



**Agreement No: 10029**  
**Date: 19<sup>th</sup> July, 2005**

**Between**

**Ankit Metal & Power Ltd**  
35 Chittaranjan Avenue  
4<sup>th</sup> Floor  
Kolkata, West Bengal  
India

**Agrinergy Ltd**  
Cornerways House  
School Lane  
Ringwood  
Hampshire BH24 1LG  
UK

**Tel/fax: +44 (0)1258 830556**

### **1. Definitions**

For the purposes of this agreement:

"Project owner" will be Ankit Metal & Power Ltd

"Service provider" will be Agrinergy Ltd

"CDM project" is the "Ankit power project", a 16MW waste heat recovery plant in the 2 x 350tpd sponge iron plant, located at PO Jorehira PS, Chhatna district, West Bengal

### **2. Preamble**

The clean development mechanism (CDM) is outlined in Article 12 of the Kyoto Protocol of the United Nations Framework Convention on Climate Change, the text of which was adopted at the United Nations Conference of the Parties on 11<sup>th</sup> December 1997 and entered into force on 16<sup>th</sup> February 2005. Under the CDM, projects in developing countries which can be shown to reduce emissions of greenhouse gases may obtain, through registration with the United Nations CDM Executive Board, certified emission reduction certificates (CERs). These CERs may be utilised by developed countries to help them meet their agreed greenhouse gas emission reductions, and as such have a value.

The CDM project has the potential to generate CERs. The Service provider will assist the Project owner in obtaining registration and certification of the CDM project and will be responsible for the ongoing sales, marketing and overall management of the CERs resulting from the CDM project.

### **3. Services offered by Agrinergy Ltd**

The Service provider will assist the Project owner in obtaining registration and certification of the CDM project. The main steps involved in this process will be:

Production of Project Design Document (PDD)

Validation of the project

Registration with the CDM Executive Board

Verification of the CDM project on an annual basis

Validation and verification of the CDM project must be carried out by an independent entity (Designated Operational Entity or DOE) that has been accredited by the UN CDM Executive Board. The Service provider will arrange for these services.

The Service provider will produce the Project Design Document and will arrange for the registration of the project with the CDM Executive Board.



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The Service provider will market the CERs resulting from the CDM project and will endeavour to obtain the most favourable terms for the Project owner. The Service provider will produce all documentation required to obtain a purchase contract for the CERs resulting from the CDM project. This includes the production of documents such as Project Idea Notes (PINs) that are required by the major institutional buyers of CERs.

The Service provider will have responsibility for the sale and management of all CERs resulting from the CDM project. Sales of CERs may be made by the Service provider only with prior approval of the Project owner. Each sale will be governed by its own emission reduction sale contract. Any obligations inherent within these sales contracts will be borne by the Project owner.

The Service provider will have sole marketing rights over all CERs. Sales not through the Service provider must be confirmed by both parties and clause 5 will be applicable to such sales.

#### **4. Project costs**

Costs incurred in project registration such as validation, verification and CDM executive board fees will be borne by the Project owner or the ultimate buyer of the CERs.

Costs incurred by the Service provider in relation to producing the Project Design Document (PDD) will be borne by the Project owner, e.g. site visits and the collection of information relating to the project, however these costs must be approved by the Project owner before being incurred.

#### **5. Payment**

The Project owner will pay the Service provider an initial fee of US\$ 800 (US Dollar eight hundred). ND.

In addition to the above, the Service provider will be paid an amount equal to 9.25% of the total value of the CERs arising from the CDM project. Payments are to be made on an annual basis in the form of certified emission reductions or a cash equivalent depending on the wish of the Service provider.

#### **6. Jurisdiction**

This agreement is subject to English law. Any dispute arising out of the terms will be subject to the exclusive jurisdiction of the English courts.

On behalf of Agrinergy Ltd

On behalf of Ankit Metal & Power Ltd

Robert Taylor

Date: 19<sup>th</sup> July, 2005

Mr S K Patni

Date: 19<sup>th</sup> July, 2005