



BOM/PPB/DC/US/30/05-06
21.12.2005

M/s. TUV Rheinland Group
504-506, Prestige Centre Point,
Cunningham Road,
Bangalore – 560052.

Attn : Mr. Mayuresh Sarang

Sub : Service contract for Validation of CDM project for Retrofitting of Static Grate cooler at Vikram Cement line-3 Dist Neemuch M.P., Aditya Cement Dist Chittorgarh (Rajasthan), and Grasim Cement Dist.Raipur India.

Dear Sir,

This has reference to our MOU dtd. 17.jan.05 and subsequent discussions we had with you on 15th Dec'05. We are pleased to award this contract to you for Validation of CDM project for Retrofitting of Static Grate cooler at Vikram Cement line-3 Dist Neemuch M.P., Aditya Cement Dist Chittorgarh (Rajasthan), and Grasim Cement Dist.Raipur India, on the following terms and conditions :

1 SCOPE OF WORK:

The scope of work for validation of CDM project will be as per Annexure – I (copy of MOU between GIL and TUV) enclosed herewith.

2. PRICE :

The total charges towards validation of CDM project would be Rs.3,00,000/- All taxes and duties applicable will be to our account.

TDS will be deducted at source and necessary certificate will be issued in due course.

3. TRAVEL EXPENSES :

Travel (within India) for the purpose of site visit during the period of the validation by 1st AC/Air Fare (economy class) and lodging and boarding expenses would be reimbursed at actual by the company.

4. PAYMENT TERMS :

- 25% advance on acceptance of this contract.
- 45% on the preparation of the Validation Report and prior to submission to the UNFCCC EB.
- Balance 30% will be released after registration with UNFCCC EB.

GRASIM INDUSTRIES LIMITED

(CEMENT DIVISION - MANUFACTURING)

Ahura Centre, 1st Floor, Mahakali Caves Road, Andheri (E), Mumbai - 400 093. Tel.: 691 7400 Fax: (022) 824 4960/70



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5. **COMPLETION OF Validation :**

You will complete the Validation of above Project within 8-10 Weeks or earlier from the date of this contract.

6. **ARBITRATION:-**

In the event of any question, dispute or difference arising between us regarding the due observance of terms and conditions laid down in this order or any other matter touching the rights duties and liabilities of the parties, the same shall be referred in Neemuch for determination by two arbitrators, one to be chosen by each party and in the event of disagreement, by an umpire to be appointed by such arbitrators before proceedings on the reference in accordance with the provision of the Indian Arbitration Act, 1940 or any other Amendment or modification thereof for the time being in force. Either party shall carry out during the course of the arbitration as may be practicable, their respective responsibility under this order and no payment shall be withheld on account of such proceeds unless the same is subject matter of the arbitration proceedings.

7. **JURISDICTION :-**

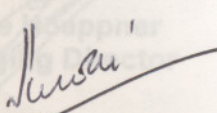
The contract shall in all respect to be subject to the jurisdiction of court Neemuch. Any dispute relating to this contract shall be deemed to have arisen in Neemuch and subject to jurisdiction of Neemuch court.

Hope you will find the same in order. As a token of your acceptance of our contract, please return the copy duly signed and stamped by you.

Thanking you,

Yours faithfully,

For **GRASIM INDUSTRIES LIMITED**


S.K. MAHESHWARI
Group Executive President (MFG & Proj)
GRASIM INDUSTRIES (Cement business)



MAYURESH SARAS

Encls :Annexure -I - Scope of Work

c.c : Accounts, Vikram Cement
c.c : Accounts, Aditya Cement
cc : Shri M.M.Tiwari - Vikram Cement Neemuch
c.c : Shri Umesh Srivastava - PP&B - Mumbai

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