

**SESA KEMBLA COKE COMPANY LIMITED**

REGD. OFFICE :

P. O. Box 125

SESAGHOR

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PANJIM, GOA - 403 001

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ANNEXURE - 4

March 27, 2002

M/s. BSES Limited  
Corporate Business Development  
BSES Tower  
A-2, Sector 24  
Noida 201301

**Kind Attn.: Mr. Anil Sardana, Vice President**

**Sub: 30 MW Co-generation Group Captive Power Plant based on Coke Oven Flue Gas and Blast Furnace Gas on Build, Own and Operate basis**

- Ref:**
- (1) Our Global Tender Notice inviting proposals for setting up of the Project at Amona, Goa
  - (2) Our Tender Document No. SESA/PP/BOO/2001 dated 09/05/2001
  - (3) Your Offer No. ND/2001-02/EPC-SESA/11.2 dated 31/07/2001
  - (4) Our several discussions and correspondences leading to the closure of the commercial negotiations with respect to Term Sheet for the Project Developer & Energy Recovery Agreement

Dear Sirs,

With reference to the above, we are pleased to confirm that the Boards of Sesa Kembra Coke Company Ltd. and Sesa Industries Ltd. in their meetings held on 26<sup>th</sup> & 27<sup>th</sup> March 2002 have approved the selection of M/s. BSES Limited, Noida as the Project Developer for the 30 MW Cogen Power Plant using Coke Oven Flue Gas and Blast Furnace Gas from Sesa Kembra's Coke Oven Plant and Sesa Industries' Pig Iron Plant respectively.

Accordingly, we are pleased to notify our intention to enter into a Memorandum of Understanding (MOU) and a Project Development & Energy Recovery Agreement (PDERA) with BSES Ltd. at an early date.

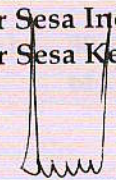
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The notification of this intention constitutes the successful completion of our commercial negotiations with M/s. BSES Ltd. The MOU and the Term Sheet for the PDERA indicating purely the negotiated commercial understanding between the two parties will be provided to you, which will be progressed further to evolve a formal legally binding agreement between the parties.

Thanking you,

Yours sincerely,  
for Sesa Industries Limited and  
for Sesa Kembla Coke Company Limited

  
Amit Pradhan  
Director (Services)

Received  
Pranod Singh  
27/3  
(PRANOD SINGH)