

COAL SUPPLY AGREEMENT

This Contract No. CEPL/xxxx/2023-24/xx/01 is made on xxxxxxx.

M/s. COASTAL ENERGEN PVT.LTD. a Company registered under the laws of India and having its registered office at NO.4, MOORES ROAD, EGMORE, CHENNAI, TAMILNADU600006. BRANCH CODE: 1 4/36 D DURAISAMIPURAM POST, OTTAPIDARAM TALUK, TUTICORIN 628105 INDIA (Hereinafter referred to as “**BUYER**”), which expression shall, unless repugnant to the context or meaning hereof, be deemed to mean and include its nominees, successors and permitted assigns, on the one part.

AND

Seller Company Name and Address (hereinafter referred to as “**Seller**”) which expression shall, unless repugnant to the context or meaning hereof, be deemed to mean and include its nominees, successors and permitted assigns, on the one part.

The BUYER and the SELLER shall be individually referred to as a “**Party**” and collectively as “**Parties**”. The BUYER agrees to buy and the SELLER agrees to sell the following commodity at the terms and conditions set out below

1. TERM OF CONTRACT

The Parties hereby agree that the term of this Contract shall commence from the date of signing of this Contract until the sale and delivery of the Contracted quantity under this Contract has been fully performed by the Parties, whichever comes later.

The BUYER shall purchase the Steam (Non-Coking) Coal from SELLER on S&S basis.

2. COMMODITY AND CONTRACTED QUANTITY

2.1 Commodity: Steaming (non-Coking) Coal of Indonesian Origin in Bulk.

2.2 Origin: Indonesian (KIDECO/BMB/ADARO)

2.3 Contracted Quantity: 75,000 MT (+/- 10%) as per BL quantity of the particular shipment. If the Seller short close the order, 10% of coal value will be levied as penalty for short supplied quantity.

2.4 ETA:

3. COAL SPECIFICATIONS

The quality of Commodity to be supplied under this Contract shall be supplied to the following specifications:

Technical Specification of Coal as per ASTM/ISO Standard.

Sl.No	Parameters	Unit	Typical
1	Gross Calorific Value	Kcal/Kg ARB	
2	Total Moisture	% ARB	
3	Inherent Moisture	% ADB	
4	Ash Content	% ADB	
5	Volatile Matter	% ADB	
6	Total Sulphur	% ADB	
7	HGI	INDEX	

ASTM stands 'American Society for Testing and Materials'

ARB stands for 'As Received Basis',

ADB stands for 'Air Dried Basis'.

Kcal/kg stands for 'Kilo Calories per kilogram'

4.0. PRICE AND PRICE ADJUSTMENT

4.1 Price Break up as Follows: -

CIF USD PMT	
Notional Forex (INR)	
CIF INR PMT	
Transportation INR PMT	
Handling INR PMT	
GST (5%) PMT	
Cess INR PMT	400.00
Nett PMT	

4.2 Price Adjustment:

The quality determined and certified by the mutually agreed IIA(ASI/TMS/IGI) appointed by Buyer at Discharge port from samples drawn at the time of loading of coal into trucks is final and binding on both parties.

Price adjustments, if any, will be only on GCV (ARB) only.

If GCV (ARB) is above/below 4200cal/kg, then price shall be adjusted pro-rata per the following formula basis:

$$\text{Adjusted price} = \frac{\text{CIF INR} \times \text{Actual GCV (ARB)}}{4200 \text{ Kcal/Kg}}$$

If GCV(ARB) under 4000Kcal/Kg, double penalty will be applicable for the calorific values below 4000 Kcal/Kg at Buyer's option.

The Forex (RBI reference rate) prevailing on the date of payment shall apply for conversion

purpose. The variation in Forex rate shall be adjusted by the way of issuing DN/CN Separately

5.0 DELIVERY:

Upon issuance of custom out of charge/ formalities, DO shall be released immediately upon request from Buyer. In case DO is not released as per Buyer's request, Buyer shall have the right to reject the subject vessel/cargo and any financial loss on account of such refusal shall be recovered from the Seller.

6.0 DETERMINATION OF QUANTITY (WEIGHT)

Quantity (Weight) recorded at Port weighbridge is final and binding for both Buyer and Seller for invoicing, if any shortage between loaded and plant received weight is more than 0.5 % tolerance then plant received weight & value is final and binding on both parties.

7.0 ETA

Vessel should arrive TTN port within committed ETA. Vessel NOR tendering date shall be considered as vessel arrival date. In case of any delay, LD @ 0.1% of coal value per day will be levied or the loss due to risk purchase whichever is higher, in case reasons attributable to seller.

8.0 PAYMENT TERMS

Seller should release DO immediately (within 6 hrs.) upon buyer's request. 90% payment or part thereof will be made after necessary documents like tax Invoice, Bill of Lading, Bill of Entry etc. are provided by the Seller for vessel berthing, custom clearance within working 21 days from dispatch completion to plant shipment-wise.

Balance 10% will be released within 7 working days after necessary Forex, Q&Q adjustments of each shipment.

Buyer shall endeavor to make 90% of complete vessel quantity payment within 21 days from the vessel dispatch completion.

Rebate:

Rebate shall be applicable as below on the CIF price.

Immediate/Advance – 0.75%

Upto 7 days – 0.50%

On or Before Due date – 0.25%

Late Payment Surcharge at the rate of 8% per annum shall be payable in case the payment is not released within working 21 days on shipment to shipment basis. This surcharge would be calculated on a day-to-day basis for each day of the delay from 22nd Day.

The coal from our concluded vessel / quantity cannot be sold to any third party for a period of at least 90 days from vessel arrival without our prior written consent of the Buyer.

9.0 Despatch Rate

Seller should maintain the Min despatch rate of 300 trucks or minimum 9000mt, whichever is lower per day to the plant, LD@Rs 100/MT will be levied on the short despatch quantity calculated on average of 3days despatch. This is subject to buyer making the payment to seller for minimum 15,000MT at a time and buyer maintaining unloading at plant 24 X 7 & truck TAT at plant to be maintained less than 2.5 hrs.

However, the above LD will not be applicable in case despatch is held up due to reasons attributed to buyer or force majeure conditions.

10.0 Non-Performance

If the Seller fails to adhere to the delivery terms of this Agreement, Buyer shall have the liberty to procure the goods from an alternate source at the Seller's risk and cost and the Seller shall be liable to make good the replacement loss suffered by Buyer in this regard.

If the Seller fails to satisfactorily perform of the agreed terms of this agreement, such seller shall be barred from participation in future business.

For any changes in delivery schedule prior written consent from Buyer is required by email.

11. Force Majeure:

Force Majeure Event" shall mean any act, event or circumstance or combination of acts, events or circumstances which are not within the reasonable control of a Party ("Affected Party"); and as a result of which the Affected Party is (unless otherwise excused), unable, prevented or delayed in performing any of its obligations under the Contract Documents; and shall include an act of God, peril of the sea, fire, cyclone, earthquake, pandemic, landslide, storm, quarantine, radiation, radioactive contamination, explosion and other fire, war, hostilities, national emergency, terrorism, riot, industry level strikes.

11.1 Notice and Suspension of obligations

If either Party's performance under the Contract Documents is prevented or delayed due to a Force Majeure Event applicable to the Affected Party, it shall, within seven (7) days of becoming aware that a Force Majeure Event is preventing, delaying or significantly disrupting the performance of the Affected Party's obligations, notify the other Party in writing of the occurrence and the impact of the Force Majeure Event. The Affected Party's obligations under the Contract Documents shall be suspended for such time as the performance of the Affected Party's obligations is actually delayed, hindered or significantly disrupted because of the Force Majeure Event. The Affected Party will not be liable to the other Party for any delay in, or failure of performance of, its obligations under the Contract Documents so suspended. For the avoidance of doubt, suspension of obligations during existence of a Force Majeure Event shall not relieve the Parties from making any payments due under the Contract Documents.

11.2 Resume Performance

Upon cessation of a Force Majeure Event and its effects, the Affected Party shall as soon as practicable resume performance of any obligation suspended.

11.3 Termination due to Force Majeure

In case the Force Majeure Event continues for a period of more than 90 (ninety) days, the non-affected party may, by giving a prior notice to the other Party, terminate the Contract Documents

IN WITNESS WHEREOF, both parties have caused their duly authorized representative to execute this Contract.

BUYER:
For and on behalf of

SELLER:
For and on behalf of

M/s COASTAL ENERGEN PVT LTD

M/s SELLER COMPANY NAME