
</tr>
<tr>
<td>Electrical Conductivity</td>
<td>1000 μS/cm</td>
</tr>
</tbody>
</table>

The analysis was performed on 05/05/2020.

This report is dated: 05/05/2020.

[Signature]

**GeoServices Laboratory**

**GeoServices Laboratory**

**GeoServices Laboratory**

[Signature]

**GeoServices Laboratory**

**GeoServices Laboratory**

[Signature]
<table>
<thead>
<tr>
<th>Parameter</th>
<th>THOMAS</th>
<th>AS - THOMAS</th>
<th>AS - LE - THOMAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Test Sample</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GLU / M Glucose</td>
<td>1.14</td>
<td>1.14</td>
<td>9.71</td>
</tr>
<tr>
<td>A / Beilinson Index</td>
<td>23.7</td>
<td>23.14</td>
<td>13.38</td>
</tr>
<tr>
<td>CEL / Eosinophil</td>
<td>0.71</td>
<td>0.71</td>
<td>0.71</td>
</tr>
<tr>
<td>LEU / Neutrophil</td>
<td>15.44</td>
<td>15.44</td>
<td>15.44</td>
</tr>
<tr>
<td>Total Leukocyte</td>
<td>3.92</td>
<td>3.92</td>
<td>3.92</td>
</tr>
<tr>
<td>Platelet</td>
<td>1.12</td>
<td>1.12</td>
<td>1.12</td>
</tr>
<tr>
<td>Monocytes</td>
<td>0.71</td>
<td>0.71</td>
<td>0.71</td>
</tr>
<tr>
<td>WBC</td>
<td>2.37</td>
<td>2.37</td>
<td>2.37</td>
</tr>
</tbody>
</table>

**Assessment**

**Peripheral Blood**

- Hb: 12.92 g/dL
- RBC: 3.92 million per μL
- WBC: 2.37 million per μL
- Platelets: 1.12 million per μL

**Other Tests**

- Protein: 6.35 g/dL
- Creatinine: 0.71 mg/dL
- Urea: 15.44 mg/dL

**Remarks**

- Normal values for all parameters are as follows:
  - Hb: 12.6-16.2 g/dL
  - RBC: 4.5-5.5 million per μL
  - WBC: 4.0-11.0 million per μL
  - Platelets: 1.5-4.0 million per μL
  - Protein: 6.0-8.5 g/dL
  - Creatinine: 0.5-1.0 mg/dL
  - Urea: 3.0-7.0 mg/dL

**Conclusion**

- The test results are within the normal range.
OUR BANKERS IN SINGAPORE & INDONESIA

OVERSEA-CHINESE BANKING CORPORATION LTD
(Incorporated in Singapore)

ORCHARD ROAD BRANCH
SINGAPORE

INDONESIA CORPORATION LTD
Jakarta, Indonesia
Our Advocates & Solicitors
FUTURE BUINSESS
The Company has decided to have stock piles of Coal in India of various specifications from its mines and its mining subsidiaries where the company hold sizable financial stake.
To cater to the Indian Market.
The company has charted its ambitious plan to become leader in quality coal supply to the Indian market which is the need of the hour.
The Company understanding the need of good quality coal would be huge than it's production and it would be difficult to cater the same form its captive mine alone the company has entered into exclusive tie up with supply of coal with various mines in Indonesia having various quality of coal ranging from 6500-5300 GCV under its group SIRIDI SAI, SINGAPORE hold a number of coal concessions directly and under operating JV in Indonesia with controlling financial stakes.

The company under its expansion plan decided to enter into a Exclusive Selling & Marketing JV with various mines in east kalimanthan and Banjarmasin and has signed agreement starting 2009 for a initial period of 5 years.
The company after interacting with various Government & Private buyers released that a major problem which all the buyers were facing was logistics. All buyers desired that the supplying company also handle the delivery of Coal from the port to their plant stockpile. SSGI keeping the same in mind and in providing excellence and trouble-free service to its buyers entered into an arrangement with M/s Naresh Kumar & Co [Pvt.] Ltd Kolkata, India to handle logistics for SSGI’s clients/buyers. Naresh Kumar & Company [Pvt.] Ltd have been handling coal for some of the major end users for the past 50 years, their client list includes some of India’s major coal users to name a few Tata’s Steel, Birla’s, APGENCO and ACC.
Memorandum of Agreement

This Memorandum of Agreement (hereafter referred to as MOA) is made in Kolkata, India on this 9th day of February, 2013.

Between:

1. SIRDI SAI GOODARTH INTERNATIONAL PTE LTD., a company incorporated under the laws of Singapore with its office at 5th floor, 21, Federal, Singapore 238989 hereinafter referred to as "SSG" which includes its successors, assignees, transferees and legal heirs.

and

2. NARESH KUMAR & CO. (P) LTD., a company incorporated and registered under the laws of India, with its office at 55, Wood Street, Kolkata-700016. India hereinafter referred to as "NKC" which includes its successors, assignees, transferees and legal heirs.

For SIRDI SAI GOODARTH INTERNATIONAL PTE LTD.,

[Signature]

For NARESH KUMAR & CO. (P) LTD.,

[Signature]
Now, therefore, in mutual good faith both the above parties agree to enter into this MOA on the following terms and scope of services and responsibilities.

The coal will be imported by SSF at their cost for sale to the consumers in India. To start with, SSF will be required to undertake the following responsibilities at Vizhinjam Port and thereafter at other Ports like Kollam, Vallarpadam, Gangavaram, etc.

1. **Vizhinjam Port Area**
   - **SSF** to operate the entire port operations which are carried out by the Port Authorities. All payments to the Port authorities will be made by SSF directly to the Port Authorities.
   - **SSF** to maintain a proper record of the stock position of the coal imported, dispatched and kept at the port site.
   - **SSF** to arrange the transportation of the coal from the Port (referred to as the despatch port, rail, road, vessel, etc.) and send a daily loading/discharging report to the stevedores and a copy to MNC. If the coal is transported by a private vessel, the stevedores shall ensure a difference of 0.3% between the Port weightbridge and the weighing station weightbridge of the vessel.
   - **SSF** to arrange for despatch of coal and coal vessels as per the schedule.
   - **SSF** has agreed to pay consideration of Rs. 2,000 per month on the condition that the amount is paid within time from the Port Authorities on the Port Railway Station. However, in case the quantity of coal dispatched reaches 1,000 tons in a month, then the consideration shall be Rs. 3,000 per month, in the event of the quantities exceeding 1,000 tons in a month, the rate of Rs. 25 per ton shall be charged by MNC. All such charges of MNC will be excluding Service Tax, and any other statutory taxes or duties if applicable and payable to MNC.
   - **SSF** will not be responsible for the shortages inside the port or at the port terminal when the coal is exported by MNC.

2. **Handling of coal at Vizhinjam Port Area**
   - **SSF** will operate an hour or purchase, and outside the Port premises for use as a private storage to stock certain quantities of coal for sale to some of its customers. MNC will be required to operate and service the system on behalf of SSF.
2. WNC will provide a sufficient number of wholly instrumented personnel for ensuring the efficiency of the loads.

3. WNC will ensure that proper security personnel or a security agency as is to ensure the security and the good order in the yard.

4. WNC will be responsible for loading and unloading the required quantity of coal from the port site in the yard. If the yard site is not in the yard, WNC will be responsible for the unloading in the yard and proper delivery. The charges for the loading, unloading, and shipping will be determined after WNC has obtained the yard and railroad's specifications and requirements.

5. WNC will ensure that all the railroad's requirements are met and maintained at the same time.

6. WNC will undertake to load and unload the coal in the yard and ensure that all charges are met and maintained at the same time.

7. WNC will be responsible for all charges on any coal delivered to the yard site and ensure that all charges are met and maintained at the same time.

8. The charges for loading and unloading, including all charges, will be determined after WNC has obtained the yard and railroad's specifications and requirements.

9. WNC will be responsible for all charges on any coal delivered to the yard site and ensure that all charges are met and maintained at the same time.

10. If the charges are not met and maintained at the same time, WNC will be responsible for all charges on any coal delivered to the yard site and ensure that all charges are met and maintained at the same time.

11. If the charges are not met and maintained at the same time, WNC will be responsible for all charges on any coal delivered to the yard site and ensure that all charges are met and maintained at the same time.

12. WNC will be responsible for all charges on any coal delivered to the yard site and ensure that all charges are met and maintained at the same time.

13. The charges for loading and unloading, including all charges, will be determined after WNC has obtained the yard and railroad's specifications and requirements.

14. If the charges are not met and maintained at the same time, WNC will be responsible for all charges on any coal delivered to the yard site and ensure that all charges are met and maintained at the same time.

15. WNC will be responsible for all charges on any coal delivered to the yard site and ensure that all charges are met and maintained at the same time.
9a. MEC will have to engage all the required equipment (like Backhoe, Grader, Tractor etc.) and the manpower for carrying out the works indicated in the scope of work.

9b. MEC will have to engage all the required equipment (like Backhoe, Grader, Tractor etc.) and the manpower for carrying out the works indicated in the scope of work.

15. MEC will have to engage all the required equipment (like Backhoe, Grader, Tractor etc.) and the manpower for carrying out the works indicated in the scope of work.

G. Wages and Payment Terms

The rates under different heads are given below:

1. Sub-contractors will be paid Rs. 50/- per m. At the quantity dispatched to the site. However, in case the quantity handled in a month is more than 10,000 m, excess thereof will be paid at a rate of Rs. 30/- per m. for all labor, Sub-contractors and other laborers working as such. Equipment and labor costs may be reduced accordingly.

2. Sub-contractors will be paid Rs. 50/- per m. At the quantity dispatched to the site. However, in case the quantity handled in a month is more than 10,000 m, excess thereof will be paid at a rate of Rs. 30/- per m. for all labor, Sub-contractors and other laborers working as such. Equipment and labor costs may be reduced accordingly.

3. Sub-contractors will be paid Rs. 50/- per m. At the quantity dispatched to the site. However, in case the quantity handled in a month is more than 10,000 m, excess thereof will be paid at a rate of Rs. 30/- per m. for all labor, Sub-contractors and other laborers working as such. Equipment and labor costs may be reduced accordingly.

4. Sub-contractors will be paid Rs. 50/- per m. At the quantity dispatched to the site. However, in case the quantity handled in a month is more than 10,000 m, excess thereof will be paid at a rate of Rs. 30/- per m. for all labor, Sub-contractors and other laborers working as such. Equipment and labor costs may be reduced accordingly.

5. Sub-contractors will be paid Rs. 50/- per m. At the quantity dispatched to the site. However, in case the quantity handled in a month is more than 10,000 m, excess thereof will be paid at a rate of Rs. 30/- per m. for all labor, Sub-contractors and other laborers working as such. Equipment and labor costs may be reduced accordingly.

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9. Sub-contractors will be paid Rs. 50/- per m. At the quantity dispatched to the site. However, in case the quantity handled in a month is more than 10,000 m, excess thereof will be paid at a rate of Rs. 30/- per m. for all labor, Sub-contractors and other laborers working as such. Equipment and labor costs may be reduced accordingly.

10. Sub-contractors will be paid Rs. 50/- per m. At the quantity dispatched to the site. However, in case the quantity handled in a month is more than 10,000 m, excess thereof will be paid at a rate of Rs. 30/- per m. for all labor, Sub-contractors and other laborers working as such. Equipment and labor costs may be reduced accordingly.

11. Sub-contractors will be paid Rs. 50/- per m. At the quantity dispatched to the site. However, in case the quantity handled in a month is more than 10,000 m, excess thereof will be paid at a rate of Rs. 30/- per m. for all labor, Sub-contractors and other laborers working as such. Equipment and labor costs may be reduced accordingly.

12. Sub-contractors will be paid Rs. 50/- per m. At the quantity dispatched to the site. However, in case the quantity handled in a month is more than 10,000 m, excess thereof will be paid at a rate of Rs. 30/- per m. for all labor, Sub-contractors and other laborers working as such. Equipment and labor costs may be reduced accordingly.

13. Sub-contractors will be paid Rs. 50/- per m. At the quantity dispatched to the site. However, in case the quantity handled in a month is more than 10,000 m, excess thereof will be paid at a rate of Rs. 30/- per m. for all labor, Sub-contractors and other laborers working as such. Equipment and labor costs may be reduced accordingly.

For WCF (A) Co. Ltd.,

[Signature]

[Name]

[Designation]
16. 30% will make a necessary investment in arranging the stockroom as well as
premise for office . ensure the staff, including all salesman and bodies and
electricity

E. 

the performance of other Party to this contract on any obligation

assumed to prevent the receipt of force majeure such as to

\* War, revolution, blockade or the like

\* Any law, order, proclamation, regulation, directive, demand or requirement having

regulatory of any kind issued or

\* Any other event beyond the reasonable control of the Party affected

there the party on affected shall suspend any work for so long as the action be required

from such performance to the extent that such cause prevents, restricts or interferes

with it provided that it shall be due to best endeavor to avoid or remove such causes of

performance within a reasonable time after the occurrence of the event of

such a nature to enable it to perform its obligations.

the parties agree and agree that the force majeure shall not in any manner

abate them their existing financial obligations.

F. 

arbitration. It is agreed to are undertaken by the parties hereinafter are difference or

dispute that may arise by and between EURP. and MBRI. In interpretation of this

contract or other matters arising out of this agreement, shall be resolved as far as

practicable, through mutual negotiation failing which the matter shall be referred to

arbitration. All arbitration shall be conducted by three arbitrators out of which each party

shall appoint one arbitrator and the two remaining shall appoint the third arbitrator to

court a party to appeal to an appeal to the court of a dispute to be determined by the

court within 30 days from the date of the appointment, the appointment shall be made on the

basis of the examination of the court of the arbitration High Court. The

arbitration shall proceed in accordance with the Arbitration and Conciliation Act 1996.
The arbitrator shall give a reasoned award. The venue of the arbitration shall be

Karachi. Without waiving, etc.

P. S. A. P. K. B. P. T. LTD.

Arshad Khan

MANAGING DIRECTOR
THIS MEMORANDUM OF AGREEMENT IS ENTERED INTO ON THE DAY AND DATE AS STATED TO ABOVE.

For and on behalf of:

SUGDH SINGH & CO.

MANAGING DIRECTOR & CEO

WITNESSED

SUGDH SINGH

WITNESSED

KAREMITH SINGH
THANK YOU
SSGI

SIRIDI SAI GOODEARTH INTERNATIONAL PTE LTD
583 ORCHARD ROAD
#09-01 FORUM
SINGAPORE 238884
E. Mail: gautamssgi@gmail.com
COAL SUPPLY AGREEMENT

This Coal "Supply Agreement" (this "Agreement") is made at Delhi, India on this 9th Day of October 2012 by and between

Sirdi Sai Goodearth International Pte Ltd having its registered office at Block 3, 16-171, Norman Park, Singapore 118000 (hereinafter referred to as the "Supplier" or the "Seller" which expression shall unless repugnant to the context or meaning thereof shall mean and include its successors and permitted assigns) of the First Part

...
WELSPUN ENERGY UP PRIVATE LIMITED (WEUPPL) and having its registered office at Welspun House, 7th Floor, Kemala Mills Compound, Lower Parel, Mumbai – 400013, India hereinafter referred to as the “Purchaser” or the “Buyer”, which expression shall unless repugnant to the context or meaning thereof shall mean and include its successors and permitted assigns) of the Other Part

WHEREAS the Purchaser is setting up 1320 MW (2x660 MW) coal based power plant based on Super Critical technology in Village Dadri Khurd, Mirzapur District in Uttar Pradesh and Purchaser requires regular supply of 5.50 Million Tons Per Annum (MTPA) of coal.

AND WHEREAS the Supplier has entered into various firm arrangements for mining and supply of coal from mines in Indonesia and other countries and has represented to the Purchaser that it can supply the requisite amount of 5.50 MTPA of 5100- 5300 ADB coal for Contract Period (as defined hereinafter) subject to terms and conditions contained in this Agreement.

NOW THEREFORE the Parties agree to and this Agreement witnesses as follows:

ARTICLE 1: DEFINITIONS AND INTERPRETATIONS

Definitions:

In this Agreement the following words and / or phrases shall have the following meanings, unless the context requires otherwise:

1. “Annual Delivery Schedule” shall mean the schedule for delivery for each Contract Year divided into four quarters and shall be provided 30 days before the start of such Contract Year.

2. “Business Day” shall mean a day other than Public Holiday;

3. “CERC” means Central Electricity Regulatory Commission;

4. “CIF” shall mean “Cost, Insurance and Freight” shall have the meaning set forth in INCOTERMS-2000;

5. “Coal Storage Area” means the storage area at the Port of Discharge on Indian Coast;

6. “Contract Period” means the period commencing from Start Up Date and expiring on completion of five years from commercial operation of first unit or such extended period as may be agreed to mutually between the Parties hereto;

Provided that in case of delay in Scheduled Commercial Operation Date after July 2016, the Contract Period shall be extended beyond five years for the period of delay in Commercial Operation.

7. “Contract Year” means a period of twelve (12) consecutive months commencing, in the case of the first such year, on the Start Up Date and in the case of any subsequent year, on the day immediately following the last day of the preceding Contract Year and in the case of last Contract Year, the day falling immediately prior to the expiry of the Contract Period.

8. “Contracted Capacity” or “Quantity” shall mean the Start Up Tonnage Quantity, Firm Quantity and such other additional quantities of Coal as required by the Purchaser and agreed in Writing by the Supplier;

9. “Delivered Price” shall have the meaning ascribed to it in Clause 11.1 hereof;
10. "Delivery Point" shall mean the earmarked Coal storage area at the Port of Discharge.

11. "Designated Mines" means such coal mines output of which the Supplier intends to supply coal to the Purchaser under this Agreement,

Provided that the Supplier shall furnish details of the technical specifications of coal of all such mine to the Purchaser and will obtain prior consent from the Purchaser before supply of coal.

12. "Draft Surveys" shall mean the marine draft survey carried out by a Licensed Surveyor to determine the contracted quantity of coal loaded on a vessel.

13. "Effective Date" means the date of fulfillment of conditions precedent set out in article 3 by parties;

14. "Firm Quantity" shall have the meaning ascribed to it in Clause 5.2 (a) hereof;

15. "Force Majeure" shall have the meaning ascribed to it in Clause 13 hereof.

16. "Independent Laboratory" shall be an internationally recognized, reputable, capable and accredited test facility which expression shall, unless it be repugnant to the subject or context thereof, mean and include its successors and assigns appointed in accordance with Clause 4.1.1.

17. "Initial Delivery Date" shall mean the date falling six months prior to the Commercial Operation Date.

18. "Licensed Marine Surveyor" shall mean the person licensed by the government of any country from where the coal would be sourced to undertake Draft Surveys;

19. "Loading Port" shall mean the Port of Shipment specified by the Supplier in the Nomination Notice;

20. "Month" shall mean the calendar month of a calendar year.

21. "Nomination Notice" shall mean the notice issued by the Supplier in terms of Clause 5.5 hereof;

22. "Plant" or "Power Project" shall mean the 1320 MW (2x660 MW) power plant using super critical technology and associated facilities to be developed, constructed, equipped, installed, teatd, commissioned, operated and maintained by the Purchaser at Dadri Khurd village in Mirzapur district in Uttar Pradesh State, India;

23. "Port of Discharge" means port nominated by the "Buyer from time to time;

24. "Party" means either the Purchaser, or the Supplier and "Parties" means the Purchaser and the Supplier.

25. "PPA" means Power Purchase Agreement to be signed between the Purchaser and the power procuer;

26. "Public Holiday" means Sunday or any other day declared as a holiday under the Negotiable Instruments Act, 1881;

27. "Sample" means a sample of Coal of not less than 500 grams which is forwarded to the Parties for testing and analysis;

28. "Scheduled Commercial Operation Date" shall mean July, 2018 or actual Commercial Operation Date, whichever is earlier.

Provided that in case of Commercial Operation prior to the July, 2018, the Purchaser shall intimate the Supplier well in advance.
29. "Specifications" means specifications of the Coal as more particularly detailed in Schedule - 1 hereto;

30. Coal shall mean the bituminous coal conforming to the guaranteed specifications as per Schedule - 1 as appended to this Agreement;

31. "Start-Up Date" means the date for commencement of Performance Tests, that will be intimated six months in advance by the Buyer to the Supplier;

32. "Start-Up Tonnage Quantity" shall mean the quantity of Coal stipulated in Clause 5.1 hereof;

33. "Start-Up Period" shall mean the period commencing on the Initial Delivery Date and ending on the day preceding the Commercial Operation Date of the last Unit;

34. "Start-Up Schedule" shall have the meaning specified in Clause 5.2 hereof;

35. "Supplier's Sample" shall mean the sample of Coal of not less than 500 grams which is forwarded by the Supplier for testing and analysis;

36. "Tonne" shall mean metric tonnes at 1000 kilograms;

Interpretation: In this Agreement, unless the context otherwise requires:

a. headings are inserted for convenience only and shall not affect the construction or interpretation of this Agreement;

b. references to Articles, Clauses and Schedules are references to Articles and Clauses and Schedules to this Agreement, as amended from time to time;

c. references to any law or act of Parliament or any regulation made pursuant to any act of Parliament or to any other directive shall mean such law, act, regulation or directive as from time to time amended, re-enacted or consolidated and including any provision enacted or consolidated and including any provision enacted in substitution therefore;

d. references to a day shall mean a day of the week, including a Saturday or Sunday and to a working day shall mean any day other than a Public Holiday

ARTICLE 2: COMMENCEMENT AND DURATION

This Agreement shall come into force on the Effective Date and shall remain in force and effect till the expiry or early termination of the Contract Period. The Parties may renew tenure of this Agreement on the terms and conditions mutually agreed by them. However, provisions of Article 15 (Representations and Warranties); Article 17 (Assignment); Article 21 (Claims); Article 22 (Dispute Resolution); Article 23 (Notice); Article 31 Governing Law and Jurisdiction; Article 28 (Confidentiality) shall come into force immediately upon execution of this Agreement by both the Parties.
ARTICLE 3: CONDITIONS PRECEDENT

The parties shall fulfill following conditions precedent in 12 (twelve) months from the date of this agreement and shall notify the other party, supported with relevant documents.

3.1. Condition Precedents of Seller:

3.1.1. The seller shall submit Sample collected from designated mines to demonstrate its conformity with specifications.

3.1.2. The seller shall submit certificate issued by Appropriate Authority confirming geological reserve of coal of the designated mine.

3.2. Condition Precedents of Purchaser

3.2.1. The purchaser shall confirm in writing (or in any other way as agreed mutual between Parties), to the Seller to secure its payment from the power sale revenue to be received from sale of power from Power Project

ARTICLE 3A: COMMODITY:

This Agreement is for sale of commodity of Coal, which shall mean, steam (non-cooking) coal in bulk.

ARTICLE 4: SAMPLING AND ANALYSIS

4.1. Independent laboratory

4.1.1. Appointment

Not later than ninety (90) days prior to the Initial Delivery Date, the Supplier shall, at its cost and expense, appoint the Independent Laboratory to conduct analysis of Coal, subject to consent of the Purchaser, which shall not be unreasonably withheld by the Purchaser. Samples for the shipment shall be taken and analyzed as per ASTM and procedures

4.1.2. Taking of Samples

The Supplier shall cause the Independent Laboratory to take a representative Sample immediately prior to loading of Coal. Each Sample so taken by the Independent Laboratory shall be divided into three parts. The first part (the "Sellers Sample") shall be analysed by the Independent Laboratory in accordance with the provisions of Clause 4.1.4; the second part (the "Referee Sample") shall be kept in a sealed container and stored by the Independent Laboratory and the third part (the "the Purchaser's Sample") shall be kept in a sealed container and delivered to the Purchaser.

[Signature]

[Signature]
4.1.3. Referee Sample

The Supplier shall cause the independent Laboratory to deposit the Referee Sample in a sealed container and to maintain custody thereof for a period of not less than three (3) months. Each Referee Sample shall not be less than four (4) kilograms.

4.1.4. Certificate of Sampling and Analysis

The Independent Laboratory shall prepare the Certificate of Sampling and Analysis based on its analysis of the Shipment Sample and shall cause the Certificate to be reported to the Purchaser and Supplier, along with all other shipping data ("Shipping Report") by fax, telephone (to be confirmed promptly by fax) electronic means and courier, but in any event within five days after the completion of the loading of each Shipment.

As stated hereinabove the Supplier shall ensure that the courier containing the Certificate shall reach the Purchaser within two (2) days prior to the unloading, of the coal at the Port of Destination.

4.1.5. Dispute of Analysis

a. Call for Test of Referee Sample
   Either Party may call for the test of the Referee Sample incase either of the parties object to the Independent Analysis Report and may request the Independent Laboratory to promptly analyze the Referee Sample and to promptly deliver the results thereof to the Parties.

b. Analysis of Referee Sample
   If the load port analysis report is within ISO Inter lab tolerance limit, with discharge port analysis, the load port analysis shall be considered for the payment. In case of discharge port analysis results vary from load port analysis by more than the ISO inter lab tolerance range, then the discharge port results shall be taken for payment.

c. Costs of Tests of Sample
   All costs, expenses and fees associated with the testing of the Referee Sample shall be for the account of the party who is challenging the results of the analysis.
ARTICLE 5: QUANTITIES

5.1. Start-Up Tonnage
During the Start-Up Period, the Supplier shall sell to the Purchaser and the Purchaser shall buy from the Supplier 5.60 Million Metric Tonnes of 5300-5100 ARB coal (the "Start-Up Tonnage Quantity").

5.2. Contract Quantity
During the Contract Period the following shall apply:
   a. Supplier shall sell to the Purchaser and the Purchaser shall buy from the Supplier up to Two Million Metric Tonnes of Coal in each Contract Year (the "Firm Quantity") during the Contract Period (excluding the Start-up Period).
   b. In addition to the Firm Quantity, the Supplier shall, if requested, sell to the Purchaser up to 5.60 Million Metric Tonnes of Coal each Contract Year (the "Optional Quantity") during the Contract Period (excluding the Start-up Period).

ARTICLE 6: SCHEDULING

6.1. Transportation and Delivery
The Supplier shall transport and deliver Contract Quantity of Coal to the Purchaser in accordance with the provisions of this Agreement.

6.2. Start-Up Schedule
Not less than six (6) months before the Start Up Date the Purchaser shall submit to the Supplier a statement with details of the Start Up Date, the quantity of Coal it requires during the Start-Up Period and the dates on which such deliveries are required to be delivered at the Port of Discharge. (Start up Schedule)

6.3. Contract Period Schedule
The process for determining the schedules for delivery of Contract Quantity of Coal during each Contract year shall be as follows:

   a) Yearly and quarterly quantities

The process for each Contract year shall be as follows:
1. Not less than three (3) months before the start of each Contract Year, the Purchaser shall provide the Supplier with its expected requirements for Firm Quantities of Coal for that Contract Year and the dates on which such deliveries are required to be made at the Port of Discharge, broken down into quarters (commencing at the beginning of the first Contract Year).
2. Within thirty (30) days of receipt of such notice from the Purchaser, the Supplier shall provide the Purchaser with a provisional Annual Delivery Schedule, showing the shipment schedule for such quantities, broken down into quarters.

3. Within fifteen (15) days of receipt of such Annual Delivery Schedule, the Purchaser shall notify the Supplier of requested changes to the proposed Annual Delivery Schedule (if any).

4. The Supplier shall give due consideration, and use best endeavors, to accommodate the reasonable changes requested by the Purchaser and within fifteen (15) days after receipt of such requested changes, the Supplier shall notify the Purchaser extent to which it is able to accept the request for change and shall give reasons to the Purchaser for any changes not accepted.

5. Within seven (7) days thereafter the Purchaser shall submit a final Annual Delivery Schedule which shall be firm and, in accordance with and subject to the terms of this Agreement.

6.4 Variation

If the Purchaser anticipates that it will be prevented or restricted from receiving any vessel at the Port of discharge or from accepting or otherwise receiving shipments the Purchaser shall give the Supplier a written request of thirty (30) days to vary any of the schedules referred to in this Article 6, and the Supplier shall revise any of the Schedule to address the concerns of the Purchaser.

6.5 Nomination Notice

After the finalization of the Start-Up Schedule and each Delivery Schedule in accordance with this Article 6, the Supplier shall, immediately, provide to the Purchaser a Nomination Notice which shall, without limitation, specify the following:

a. The name, the year built and flag of the vessel;
b. The Loading Port;
c. The Expected Time of Arrival (ETA) at the Port of Loading/Discharge;
d. The quantity of Coal to be discharged; and
e. Demurrage / Dispatch rate

6.6 Permissible Variation

The actual quantity of Coal to be loaded onto the vessel at the Loading Port may vary from the amounts notified by the Supplier to the Purchaser in the Nomination to the extent of 10% (Ten percent) provided that Supplier shall supply such quarterly quantities as specified by the Purchaser in terms of Clause 6.3 (a).
ARTICLE 7: PROPERTY AND RISK

7.1 The Seller warrants that the Seller has good title to the Coal and that the Buyer shall take the Coal free of all liens, charges, encumbrances and claims.

7.2 The property in each consignment of the Coal shall remain in the Seller until such time as the whole of the price therefore shall have been paid by the Buyer to the Seller in accordance with the terms of this Agreement, whereupon the property in the relevant consignment shall pass to the Buyer. In so far as the consignments may be delivered to the Buyer prior to the time when payment therefor is received by the Seller until the time when payment is received by the Seller in accordance with the terms of this Agreement and in such capacity and until such time, shall remain liable to account to the Seller for the same.

7.3 Notwithstanding Article 7.2, risk in each consignment of the Coal shall pass to the buyer upon passing of the Mother Vessel rails at the Loading Port.

7.4 The Seller shall be entitled at any time while payment is outstanding in respect of a consignment of the Coal, to re-take possession of such consignment from the Buyer and the Buyer undertakes to deliver the same to the Seller or its duly authorized agent upon request, and the Seller or its duly authorized agent shall have the right during normal business hours to enter upon the land or buildings of the Buyer to take possession of the said consignment. The Buyer shall store or otherwise denote consignments of the coal in respect of which property remains with the Seller in such a way that the same can be recognized as the property of the seller.

ARTICLE 8: IMPORT DOCUMENTATIONS

The Purchaser shall obtain at its own risk and cost all import documentation or other official authorization and carry out all customs formalities necessary for the Purchaser to import the Contracted Quantity of coal into India at the Port of Discharge. The Supplier shall deliver all requisite documents expeditiously for the Purchaser to provide such documents to coal handling service provider to clear the same for import at the Port.
ARTICLE 9: QUALITY

9.1 Specification
The Contract Quantity of Coal to be sold by the Supplier to the Purchaser under this Agreement
shall conform to the Specification as contained in Schedule 1 hereto, shall be trimmed and shall be
free as is practicably possible of foreign matter (including, without limitation, wood, iron, non-ferrous
materials, or other foreign materials from whatever source).

9.2 Undertaking to the Purchaser
The Supplier shall submit an undertaking to the Purchaser in such form and content as may be
acceptable to the Purchaser; specifying inter-alia that the cargo imported by it does not contain
any illegal or contraband substances and that Supplier has imported such cargo in accordance with
all applicable Indian laws. The Supplier shall submit such undertaking to the Purchaser immediately
on the sailing-out of the vessel from the Port of Loading.

9.3. Rejection

9.3.1 The Purchaser shall have the option, exercisable by notice to the Supplier within two (2)
Business Days of the Purchasers receipt of the Certificate of Analysis Incase the analysis
report does not confirm to the Coal specifications, of either,

a. Rejecting such Non-Conforming Shipment at the Delivery Point or in route, but prior to
unloading subject to variations as stated in Clause 6.6 hereinabove; OR
b. Accepting any Non-Conforming Shipment with a Price adjustment agreed to between the
Supplier and the Purchaser as per the provisions of Clause 11.5 of this Agreement.

If the Purchaser fails timely to exercise its rejection rights deemed to have waived such rights to
reject with respect to that Shipment. If the Purchaser timely rejects the Non-Conforming Shipment,
title, if already passed, shall revert to the Supplier and the Supplier shall be responsible for
replacing the rejected Coal within thirty (30) days of such rejection by the Purchaser and immediately,
at its own expense, receive the shipment and shall be liable for and shall immediately repay to
the Purchaser all sums of money expended by the Purchaser in respect of the rejected coal
and indemnify the Purchaser against all costs, losses and damages sustained by the
Purchaser arising out of or in connection with the shipment rejected by the Purchaser, provided that the
Purchaser gives written notice to the Supplier of its desire for replacement of Coal within forty-eight
(48) hours after rejection of the Non-Conforming Shipment.

9.3.2 Notwithstanding the Purchaser's Right to Reject the Coal prior to unloading, the Parties shall, if
one Party requests and if and only while there is sufficient time in which to do so without
prejudicing the Purchaser's rights hereunder or their due exercise, discuss with the other Party
alternative ways to deal with the Shipment. Any agreement between the Parties regarding the alternative means to deal with the Shipment shall be in writing.

ARTICLE 10: MEASUREMENT / TESTING

10.1. Weight
The Purchaser undertakes in relation to each shipment that:

a) At its expense the Licensed Marine Surveyor shall determine by a Draft Survey at the Port of Discharge the weight of each shipment. The weight shall be determined at the Port of Discharge by means of a survey of the vessel's draft before and after discharge; and

b) The Licensed Marine Surveyor shall issue a Certificate of Weight for each shipment up on the completion of discharge of the vessel.

c) The weight shown in the Certificate of Weight for such shipment as provided in This Article 10 shall be final and binding and relate only to the Contract Quantity of Coal supplied by the Supplier to the Purchaser.

ARTICLE 11: PRICE

The unit price at which the Supplier shall sell and the Purchaser shall buy each Ton of Contract Quantity of Coal under this Agreement shall be as follows:

11.1 Delivered Price

The Delivered Price shall be based on CIF FO East Coast Port basis GCV Contract Quantity of Coal supplied by Supplier hereunder effective for the Contract Period. The CIF price shall be the sum of FOB prices, Ocean Freight & Insurance as defined herein.

11.2 FOB Price:

The FOB Price shall be as based on the CERC index pricing mechanism and will be derived on the basis of the index for the month prior to the Bill of Lading Month ('B/L Month'), duly reduced/adjusted on pro-rata basis for the Quality of Coal for delivery of Contract Quantity of at Port of Discharge. The price of Contract Quantity of Coal shall be with reference to a Gross Calorific Value (ARB) of the coal sample as per this Agreement.

For avoidance of the doubt, examples of calculation of FOB prices are given below:

a. NEX (formerly known as Barlow Jonker Index): P1 (US$/MT), basis H1 (Kcal/Kg) GCV (ARB), with 25% weight in CERC Index

b. GC Newcastle Index: P2 (US$/MT), basis H2 (Kcal/Kg) GCV (ARB), with 25% weight in CERC Index

c. API 4 Index: P3 (US$/MT), basis H3 (Kcal/Kg) GCV (ARB), with 50% weight in CERC Index.
FOS Price (US$/MT) of the Coal for the respective shipment

\[ \text{FOS Price} = \left( \frac{\text{Weighted average of P1, P2 & P3}}{\text{Weighted average of H1, H2 & H3}} \right) \times \text{GCV (ARB)} \]

Where

- P1 = Monthly Average Price of coal for the Month prior to the B/L Month as published by Barlow Jonker
- P2 = Monthly Average Price of coal for the Month prior to the B/L Month as published by Global Coal
- P3 = Monthly Average Price of coal for the Month prior to the B/L Month as published by McCluskey
- H1, H2 and H3 are the GCV (ARB) for which the P1, P2 and P3 respectively are published.

Provided further that in case of change in weightage of CERC indices or adaptation of new indices or removal of any existing indices, the formula shall be changed accordingly based on the above principle.

11.3 Ocean Freight & Marine Insurance

The Base Ocean Freight & Marine Insurance shall be US $13 PMT, out of which 80% component shall remain fixed for the Contract Period whereas balance 20% component shall be escalated from time to time based on the escalation rate notified by CERC for Ocean Freight.

11.4 Other charges

Except as specifically set out in this Agreement; all direct and indirect costs for the supply, delivery and transport of Contract Quantity of Coal to the Port of Discharge shall be borne exclusively by the Supplier. However, charges of Port of Discharge and Inland transportation charges from the Port of Discharge up to the Power Project shall be borne by the Purchaser.

11.5 Price Adjustment

(a) Adjustments to Delivered Price:

It is understood that the Delivered Price is based on specifications set out in Schedule I, and it is further understood and agreed between the Parties that Coal quality price adjustments to the Delivered Price shall be calculated for each Shipment to account for variations in the actual quality of Coal delivered compared to the Specification.

(b) CIF Price Adjustment Calculation.

The CIF Price of each shipment shall be adjusted for variations in average calorific value from the Specification (the Spec CV) in accordance with the following formulas:
(i) If the gross as received calorific value of the Coal (Tested CV) as stated on the Certificate of Analysis is greater than the Spec CV, the CIF Price applicable to such shipment shall be increased by an amount calculated as follows (all calculations shall be rounded up or down):

\[
\text{CIF Price} \times \frac{(\text{Tested CV} - \text{Spec CV})}{\text{Spec CV}}
\]

If the Tested CV as stated on the Certificate of Analysis of a shipment of Coal is less than the Spec CV, the CIF Price applicable to such shipment shall be decreased, by an amount calculated as follows (all calculations shall be rounded up or down):

\[
\text{CIF Price} \times \frac{(\text{Spec CV} - \text{Tested CV})}{\text{Spec CV}}
\]

ARTICLE 12: BILLING AND PAYMENT

12.1 Delivery of Invoices

Copies of the following documents shall be submitted by the Supplier to purchaser before arrival of vessel,

i. Set of 3/3 Clean on Board Ocean Bill Of Lading(s) marked "Freight Payable as per charter party" issued "to order" and endorsed in favor of Buyer.

ii. One original and three copies of Seller's Commercial Invoice for the entire quantity with price adjustments, if any based on the load port certificate of sampling and analysis by an independent Inspection agency.

iii. Two copies of Certificate of Origin issued by designated /relevant authority stating that the Origin Country of the goods.

iv. Two copies each of Certificates Of Sampling & Analysis, certificate of weight issued by independent Inspection agency.

v. Charter party Bill of Lading and third party documents acceptable except for invoice and draft.

vi. Seller to fax full set of documents to Buyer within 7 working days from the date of shipment and courier in advance the non-negotiable copies to buyer's office in 10 working days.

vii. Insurance certificate duly endorsed in favor of the Buyer will be provided by the seller for the payment.

12.2 In case applicable index is not available at the time of preparation of load port documents, the seller shall make commercial invoice based on weekly index proceeding to date of Bill of lading. After publication of monthly index, final commercial invoice will be prepared and difference shall be settled by either debit note or credit note from either side.

12.3 Payment of Undisputed Portion

Within thirty (30) days after receipt of copy of the documents mentioned in clause 12.1 the Purchaser shall pay to the Supplier an amount equal to the undisputed portion of the invoice in accordance with Clause 12.4 below applicable to a shipment.
The original documents will be delivered to the Purchaser only after receipt of the payment by the Supplier. (Alternatively the original documents can be negotiated through bank on CAD basis)

12.4 Invoice Dispute
The Purchaser shall be entitled to dispute within seven days of receipt of an invoice; all or any part of an invoice and if the Parties fail to agree on such matter the dispute shall be decided in accordance with Article 18, the decision of whom shall be final and binding on the Parties. Any amount determined by resolution in accordance with Article 22 to be payable by one Party to the other shall immediately be paid, together with interest at a rate equivalent to 2% over the Libor rate, from the date when payment should originally have been made to the date of payment.

12.5 Method of Payment
All payments to the Supplier will be made in Indian Rupees on the actual prevailing bill selling exchange rates as issued by Reserve Bank of India for Bill of Lading rate. The payment shall be made by way of swift within 30 days of receipt of copies of documents mention in 12.1.

12.8 No set-off
All payments to be made by either Party shall be made without any setoff, counter claim, withholding or deduction for or on account of taxes as expressly provided in this Agreement or required by Applicable Law.

ARTICLE 13: FORCE MAJEURE

13.1 Force majeure
Neither Party shall be liable to the other Party for any failure or delay in making, receiving and accepting shipments or otherwise performing the terms and provisions or conditions of this Agreement if such performance is hindered or prevented, by the circumstances listed in Clause 13.2, but only if and to the extent that:

a. such circumstance, despite the exercise of reasonable diligence, cannot be or be caused to be prevented, avoided or removed by such Party;

b. such event materially adversely affects the ability of the Party to perform its obligations under this Agreement and such Party has taken all reasonable precautions, due care and reasonable alternative measures in order to avoid the effect of such event on its ability to perform its obligations under this Agreement and to mitigate the consequences thereof;

c. such event is not the direct or indirect result of the failure of such Party to perform any of its obligations under this Agreement
For the purpose of this clause "Affected Party" shall mean the Supplier and/or the Purchaser whose performance under this Agreement has been affected by an event of Force Majeure.

13.2. Events of Force Majeure

The events of Force Majeure shall include:

i. Natural Force Majeure Events: act of God, including, but not limited to lightning, fire and explosion (to the extent originating from a source external to the Site), earthquake, volcanic eruption, landslide, flood, cyclone, typhoon, tornado, or exceptionally adverse weather conditions which are in excess of the statistical measures for the last hundred (100) years;

ii. Non-Natural Force Majeure Events:

1. Direct Non - Natural Force Majeure Events

   a. Nationalization or compulsory acquisition by any Indian Governmental Instrumentality of any material assets or rights of the Supplier and/or the Purchaser; or

   b. The unlawful, unreasonable or discriminatory revocation of, or refusal to renew, any Consent required by the Seller to perform their obligations under the PPA Documents or any unlawful, unreasonable or, discriminatory refusal to grant any other consent required for the development operation of the Project. Provided that an appropriate court of law declares the revocation or refusal to be unlawful, unreasonable and discriminatory and strikes the same down.

   c. Any other unlawful, unreasonable or discriminatory action on the part of an Indian Government Instrumentality which is directed against the Project. Provided that an appropriate court of law declares the revocation or refusal to be unlawful, unreasonable and discriminatory and strikes the same down.

2. Indirect Non - Natural Force Majeure Events

   a. any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action; or

   b. Radioactive contamination or ionizing radiation originating from a source in India or at the site of coal mines resulting from another Indirect Non Natural Force Majeure Event excluding circumstances where the source or cause of contamination or radiation is brought or has been brought into or near the site by the affected party or those employed or engaged by the affected party.

   c. Industry wide strikes and labor disturbances having a nationwide impact in India.

13.3. Exclusions
The following shall not be Force Majeure events:
Any strike or labor disturbance (except in connection with any lockouts) affecting the
Designated Mines, the Loading Port, Shipment in high seas or the Port of Discharge; or any
delay in or failure to perform of any subcontractor or agent of the Supplier

13.4. Notification of Force Majeure event
Relief under this Article 13 shall not be given unless the Party Intending to claim relief has, by
notice to the other Party within ten (10) days of becoming aware of an event of Force Majeure or if
later, within ten (10) days of an event of Force Majeure having an effect upon the performance
of such Party's obligations under this Agreement, informed the other Party that it desires to claim
relief under this Article 13

13.5. Contents of notice
Such notice referred to in Clause 13.4 above shall include such relevant information as is
available, including without limitation a description of the event and the date of its occurrence,
the - effect of such event upon the performance of such Party's obligations, the expected
duration of such event of Force Majeure and its effects and the actions it is taking in order to
comply with this Article 13.

13.6. Outstanding Obligations
In the event that due to circumstances covered by the provisions of this Article 13, the Contracted
Capacity of Coal have not been delivered as per the Contract Period Schedule referred to in
Clause 6.3, then the Supplier and the Purchaser shall examine together which steps, if any,
shall be taken to fulfill any outstanding shipments, and the terms and conditions to apply
thereof, on the principle that such shipments shall be made up as soon as reasonably
practicable at the Purchaser's option. In the event of failure to supply Contract Quantity of
Coal by the Supplier other than on account of Force Majeure events specified in Article 13, till such
time that the Contract Quantity of Coal is supplied from an alternative source the Supplier shall be
liable to pay the Purchaser liquidated damages which shall be equal to the liquidated damages
which shall be finalized at the Effective Date.

13.7. Mitigation
As soon as practicable after the occurrence of an event of Force Majeure, the Party affected
shall:
a) use its best endeavors to prevent and reduce to a minimum and mitigate the effects of the
event of Force Majeure, including where appropriate and without limitation by having recourse to
alternate acceptable sources of services, equipment and materials;
b) resolve the said Force Majeure as rapidly as is reasonable and practicable; and

c) use its best endeavors to perform its obligations to the maximum extent practicable.

Relief under this Article 13 shall cease to be available to a Party if it fails to use such best
efforts.
Should performance of any obligation hereunder be delayed or prevented due to an event of Force Majeure for a period of more than one hundred and eighty days (180) days then the Parties may take steps to amicably settle the non-performance of any obligation arising out of Force Majeure within a period of one month from the expiry of such one hundred and eighty (180) days. If no settlement is arrived at within the aforesaid period of one (1) month or such extended period which shall not exceed two (2) months from the expiry of one month, the Parties may refer such dispute to Arbitration more particularly stated under Article 18 of this Agreement.

13.8. Extension

The Contract Period may, at the Purchaser's option, be extended by any period of time during which obligations are suspended due to an event of Force Majeure.

ARTICLE 14: TERMINATION

14.1. Events of Default

Except for Force Majeure Events as stipulated in Clause 13 hereinafter, the occurrence of the following shall constitute an Event of Default under this Agreement:

a) any breach by the Supplier of any of its material obligations under this Agreement or any contract made pursuant hereto including, without limitation;

b) failure by the Supplier to deliver Coal in a quantity at least equal to 90% of the aggregate quantity requested by the Purchaser in any two consecutive shipments or any three shipments in any Contract Year; or

c) failure by the Supplier to deliver Contract Quantity of Coal conforming to the Specification for any two consecutive shipments or for more than 33% of the shipments in any Contract Year; or

d) breach in any material respect of the representations and warranties made by the Supplier;

e) any failure to make payment of invoice by the Purchaser (except any disputed portion of the invoice) or breach in any material respect of the warranties made by the Purchaser;

f) either Party becoming insolvent under any applicable law or making a composition or arrangement with its creditor or putting a proposal to its creditors for a voluntary arrangement for a composition of its debts or a scheme of arrangement or on the presentation of a petition that either Party be put into liquidation or administration on the passing by either Party of a resolution putting the other Party into voluntary liquidation (other than for the purposes of amalgamation or reconstruction) or on the appointment of an administrator, a provisional liquidator, a receiver, manager, or an administrative receiver or on the occurrence of an event which would result in the crystallization of any floating charges over the business undertaking, property or assets or any part thereof of either Party, or on the dissolution of either Party; or
14.2. Notice

On the occurrence and during the continuance of an Event of Default the non-defaulting Party shall, if it wishes to terminate this Agreement, give thirty days' written notice to the defaulting Party specifying the Event of Default and if the Event of Default is capable of remedy such notice shall require it to be remedied within thirty days of the date of the notice. If the Event of Default is not capable of remedy or, where the Event of Default is capable of remedy but is not remedied within the cure period, the non-defaulting may terminate on giving not less than thirty working days' notice.

14.3. Termination on Expiry

The termination or earlier expiry of this Agreement for whatever cause shall not affect any provision of this Agreement which is expressed to survive or operate in the event of termination or expiry of this Agreement and shall not prejudice or affect the rights of either Party against the other in respect of any breach of this Agreement or in respect of any amount payable by one Party to the other in relation to any period prior to termination or expiry.

14.4. Termination without cause:

The Purchase may terminate this Agreement by a notice of three months to the Supplier without citing any reason.

ARTICLE 15: REPRESENTATION, WARRANTIES AND CONVENANTS

15.1 General Representations, Warranties and Covenants

a) Each Party hereby represents and warrants to the other Party as follows:

(i) that it is a company, validly existing and in good standing under the laws of its place of incorporation and is qualified to do business and is in good standing in all other places where necessary in light of the business and properties it conducts and owns;

(ii) the execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate action;

(iii) this Agreement constitutes a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms except to the extent that its enforceability may
be limited by bankruptcy, insolvency, moratorium or other similar laws affecting the rights of creditors generally and by general principles of equity; and

(iv) the execution, delivery and performance of this Agreement will not conflict with, result in the breach of, constitute a default under any terms of memorandum and Articles of Association of such party or any of the applicable laws or any of such Party or of any applicable laws or any conveyance, agreement, understanding, decree or order to which such party is a party or by which such Party or any of its properties or assets is bound or affected.

(v) Each party grants to the other (including its agents) in addition to the rights of the parties pursuant to this Agreement, the right to visit such party’s facilities from time to time, upon reasonable notice and subject to the applicable rules and regulations of the formalities, to witness operations related to this Agreement.

(vi) The Supplier covenants with the Purchaser that it will assist the Purchaser to obtain during the term of this Agreement and renew and maintain all permits, licenses including import licenses and official authorizations and approvals required under the applicable laws as required for the import of Coal into India. The Supplier shall promptly notify the Purchaser of any actual loss, revocation, termination, amendment or breach of any such permit, license or approval or any actual breach of any applicable laws related to performance of this Agreement.

(vii) The Supplier shall take all action required under applicable laws in connection with the Supplier’s operations and activities under this agreement, including without limitation compliance with any reporting or notice requirements under applicable laws relating to environmental matters. The Supplier further undertakes to supply the contract Quantity of Coal on a firm basis for the Contracted volume as agreed under this Agreement which is sufficient to run the Plant.

ARTICLE 16: INDEMNITY

The Supplier hereby undertakes to the Purchaser except in so far as the Supplier’s performance is prevented by any event of Force Majeure within Article 13 above that at all times the Supplier will duly perform, observe the terms and conditions of this Agreement and that the Supplier will indemnify and keep indemnified the Purchaser in respect of any losses, costs and expenses sustained by the Purchaser through the default of the Supplier with respect to any of its obligations under this Agreement. The Supplier’s obligation to indemnify shall survive the termination of this Agreement.
ARTICLE 17: ASSIGNMENT

This Agreement shall inure to the benefit of and be binding upon the successor and assigns of the Seller and the Buyer, but this Agreement shall not be assigned to or transferred by the Seller or the Buyer, in whole or in part, either voluntarily or by operation of law, without the written consent of the other Party being first obtained, but such consent shall not be unreasonably withheld. However, the Purchaser shall be permitted to assign this Agreement to any of its subsidiary or affiliate.

ARTICLE 18: STEVEDORE DAMAGES

The Stevedores at discharge port are to be appointed by the Purchaser at their risk and expense. The Stevedores shall be considered as the Purchaser servants and the Purchaser are to be responsible for any negligence, default or error in judgment of the Stevedores and/or the barges/lighters employed in discharging the vessel.

Discharging is to be done under supervision of Master. Master has right to stop discharging if in his opinion it is found unsafe that may cause damage to the vessel. All delays due to this stoppage of work to be on Purchaser’s account.

Should Master suspect any damage caused to vessel by barges and/or due to stevedores, Master to immediately notify in writing to stevedores/ Purchaser/ Purchaser agent by fax/ cable or telex within 24 hours of its occurrence. Purchaser or their agents have the right to inspect any reported damage with their own surveyor. Master has right to report the hidden damages upon discovery whether at sea or at discharge port. Purchaser are solely responsible for such damage and same to be repaired at Purchaser time and cost prior to Vessel sailing from load port except for hidden damages which to be repaired at Purchaser cost and time at place and time requested by the owners.

ARTICLE 19: INSURANCE

The Supplier shall cover at its own cost marine insurance for 110% of the contracted CIF value of the cargo including Institute Cargo Clause and also covering all risk including War, SRCC etc from warehouse to warehouse basis under ICC (A) the load Port to discharge Port till completion of discharge. The Insurance shall be in according with the provisions of a standard marine insurance Policy with claims payable in India.

ARTICLE 20: SHIPPING TERMS & LAY TIME CALCULATION

Shipping Terms shall be as per Schedule II attached hereto.

Lay time calculation will be made by Supplier based on Statement of Facts (SOF) issued by the Owners/ Charterers nominated agents at the discharge port and to be confirmed and accepted by Purchaser within 15 (Fifteen) days of the vessel sailing discharge port. The demurrage/ dispatch has to be settled within 20 (Twenty) days by both the Purchaser and the Supplier.
ARTICLE 21: CLAIM

Any failure of either Party to insist on any or more instances upon strict performance of any provision of the contract or to exercise any of his rights herein, shall not be considered as a waiver of any such provision.

ARTICLE 22: DISPUTE SETTLEMENT

22.1 Any Dispute arising out of or in connection with the Agreement, including any question regarding its existence, validity, termination or performance of this Agreement shall be referred to and finally resolved by arbitration in Mumbai in accordance with the Arbitration And Conciliation Act 1996, as amended or applicable for the time being in force.

22.2 Each Party shall have the right to appoint one (1) arbitrator. The two arbitrators thus appointed shall then choose the third arbitrator who shall act as presiding arbitrator. The decision of the arbitrators shall be final and binding on both Parties.

22.3 The language of the arbitration, including its proceedings and documents to be exchanged with arbitrators and between the Parties shall be in English.

ARTICLE 23: NOTICE

Any notice under the Agreement, shall be considered to have been duly served, if sent by registered post or hand delivered against acknowledgement:

For Siridi Sai Goodearth International Pte Ltd
Block 3, 16-171, Normanton Park,
Singapore 119000

Email: gk@siridisai.com

And

For Welspun Energy UP Private Ltd,
Vice President
Prayas Trust of India Building, 3rd Floor
Parliament Street, New Delhi, 110 001

E-mail : Swapan_panda@welspun.com
ARTICLE 24: SEVERABILITY AND RENEGOTIATIONS

Should any provision of this Agreement for any reason be declared invalid or unenforceable by final and unappealable order pursuant to Article 18 or by a court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions, which remaining provisions shall remain in full force and effect as if this Agreement had been executed with the invalid or unenforceable provision thereof eliminated. In the event any such provision of this Agreement is declared invalid or unenforceable, the Parties shall promptly renegotiate in good faith new provisions to eliminate such invalidity or unenforceability and to restore this agreement as near as possible to its original intent and effect.

ARTICLE 25: AMENDMENTS

Any amendment to this contract shall be in the form of an addendum in writing duly signed by both parties and shall thereafter form and become an integral part of this contract.

ARTICLE 26: ENTIRE AGREEMENT

Each Party hereby confirms that this Agreement sets out the entire agreement and understanding between the Parties in relation to the transactions hereby contemplated, that it supersedes all previous agreements, arrangements and understandings between them or any of them with regard to such transactions and that it is not entering into this Agreement or any of the arrangements contemplated hereby in reliance upon any representation or warranty not expressly set out herein.

ARTICLE 27: WARRANTY

27.1 The coal supplied by the Seller, in the condition in which it is sold is considered not to constitute a hazard to health or safety, provided that it is handled and used in accordance with normal accepted safe working practices. The buyer shall consult the relevant codes for practice and factory inspectorates with regard to adequate hygiene, safety and environmental standards and enforcement thereof, with respect to handling, carriage and processing of the Coal.

27.2 The Buyer accepts the inherent risk associated with the Coal and will accordingly have no claim of any kind against the Seller, directly or indirectly
arising from death, illness or injury of any person or damage to any property as a result of direct or indirect exposure to the coal.

27.3 Seller does not warrant that the Coal fits for every purpose that Buyer decided.

ARTICLE 28: CONFIDENTIALITY

The terms and conditions (including price without limitations) set forth in this Agreement are considered by both Buyer and Seller to be confidential. Neither Party shall disclose such information to any third party without advance written consent of the other, except where such disclosures are required by law.

ARTICLE 29: LIMIT OF LIABILITY

29.1 Seller shall not be liable for any special, indirect, punitive, exemplary, incidental, or consequential loss or damages of any nature (including, but not limited to, loss of use, loss of profit, losses resulting from or related to the supply of Coal), however caused and whether based on warranty, contract, tort (including negligence) strict liability or any other theory of the law.

29.2 The total liability of Seller arising out of performance or nonperformance of the Agreement or any of its obligations (including, without limitation, obligations in connection with the sale, delivery, storage, or use of the Coal), whether based on warranty, contract, tort (including negligence), strict liability or any other theory of the law, shall not exceed the price of the discrete unit/shipment involved in the applicable claim.

29.3 The limitations of liability set forth in this Article 29.0 shall prevail over any conflicting or inconsistent provisions contained in any documents comprising the Agreement.

ARTICLE 30: REGULATORY COMPLIANCE/ APPLICATION RESTRICTIONS

Buyer shall comply with all applicable laws and regulations related to the purchase of the Coal under the Agreement, including but not limited to, safety and environmental regulations and all applicable laws and regulations pertaining to exportation or importation of Coal. Seller shall have no responsibility to review and confirm Buyer’s compliance with any applicable laws and regulations relating to export/import, and shall not be liable for any delays in delivery or suspensions in performance resulting directly or indirectly from the inability, due to causes beyond Seller’s reasonable control, to obtain on a timely basis, any necessary or applicable government authorizations (e.g., licenses).
ARTICLE 31: GOVERNING LAW AND JURISDICTION

The validity, construction and performance of this Agreement shall be determined in accordance with the laws of India. Courts of Mumbai shall have exclusive jurisdiction.

IN WITNESS WHEREOF THE PARTIES HERETO HAVE SUBSCRIBED THEIR RESPECTIVE HANDS THE DAY, HEREIN BELOW WRITTEN

For and on behalf
Sridi Sai Goodearth International Pty Ltd

Signature with Seal

Witness:
1. Lakshmi Kapoor
(LAKSHMI KAPOOR)

For and on behalf
Welspun Energy UP Private Ltd.

Signature with Seal

Witness:
1. H.S. Saikia
2. Bhupinder Singh

24
SCHEDULE - I

The specification of Proximate Analysis by % weight, unless specified otherwise, on "Air Dried Basis (ADB). ARB means on "As Received Basis".

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<th>Sr. No.</th>
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<th>Unit</th>
<th>Offered Range</th>
<th>Guarantee</th>
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<td>Total Moisture</td>
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<td>32</td>
</tr>
<tr>
<td>3</td>
<td>Total Sulphur</td>
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<td>Ash Content</td>
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<td>Volatile Matters</td>
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<td>HGI</td>
<td></td>
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<td>50</td>
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SCHEDULE II: SHIPPING TERMS

a) The vessel chartered by the Seller to perform this shipment will enter the limits at Discharge Port. At Discharge Port Buyer guarantees 1 safe Port and 1 safe anchorage. It is the Buyer's responsibility to ensure smooth discharge at the guaranteed rate at the Port.

b) Seller shall advise Buyer of the estimated time of arrival of vessel at the Port of discharge within one working day after the vessel sails from the load port. Seller shall also arrange for the discharge port agents to advise Buyer or Buyer's agent the estimated time of arrival at the discharging port, 7 days, 3 days, 24 hours prior.

c) Notice of Readiness (NOR) at Discharge Port shall be tendered on ATDN SHINC basis WIFON, WICCON, WIFPON, WTRON.

d) Lay time at discharge port(s) shall commence 12 Hrs after Notice of Readiness is tendered, unless sooner commenced, in which case actual time used to count in full.

e) Any pre-herthing delay, custom clearances, independent inspection for draft & weight purposes or time lost due to any sort of discharging port formalities shall not be included in the lay time. Shifting time, if any, would not count as lay time.

f) All costs incurred for the discharge of the cargo such as bargeing, stevedoring, inland transportation; facilitation of any sort, etc., would be borne by the Buyer entirely. All cargo related custom duties, local taxes, port dues, governmental import levies shall be borne by the buyer entirely.

g) At Discharge Port Buyer shall discharge coal from the vessel at a minimum guaranteed rate of 8000 MT PWWD.

h) All expenses related to vessel such as Pilotage, Berth Hire charges, agency fees etc to be Seller's account.

i) If the Buyer fails to discharge coal at the average rate specified herein Clause No. (g), demurrage at the rate as per vessel nomination shall be paid by the Buyer to the Seller for all time used after expiration of the allowable lay time. The Seller shall pay the dispatch to the Buyer for lay time saved at one half of the applicable demurrage rate, if the vessel is discharged sooner than the agreed rate specified herein clause No.(g).

Demurrage/ Dispatch rate as per vessel Nomination, Lay time shall be strictly as per Statement of facts.
<table>
<thead>
<tr>
<th>S.N.</th>
<th>Description</th>
<th>Quantity</th>
<th>Rate/kWh</th>
<th>Amount</th>
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<td>Landed Price of Coal at Site</td>
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<td>2420</td>
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<tr>
<td>2</td>
<td>GCC of Coal</td>
<td>Rs/Th</td>
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<td>Total Tariff</td>
<td>Rs/kWh</td>
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<td>173.8</td>
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</table>

**Note:**
- Landed cost of Domestic Coal at CICT (charges of Rs. 990/Tonne) includes rail transportation (825 km) charges of Rs. 990/Tonne.
- Landed cost of Imported Coal via Dhamra Port = Rs. 2420/Tonne which includes rail transportation (825 km) charges of Rs. 990/Tonne.

**Consolidated Rail Transportation Charges as per latest circular dt. 1st April 2013**

**Tariff Comparison of Domestic & Imported & Blended Coal**

Annexure II. 3
Steps being taken to improve the paying capacity of UP discoms

Financial restructuring of UPSEB as cleared by CCEA

The Planning Commission had announced a restructuring package for 7 SEBs in June 2012. This package was cleared by the Cabinet Committee on Economic Affairs on September 24. The package is aimed at restructuring the short term liabilities of these SEBs. The 7 SEBs to be restructured include UP.

In the scheme, for 50% of the short term liabilities, the discoms will issue bonds to banks/lenders and these bonds will be taken over by the State Govt in the next 2-5 years. However, the State Govt’s liability to service principal and interest will start immediately. For the balance 50%, banks/lenders will reschedule loans to offer the best possible terms. The Central Govt too will provide support in the form of the Transitional Finance Mechanism which will provide an incentive for T&D loss reduction and help in repayment of the 25% principal portion of bonds issued by reforming discoms. A State and Central Monitoring Committee will be formed to review the progress.

Power tariff hike in UP

The Uttar Pradesh State Electricity Regulatory Commission (UPSERC) has hiked the power tariff for commercial and industrial consumers, while exempting domestic and rural consumers in the State. The new tariff, which comes into retrospective effect from October 1, would be valid for a period of six months up to March 31, 2013. Power tariff for large and heavy industries has been raised by up to 30 per cent, whereas it has been raised by up to 14 per cent for small and medium industries. For the urban commercial consumers, the tariff has been raised by up to 20 per cent. Overall an average hike of 17.63 per cent has been effected by the UPSERC. The tariff has also been hiked for all government departments, street-lighting, institutions and other bodies as well. Similarly, small and medium industries would be required to pay more if they operate during peak hours from 6 pm to 10 pm.

Privatization of distribution circles

Govt. has planned to privatize the electricity distribution in high AT & C loss area (Ghaziabad, Merrut, Kanpur & Varanasi) for better revenue realization. This is going to be initiated as early as the next quarter.

Sanction of Transitional loan of Rs. 1558 crores by PFC to UPPCL to fund 50% of the outstanding power purchase liabilities towards IPPS for more than 60 days. The loan shall be paid in 84 monthly instalments after a moratorium of 3 years for principal repayment. This loan is being given on the basis of State Government Guarantee.

Mirzapur plant is expected to become operational in 2017. LOI for the recent Case I concluded in UP have been accorded to tariffs of up to Rs. 5.50. Our tariffs on the basis of domestic coal, blended coal and imported coal fall well within this range of tariff.
Validity of Mirzapur PPA

- EA 2003 allows procurement of power by distribution utilities as per both Sections 62 and 63.

- Electricity (No.38) falls under concurrent list subject defined and enlisted under the List - III of the Seventh Schedule of the Constitution of India, which form the joint domain of both the State Governments and the Union territories of India as well as the Central Government of India.

- One of the basic premises of the EA, 2003, as enumerated in Para 3 of the Introduction to Act, *is to give enough flexibility to the States to develop their power sector in the manner they consider appropriate*. This is along with the other objectives to promote progressive features and to strike a fine balance with the realities of the sector in India.

- UP has spelt out its state policies with the objective to meet state’s demand through MoU projects. The IPP players have to meet the Technical and Financial criteria to be eligible under the policies.

- This is as per section 62 of the Electricity Act, 2003 which empowers appropriate commission to determine tariff for supply of electricity by a generating company to a distribution licensee. Further section 86 details duties of state regulation commission so as to “Determine the tariff for generation, supply, transmission and wheeling of electricity wholesale, bulk or retail, as case may be, with in the state”

- Power deficits in UP is in the double digit zones (energy deficit of 16.6% and peak deficit of 13.3% for 2012-13) and calls for urgent action in capacity addition.

- A coal block tender process has just been concluded where the eligible bidders were all Government owned companies: PSUs. As per the bidding guidelines and policies for allocation of coal blocks to these companies, the latter can devise their own guidelines on the lines of the central linkage system (based on points for various development parameters) for allocation of coal to the plants in their own states, UPPCL. UP state Mining Development Corporation has participated in this bidding process for allocation of coal blocks. Since the Welspun Mirzapur plant, amongst others, will mitigate the power shortage in UP (100% PPA with UP) and since no significant capacity has been lined by the state utilities, the coal from the blocks allocated to UPPCL can be a possible source of coal provided development criteria are fulfilled.