

FUEL SUPPLY AGREEMENT

BETWEEN

M/S.THE SINGARENI COLLIERIES COMPANY LIMITED

AND

M/S.-----
(----- TPD – I KILN)

CUSTOMER CODE - -----
w.e.f.

FUEL SUPPLY AGREEMENT

PREAMBLE:

This agreement to be effective from ----- is entered into between The Singareni Collieries Company Ltd., a Company registered under the Companies Act – 1956 and having its Registered Office at Kothagudem – 507 101 and represented by its Chief General Manager (Marketing) hereinafter called the ‘SELLER’ (which term shall unless excluded by or repugnant to the subject or context, include its heirs, legal representatives and successors) of the one part

And

M/s. -----, a Company registered under the Companies Act – 1956 and having its Registered office at -----and represented by their Managing Director, hereinafter called the ‘PURCHASER’ (which term shall unless excluded or repugnant to the subject or context include its heirs, Legal representatives, successors and permitted assigns) of the other part.

Whereas the Purchaser has requested the Seller for supply of coal from the Collieries within the quantity allocated by the Standing Linkage Committee (Long Term) to the Sponge Iron Plant of the Purchaser and the Seller has agreed to make such supplies on the terms and conditions set out hereafter.

Now, therefore, in consideration of the agreement and covenants hereafter set forth and intending to be legally bound thereby, the parties hereby covenant and agree as follows:

1.0 GENERAL:

- 1.1. The Purchaser shall take and Seller shall supply coal on the terms and conditions contained in this agreement and the parties shall respectively abide by and submit themselves to such terms and conditions.
- 1.2. The Purchaser shall be bound by the guidelines of New Coal Distribution policy of GOI / MOC (No. 23011/4/2007-CPD, dt. 18.10.2007) and shall honor all other guidelines of Ministry of Coal / Seller issued from time to time. Failure to comply with the guidelines by the Purchaser resulting in inconvenience, delay or loss to Seller will be at the sole risk of Purchaser.
- 1.3 All coal supplies shall be within the Long Term Linkage Quantity / Normative quantity approved by Ministry of Coal on the day of agreement. The seller reserves the right for revision in the normative quantities and Annual Contracted Quantity either on the basis of Ministry of Coal guidelines or on the basis of seller's own assessment. Annual Contracted quantity stands revised as per such guidelines / assessment.
- 1.4 The Purchaser shall use the coal for the purpose of Sponge iron manufacture at the specified Sponge Iron Plant and shall not be entitled to use for any other purpose or sell the coal to any third party for any purpose. In the event of Purchaser/Transporter authorized by the Purchaser misutilises or black-markets the coal supplied, it is agreed that the Seller will invoke the Bank Guarantee and forfeit cash deposits kept as a part of the agreement or forfeit 50% of the balance amount pending with SCCL at the time of misutilisation, whichever is higher. The seller in such cases shall also suspend coal supplies forthwith. It is agreed that the Purchaser will be disqualified from future coal supplies for a

period of twelve months after the date of receipt of payment of the penalty as above. It is further agreed that any short supply due to suspension of coal supplies/issue of delivery orders by the Seller will be at the risk of the Purchaser. Over and above the conditions set in this agreement, the Purchaser shall also be bound by all the 'Terms and Conditions of sale' indicated on the overleaf of each Delivery Order".

1.5 Whereas it has been agreed by the parties that the price of coal supplied to the Purchaser shall be based on declared grade basis as per the guidelines of Coal Controller.

2.0 DEFINITIONS:

2.1 COAL

Non coking coal which falls within different classes / grades of coal as defined in Grade / Price Notification issued by Government of India or by Seller under the powers delegated to them from time to time by Government of India.

2.2 STANDING LINKAGE COMMITTEE:

A committee constituted by Ministry of Coal, Government of India for the purpose of granting linkages for supply of coal by coal companies to coal consumers.

2.3 NORMATIVE QUANTITY:

Consumption norms of coal as decided by Ministry of coal to the Sponge Iron units or as assessed by Seller using his own machinery which ever is lower.

2.4 LONG TERM LINKAGE QUANTITY:

The Annual Quantity of coal granted by the Standing Linkage Committee (Long Term) for the purpose of coal supply by coal companies to coal consumers.

2.5 PRICE OF COAL

Price given in the price notification by Seller under the powers delegated to them from time to time by its Board.

2.6 AGREEMENT:

Agreement means Fuel Supply Agreement including all its Schedules, Annexures and attachments and subsequent amendments as may be issued in accordance with the Terms and Conditions thereof.

2.7 DELIVERY ORDER:

Delivery Order means the authenticated document issued to the Purchaser by the Seller indicating the Despatch point, Grade of coal, Quantity of Coal and other details like price of coal etc.

2.8 DECLARED GRADE

The grades of coal declared by the Seller from time to time at its different despatch points, as per the powers delegated by the Board.

2.9 DESPATCH POINT:

Despatch point means the point at which the Seller transfers the coal in its physical form to the Purchaser.

2.10 CARRYING CAPACITY:

Carrying Capacity means the normal carrying capacity of Railway wagon as determined by Railways under the Indian Railways Act 1989.

2.11 ANNUAL CONTRACTED QUANTITY (ACQ):

The quantity of coal agreed to be supplied/received during the year as per the terms of the Agreement.

2.12 YEAR:

Year means the period commencing on 1st April and ending on the following 31st March.

3.0 PERIOD OF AGREEMENT:

3.1 This Agreement shall come into force with effect from -----
-----for a period of two years i.e., up to ----- and on mutual consent it can be renewed from time to time.

3.2 On completion of two years the agreement shall expire automatically unless both the parties mutually agree in writing to extend the said agreement.

3.3 The Purchaser shall initiate request for negotiations three months prior to the expiry of the agreement for its renewal.

4.0 TERMINATION OF AGREEMENT:

4.1 The Purchaser/Seller can terminate the agreement under any or both of the following conditions.

(i) In the event of the seller/purchaser committing any breach of its undertaking hereunder, so as to prevent completion of its obligation under the agreement, the purchaser/seller may terminate the agreement by giving thirty- (30) days prior written notice to the other party without any liability or charge.

(ii) In the event the conditions of 'Force Majeure' (as defined in clause 12.0) called by Seller/Purchaser continues so that either party obligations remain suspended for a period or periods amounting in aggregate to thirty (30) days in any consecutive period of ninety (90) days, the Purchaser/Seller, concludes that there is no likelihood of ending such conditions in near future, Purchaser/Seller by giving thirty (30) days prior written notice to either party of its intention to terminate this agreement without any liability and charge, may actually terminate at its discretion this agreement, after expiry of the said thirty days, unless such conditions shall have been ended.

4.2 Termination of this agreement shall be without prejudice to the accrued rights and obligations of the parties hereunder.

5.0 QUANTITY (ACQ*):

5.1 The seller shall supply coal as mentioned at 5.1.1 from identified despatch points as per Schedule –I. This shall be the quantity for the period under which this agreement is in force. The quantity of coal to be purchased in any quarter of the year shall be at least 60% of Quarterly Scheduled Quantity (QSQ). If the Purchaser fails to lift the minimum quantities as specified above, such quantities will be treated as 'failed off-take' for the quarter and these quantities will not be carried forward to the next quarter. However, the balance quantity over and above 60% of QSQ of that particular quarter can be made good on the request of the purchaser during the subsequent quarter subject to availability of coal and such quantities cannot be carried forward beyond the immediate succeeding quarter. On the request of the Purchaser, Seller can supply more than the QSQ depending on availability of coal. All such extra quantities will be within the ACQ. For the

purpose of making regular supplies, the Monthly Scheduled Quantity (MSQ) shall be one third of QSQ with $\pm 10\%$ variation.

(The Annual Contracted Quantity (ACQ) mentioned above shall stand modified/revised on application of norms as and when finalized by Ministry of Coal.*

5.1.1 The break up of the quarterly quantities is as follows:

(in Tonnes)

QUARTER	QUANTITY
APRIL-JUNE	
JULY-SEPT	
OCT-DEC	
JAN-MAR	
TOTAL	

However for the purpose of rake formation or other wise with mutual consent of Purchaser and Seller, MSQs may be allowed to be clubbed fully or partly together within QSQs.

5.2 It is agreed by both the parties that the quantities as agreed in the periodical Standing Linkage Committee (Short Term) or the quarterly quantities as specified in 5.1.1 whichever is less shall be considered and to that extent the quantities mentioned in the Fuel Supply Agreement stands modified.

5.3 The seller shall supply and the Purchaser shall receive the quantity of coal every month as stated in clause 5.1.1 subject to allotment and placement of Rail Wagons into the Colliery siding as per Seller's indent for delivery of coal to the Purchaser.

In respect of road despatches, the Seller on arranging sufficient lorries by the Purchaser well in time, will ensure coal supply.

5.4 It is further provided that wherever computations of quantities are required to be made in terms of Rail Wagons, carrying capacity + the permissible quantity as allowed by Railways from time to time shall be uniformly applied. The above quantity is applicable only for calculating number of wagons and would have no effect on payments. The payments will be regulated as per the actual weighment as per clause 11.4.

5.5 The Seller shall not be responsible for making up of shortfall in case of diversion by Railways.

5.6 Purchaser can request for change of mode of Transport / Source of coal / despatch point / grade of coal and Seller can supply at his discretion subject to availability of coal. However, all such modes shall be indicated as per the Short Term Linkage Orders issued every quarter.

5.7 COMPENSATION FOR SHORT LIFTING OF COAL:

In the event of failure to take Annual Contract Quantity of coal on the part of the Purchaser / Seller in any year, the defaulting party shall be liable to pay compensation to non-defaulting party for the failed off-take quantity as per the formula given below in terms of the following:

Delivery of Coal in a Financial Year (% of ACQ)	Rate of compensation applicable for the failed off-take quantity in terms of average base price (Rs. Per tonne)
Less than 100% but up to 60% of ACQ	NIL
Below 60% of ACQ	10%

The average base price (ABP) per tonne shall be the weighted average base price of coal supplied during the year. Compensation for short lifting shall be payable by the Purchaser to the Seller within a period of thirty (30) days from the date of receipt of claim. In the event of non-payment within the due date, the Purchaser shall be liable to pay interest on the outstanding amount at the prevailing Prime Lending Rate (PLR) of State Bank of Hyderabad plus one percent and the Seller can also regulate future coal supplies. Any short supply due to regulation of coal supplies by the Seller will be at the risk of the Purchaser.

- i) The compensation for the failed off-take quantity shall be the aggregate of the compensation worked out separately with respect to each of the two levels provided in the table above, to be computed as per the income tax system.
- ii) The Level of Delivery / Level of Lifting that would cause compensation for the Failed Quantity payable by the defaulting party, as mentioned in the table above, may be reviewed by the Seller in light of its Coal availability and

Coal commitments and amended accordingly on year-to-year basis at the sole discretion of the Seller during the term of the Agreement.

- 5.8 (A) If the Purchaser fails to take the Annual Contracted Quantity for the reasons other than due to an event of Force Majeure or due to acts of omission of the Seller, the Purchaser shall pay to the Seller compensation for Failed Off-take in accordance with the formula given below:

Formula For Compensation Of Failed Off-Take

$$\text{FOT} = \text{ACQ} - (\text{AQT} + \text{QTFM} + \text{QT AOS})$$

Where

FOT = Failed Off Take in Tonnes

ACQ = Annual Contracted Quantity in Tonnes

AQT = Actual Quantity of Coal in Tonnes for which Delivery Orders were issued.

QTFM = Quantity of Coal in Tonnes that would have been purchased by the Purchaser but for the occurrence of Force Majeure events effecting the purchase during the year.

QTAOS = Quantity of coal that could not be delivered by Seller for Acts and Omissions of the Seller.

(B) If the Seller fails to issue the Annual Contracted Quantity in an year for the reasons other than due to an event of Force Majeure, or an act of omission of the Purchaser, the Seller shall pay to the Purchaser compensation for Failed Off-take in accordance with the formula given below:

Formula for Compensation of Failed Off-Take

$$\text{FOT} = \text{ACQ} - (\text{AQT} + \text{QTFM} + \text{QT AOP})$$

Where

FOT	=	Failed Off Take in Tonnes
ACQ	=	Annual Contracted Quantity in Tonnes
AQT	=	Actual Quantity of Coal in Tonnes for which Delivery Orders were issued.
QTFM	=	Delivery Order Quantity of Coal in Tonnes that would have been issued by the Seller but for the occurrence of Force Majeure events effecting the Seller during the year.
QTAOP	=	Quantity of coal that could not be obtained by Purchaser for Acts and Omissions of the Purchaser.

In case of interim cancellation of the Agreement due to the reasons as per clause 4.0 the failed off-take would be computed on Prorata basis for the period during which the FSA is in force.

5.9 Any short supply due to suspension of coal supplies by the Seller under clause 1.4 will be at the risk of the Purchaser and quantity of such short supplies will be treated as Failed Off-take by the Purchaser for computation of compensation for short lifting of coal as per Clause No.5.7.

5.10 PERFORMANCE INCENTIVE CLAUSE:

If the Seller issues sale orders for Coal to the Purchaser in excess of ninety percent (90%) of the ACQ in a particular Year, the Purchaser shall pay the Seller an incentive (“Performance Incentive”/ “PI”), to be determined as follows:

$$PI = P \times \text{Additional Deliveries} \times \text{Multiplier}$$

Where:

PI = The Performance Incentive payable by the Purchaser to the Seller

P = The Base Price of coal supplied, as shown in Schedule II

Additional Deliveries = Quantity [in tonnes] of Coal delivered by the Seller in the relevant Year in excess of 90% of the ACQ.

Multiplier shall be 0.15 for Additional Deliveries between 90%-95% of ACQ and 0.30 for Additional Deliveries in excess of 95% of ACQ.

6.0 QUALITY:

- 6.1 The Quality of coal shall conform to the specifications given in the Schedule – II.
- 6.2 The grade of coal supplied shall be on declared grade basis from the respective despatch points in the ratio of 80% ‘D’ and 20% ‘E’ grades.

7.0 WEIGHMENT OF COAL

- 7.1 The terms are FOR collieries. If coal is despatched by Rail, all coal wagons loaded for Purchaser would invariably be weighed at the weighbridges of Colliery Siding and provide with an Electronic Print out of actual weight recorded. Purchaser has the right to witness the weight of wagons at weighbridges, if desired. The complaints, if any, arising out of the fault of the Seller shall be attended timely and promptly as per the prescribed rules.

7.1.1 PROCEDURE FOR WEIGHMENT:

- 7.1.2 In principle, weighment at the loading point will be done on electronic weigh bridge and their print out will be accepted by both the parties concerned.
- 7.1.3 In case of non--functioning or failure of electronic weighbridges, weighment done on belt weigher will be accepted by both the parties.
- 7.1.4 In the absence of weighment as mentioned in clause 7.1.2 and 7.1.3 above, the weight recorded on the Railway Receipt on Volumetric basis as per the system of Indian Railways will be considered final. However, the wagons will be loaded as per the permissible carrying capacity fixed by the Railways for such wagons on the basis of volumetric measurement.

7.2 If the coal is despatched by Road, the weight recorded at the weighbridges of the Seller at the despatch point and mentioned in the despatch document shall be final and binding on both the Purchaser and Seller.

7.3 The weighbridges shall be calibrated in terms of the provisions of the Weight and Measures Act. Both the Seller and the Purchaser shall have a right to witness the calibration of the weighbridges.

8.0 IDLE FREIGHT AND PENAL FREIGHT FOR RAIL DESPATCHES:

8.1 IDLE FREIGHT:

Any loss to the purchaser due to under loading of wagons with 'C' and above grades upto 58 tonnes of net weight shall be borne by the Seller and any idle freight beyond 58 tonnes shall be borne by Purchaser. However, any idle freight due to under loading of wagons with 'D' and below grades shall be borne by the Seller.

8.2 PENAL FREIGHT:

Any loss to the Purchaser due to payment of penal freight i.e., Any penal freight for overloading charged by the Railways for any consignment shall be payable by the Purchaser. However, if overloading is detected from any particular colliery, consistently during three (3) continuous months, on due intimation from the purchaser to this effect, the Seller undertakes to take remedial measures.

9.0 METHOD OF BOOKING:

9.1 The Seller shall make supply of coal at loading point on FOR Colliery siding basis in the Purchaser's Transport system. Seller warrants that coal delivered to the Purchaser herein shall be good and marketable and its transport is lawful and that such coal shall be free and clear of any lien, claim demand, security, interest or any title risk to the coal purchased and sold hereunder shall pass from the Seller to the Purchaser at the loading point. However, the Seller has the first lien and charge on the property of the coal supplied to the extent of dues from the Purchaser to the Seller.

9.2 The Purchaser shall submit a monthly programme of required quantities for both Rail and Road to the Seller as per Seller's procedures in vogue not less than three clear working days before

the commencement of the relevant month for the MSQ of coal in terms of Schedule-I. The Purchaser while submitting the monthly program in the prescribed proforma of required quantities should invariably enclose a copy of Production Report, R.G.I 7 Form IV or any other documents maintained under State and Central Govt. Rules. Electricity bill, Sales Tax paid receipt, coal consumption, coal stock details as a proof to ensure proper utilization of coal for the corresponding period. Issue of Delivery Order is subject to fulfillment of the clause No. 11.3 & 11.5 and submission of the above details and any short supply due to non issue of delivery orders by the Seller, due to the reasons as stated above, is at the risk of Purchaser.

- 9.3 For rail despatches, the Seller shall despatch coal in full rake load to the Purchaser on “freight to pay or freight paid” basis and the Seller shall endeavor to comply with all documentation / formalities laid down by the Indian Railways for charging freight on Train Load Rates basis only.
- 9.4 The Purchaser shall deposit freight value with Railways as per the Seller’s rake programme at the respective sidings. In case of failure of the purchaser to pay the freight value with Railways resulting in non-movement of rakes to the Purchaser as per the rake programme, the Seller will have right to cancel such delivery orders at the risk of the Purchaser.
- 9.5 For road despatches, the Seller shall arrange to issue Delivery Orders clearly indicating the despatch point, quantity, grade and destination with a validity period of two months. The Seller shall hand over four copies of Delivery Orders to the purchaser/or his authorized representative, who in turn deposits them at the coal branches of the Areas within 10 days of issue of D.O. as per the Seller’s procedure. The Seller shall notify loading schedule for delivery and the Purchaser shall ensure lifting of coal as per loading schedule against the Delivery Order within the validity period mentioned in the Delivery Order. In case of any difficulty, the road despatch points can be changed to the other mutually agreed despatch points as per Seller’s procedure.
- 9.6 The Purchaser shall pay price of coal, statutory duties, premium charges, levies, taxes and other charges wherever applicable while obtaining road / rail Delivery Orders.

10.0 **PRICE OF COAL.**

- 10.1 The price shall be as per Price Notification issued by the Seller under the powers delegated to it by its Board from time to time.
- 10.2 The prices notified by the Seller are on FOR Colliery siding basis on Purchaser's transport system at the Colliery despatch point.
- 10.3 Royalty, Cesses, Duties, Sales Tax, and other statutory levies etc., crushing charges, forest land adjustment cost, engine shunting charges and premium charges as applicable but not included in the price shall also be payable by the Purchaser. These levies shall become effective from the date of notification by the Government of India/ Govt. of Andhra Pradesh/ Seller and shall be paid by the Purchaser on declared grade and on the quantity despatched.
- 10.4 When coal is loaded either into Indian Railway Wagons or into the Purchaser's own system of transport through high capacity loading system with a nominal capacity of 3500 Tonnes per hour or more, additional charges applicable will be levied for such loading as per the price notification.
- 10.5 In the event of revision of Prices the Seller shall inform the Purchaser of such revised prices as applicable from time to time. The Purchaser shall pay the revised coal prices from the effective date of the price revision from time to time.
- 10.6 At road dispatch points wherever the pre-weigh bin charges are applicable, such charges will also be levied as per the price notification.
- 10.7 The purchaser agrees to fulfill the following obligation while entering into Fuel Supply Agreement:
 - i) On signing of the Agreement, the Purchaser shall deliver to the Seller an advance of 25 days average coal supplies in the form of 10 days cash and 15 days Bank Guarantee (BG) calculated on notified basic price of eligible grade. The BG shall be valid throughout the Term of the agreement and for a further period of 180 days from the scheduled date of expiry of this agreement.

- ii) The Security deposit in cash and Bank guarantee will be retained by the seller as Security deposit for adjustment against penalty due or towards unpaid bills at the time of closing of the FSA. The Security deposit amount so deposited will not bear any interest. The seller is entitled to forfeit the entire security deposit and Bank guarantee in case purchaser withdraws from the agreement along with damages caused to seller due to such withdrawal.

11.0 ROAD DESPATCHES:

- 11.1 For Road Despatches advance payment by way of RTGS / Demand Draft or Bankers Cheque shall be drawn in favour of the seller while obtaining the D.O. The Delivery order will be issued on realisation if the payment is made by local cheques. The payments can also be made through online mode that is funds can be transferred directly into bank accounts of SCCL at Hyderabad from purchasers bank account In the event of transfer of funds through online mode the purchaser shall inform seller in writing about the quantum of funds transferred with all relevant details Only upon the written confirmation from the bank the delivery orders will be issued. The bill for delivery of coal by Road shall be prepared by the seller as per the quantity of coal despatched by road and on the completion of entire quantity of coal delivered against each delivery order. The seller shall prepare bills on the basis of declared grade of coal.

11.2 RAIL DESPATCHES

- 11.3 For Rail despatches advance payment by way of RTGS / Demand Draft or Bankers Cheque shall be drawn in favour of the Seller while submitting the rake program. The delivery order will be issued on realization if the payment is made by local cheques. The bill for delivery of coal by Rail shall be prepared by the Seller as per the quantity of coal despatched by Rail and on completion of entire quantity of coal delivered against each delivery order, the Seller shall prepare bills on the basis of declared grade of coal.

11.4 BILLING AND PAYMENT

- 11.5 The Seller shall raise regular bills on rake to rake basis for coal supplied at the applicable base price for the declared grade, calculated on per-tonne basis multiplied by the weight of coal in

tonnes actually despatched and as recorded in Railway Receipts/Weighment statements. The bill shall also include Surface Transport charges, Crushing charges, High capacity loading charges, all other statutory duties/levies, less the idle freight resulting from under loading of wagons as per clause 8.1 and penal freight due to overloading as per clause 8.2 wherever applicable.

11.6 Regular Bills prepared as above under clause 11.5 shall be sent through e-mail.

12.0 **FORCE MAJEURE**

12.1 In this contract, 'Force Majeure' shall be deemed to mean any cause beyond the reasonable control of Seller or the Purchaser as the case may be, which prevents due performance of the contract and which by due diligence the effected party is unable to avoid or overcome by its individual effort. 'Force Majeure' shall include, but shall not be limited to the following events

- (a) Any riot or Civil commotion.
- (b) Any war or hostilities
- (c) Any earthquake, flood, tempest, lightening or other natural & physical disaster.
- (d) Any accident by fire, Inundation, subsidence, explosion of gases and unforeseen geological disturbances.
- (e) any strike or lockout or other industrial disturbances, affecting the performance of the contractual obligation.
- (f) Any law and order, proclamation regulation of Government or Sub-Division thereof.

If either party is prevented or inordinately delayed in the performance of any of its obligations, under the contract by 'Force Majeure' that a contractual obligation is thereby prevented or delayed and further period of which it is estimated that such prevention or delay will continue, then the affected party shall be excused for the non-performance or delayed performance as the case may be of such delays as from the date of such notice for so long as may be justified. Provided the affected party shall within 7 (seven) days from the occurrence of such a cause notify the other party in writing of such causes.

12.2 BURDEN OF PROOF:

In the event that the parties are unable to agree in good faith that a Force Majeure event has occurred, the parties shall resolve their dispute in accordance with the provisions of this Agreement. The burden of proof as to whether a Force Majeure event has occurred shall be upon the party claiming the Force Majeure event.

12.3 Notwithstanding the provision of clause 12.1, Force Majeure condition shall not be applicable to the Purchaser if the Purchaser purchases coal from any other source other than the Seller.

13.0 ARBITRATION

Any difference or dispute arising between the Parties under this Agreement shall be settled through arbitration in accordance with the provisions of the Arbitration and Conciliation Act 1996. In such event the Tribunal shall consist of three arbitrators, one each to be nominated by the Seller and the Purchaser and the third arbitrator shall be nominated by the two arbitrators nominated by the Purchaser and the Seller. The venue of Arbitration shall be decided mutually between the parties

14.0 NOTICES:

Any notice to be given under this agreement shall be in writing and shall be deemed to have been duly and properly served upon the parties hereto, if delivered against acknowledgement by Registered mail with acknowledgement duly addressed to the signatories or the authorized representative of the signatories at the addresses mentioned.

15.0 ASSIGNMENT :

This agreement shall not be transferred or assigned in whole or in part by the seller or the purchaser to any person, Company, Firm or Organization except in favour of the lenders of the parties without the prior approval of the parties to the Agreement.

16.0 AMENDMENTS OR MODIFICATIONS:

The Agreement constitutes full and complete understanding between the parties. It shall supersede all prior correspondence to the extent of inconsistency or repugnancy to the terms and conditions contained in this agreement. Only a written supplementary instrument signed by the authorized representative

of both the parties shall affect any modification to this agreement, unless specified otherwise in the agreement elsewhere.

17.0 IMPLEMENTATION OF THE AGREEMENT:

17.1 ----- shall be authorized to act for and on behalf of the Purchaser.

17.2 Chief General Manager (Marketing) shall be authorized to act for and on behalf of the Seller.

17.3 Any other nomination of authorized representative shall be informed in writing by the Seller and the Purchaser within one month of signing of this Agreement or giving 30 (thirty) days notice.

17.4 It is expressly agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence exchanged between the Seller and the Purchaser in respect of this agreement and any decision arrived at therein in the past and before coming into force of this agreement shall have no relevance with reference to this agreement and no reference of such discussion of meetings or past correspondence shall be entertained either by the Seller or the Purchaser for interpreting this agreement on its implementation.

IN WITNESS WHEREOF THE PARTIES hereto have extend these presents through their authorized representative on the day first above written.

FOR M/S SINGARENI
COLLIERIES CO.LTD

FOR M/S. -----

(SELLER)

(PURCHASER)

(-----)
CHIEF G.M. (MARKETING

(-----)

WITNESSES:

1.

1.

(-----)
DY.GENERAL MANAGER (F&A)

(-----)

SCHEDULE-I

PLANT	
DESTINATION	
REGD.OFFICE ADDRESS :	
PLANT ADDRESS:	
ADDRESS FOR CORRESPONDANCE	
CONTACT PHONE NOS.	
E-MAIL ADDRESS	
FAX NOS.	

A) Total Annual Contract Quantity: (ACQ):

B) The order of priority of Despatch points are :

MODE	DESPATCH POINT & GRADE	REMARKS
BY ROAD/ RAIL	All dispatch points of D & E grades	ON DECLARED GRADE BASIS

SCHEDULE - II

THE SPECIFICATIONS FOR QUALITY OF COAL

The Quality (grade) of coal will be specified as follows:

<u>Grade</u>	<u>UHV Range - K.Cal/Kg.</u>
A	Exceeding 6200
B	Exceeding 5600 but not exceeding 6200
C	Exceeding 4940 but not exceeding 5600
D	Exceeding 4200 but not exceeding 4940
E	Exceeding 3360 but not exceeding 4200
F	Exceeding 2400 but not exceeding 3360
G	Exceeding 1300 but not exceeding 2400

The formula for calculation of UHV shall be as follows:

UHV in K.Cal/Kg: $8900 - 138 (A \% + M\%)$ where

A = Ash %

M = Moisture % in coal determined under standard
Conditions of 60% RH & 40⁰ C Basis.
