

AND

KALANI INDUSTRIES LIMITED, a Company incorporated under the Companies Act, 1956 and having its Registered Office at 11, Tukoganj Main Road, Indore - 452 001 (hereinafter referred to as "KIL" which expression shall unless repugnant to the context and meaning thereof be deemed to mean and include its successors and assigns) of the Second Part.

1. **PREAMBLE**

Whereas KIL has set up a 2.76 MW wind farm (comprising of 12 Nos. of ENERCON make E-30/230 KW Wind Energy Converters (WECs) in Village Badebghagh, Distt. Jaisalmer, Rajasthan and has approached ENERCON to undertake complete responsibility of maintenance and operation of the WECs on behalf of KIL.

WHEREAS ENERCON is in the business of wind energy projects on a turnkey basis and has the expertise, know-how, facilities and resource for undertaking total responsibility for providing maintenance and operation of the WECs on an on-going basis.

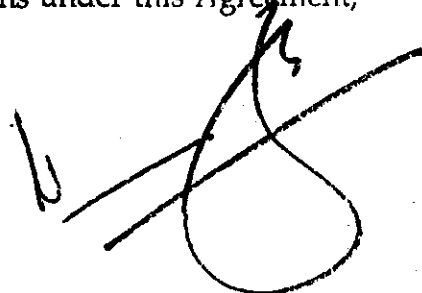
After mutual discussions and negotiations ENERCON has agreed to undertake the responsibilities of Comprehensive Maintenance and operation of the WECs of KIL for a period of 10 years from 1st April, 2001 to 31st March, 2011.

Now therefore ENERCON and KIL have agreed on the following terms and conditions to the Comprehensive Maintenance of the 12 Nos, WECs each of 230 KW Type E-30 of KIL.

2. **GENERAL**

The capacity of the wind farm is 2.76 MW comprising of 12 Nos. 230 KW ENERCON WECs and is installed in Village Badebghagh, Dist. Jaisalmer, in the state of Rajasthan.

ENERCON guarantees to KIL that it shall provide faithful, effective and complete performance of this agreement, and shall ensure 95% Machine Availability of the Wind Farm on an Annual Basis, including assigning a competent team of personnel for the implementation of this agreement. Both ENERCON and KIL agree to fully cooperate with each other's interest. In the event of ENERCON is not able to fulfill their obligations under this Agreement,



to the satisfaction of KIL, then KIL shall be free to sub-contract or engage any other agency / sub-contractor for the operation and maintenance of the WECs.

3. SCOPE OF THE CONTRACT

- ENERCON shall maintain & operate the WEC's in proper condition and agrees to provide preventive / predictive maintenance and operation of the WECs including all electrical equipments viz. VCB yard, Metering, 33 KV internal windfarm over head lines, D.P structures and transformers as per the standard practice of ENERCON on a single responsibility basis.
- ENERCON shall fax / courier / e-mail the monthly performance reports to KIL on a regular basis.
- ENERCON shall provide all the consumables and spares required, if any, FREE OF COST during the tenure of this Agreement.
- During the tenure of this Agreement ENERCON shall maintain sufficient quantity of consumables, tools and tackles and safety equipment at their site office at Village Badebhadh, Dist. Jaisalmer, Rajasthan.
- It will be the responsibility of ENERCON to ensure the safety of their personnel while working in the WEC's by taking suitable insurance policies to cover their personnel. KIL will not be responsible for the same.
- In the event that ENERCON fails to fulfill its obligations to the satisfaction of KIL under this Agreement, then KIL shall be free to engage the services of any other agency for the maintenance / repair / service or for any other work for the WECs.
- It is obligatory on part of KIL to provide infrastructure like site office with electricity and drinking water facility and a telephone at the wind farm site to facilitate this Agreement.
- ENERCON shall follow all the rules and regulations in respect of the RSEB and labour laws, prevailing during the tenure of this Agreement, as per the rules and regulations for the Government of India and Government of Rajasthan.
- KIL shall make necessary arrangements for the insurance of WECs. In case of any damage caused due to any natural calamities, ENERCON will replace / repair, as the case may be, the damages that may occur to any extent in the

• Enercon will ensure that any machinery breakdown will be provided for Enercon free of cost, during the tenure of this agreement.

wind farm and co-ordinate with KIL for settling the claim with the insurance Company, however K I L shall pay the full invoice raised for repairs / replacements to ENERCON.

- KIL shall make necessary arrangement for the security of the wind farm and inform the details of the same to ENERCON for extending their co-operation to the security personnel.

4. EXCLUSIONS

The agreement is subjected to Force Majure conditions including all acts of God and other factors over which ENERCON has no control and the same is subjected to suspension in the extent of Force Majure condition occurring during the Agreement period.

5. CONTRACT PRICE AND TERMS OF PAYMENTS

The total charges payable under this Comprehensive Maintenance & Operation Agreement for the scope of activity of ENERCON mentioned in this agreement will be as under:

1. Maintenance Charges

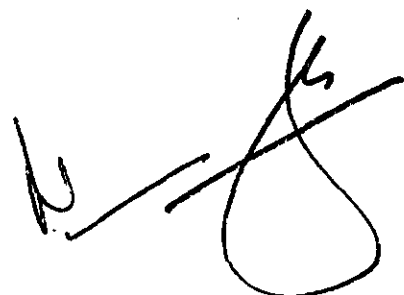
- a) During the guarantee period of two years : Rs.0.10/- per KWH generated.
- b) After guarantee period (01.04.2003 onwards) : Rs.110000/- per WEC per year.

Escalated at the rate of 7.5% per annum over the previous year.

2. Operational Charges

- a) Rs. 4,00,000/- (Rupees four lacs) per annum, starting from 1st April,2001 for entire wind farm, to be escalated at the rate of 5% per annum (over the previous year), for a period of 10 years.

The payment shall be made quarterly before the 7th of the first month of each quarter in four quarterly installments. In case of delay interest @ of 14% p.a. shall be charged by Enercon. TDS or any other Levies / Taxes prevailing during the financial year, shall be deducted as per Rules.



Sales Tax and /or Works Contract Tax, or any other Tax ,Levies applicable on the date of invoice shall be payable by K I L over and above the contract rate.

6 ASSIGNMENT

This assignment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign or transfer this Agreement, in whole or in part, except upon the prior written consent of the other party. Any such permitted assignee shall agree in writing to be bound by the terms, covenants and conditions of this Agreement.

7 SEVERABILITY

In the event that any provisions of this Agreement are held to be enforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions shall not be affected thereby.

8 AMENDMENTS

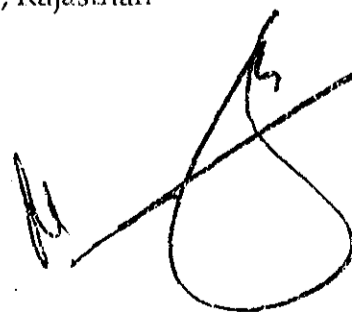
Any amendments to this agreement shall not be binding unless made in writing and signed by the duly authorized representative of each party.

9 ARBITRATION

Any dispute arising out of this agreement shall be settled in accordance with the Indian Arbitration and Conciliation Ordinance, 1996 and the jurisdiction shall be at Mumbai.

10 DURATION OF CONTRACT

The duration of this contract price mentioned above will be valid for a period of ten years from April 2001 to March 2011 for 12 Nos. of ENERCON make WECs Type E-30 230 KW in Village Badabghah, Dist. Jaisalmer, Rajasthan

A handwritten signature in black ink, consisting of a stylized, cursive script that appears to be the initials 'KIL' followed by a large, looped flourish.

11 **WAIVER**

Unless otherwise expressly provided herein, no delay or omission by the parties hereto in exercising any right of remedy provided for herein shall constitute a waiver of such right or remedy nor shall it be constructed as a bar to or waiver of any such right or remedy on any future occasion.

12 **FORCE MAJURE**

If at any time during the implementation of this Contract, the performance in whole or in part of any war, hostility, acts of public enmity, act of civil commotion, strikes, lock-outs, sabotages, fire, floods, Cyclone lightening, explosions, epidemics, quarantine, or any other acts of God (hereinafter referred to as eventualities) or reasons beyond ENERCON's control, then a notice of the happenings of such eventualities will be given by ENERCON to KIL within forty eight hours from the time of occurrence.

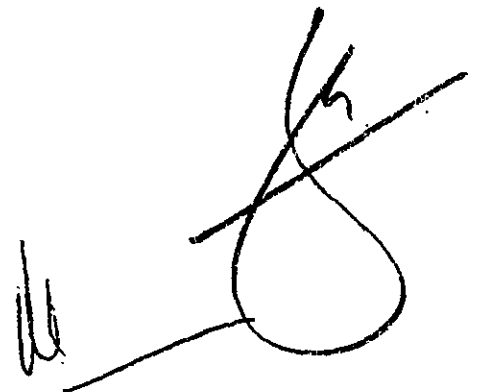
In such a case neither party shall be entitled to any claim against the other for any damages in respect of such non-performance or delays. The performance and deliveries of the Project will be resumed as soon as practicable after such an eventuality has come to an end or ceased to exist.

13. **NOTICE**

Any notices, requests or any other communication given in connection to this agreement shall be in writing and sent to or delivered to the party whom it is addressed, at the address mentioned in the first page of this agreement or such other addresses as may be designated by notice by such party in writing.

14. **TERMINATION OF THE CONTRACT**

Either party has got a right to terminate this contract before the expiry of the contract period without assigning any reason thereof by giving a one-month notice.

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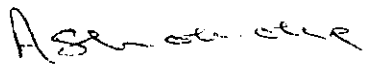
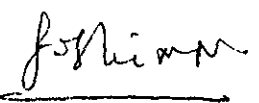
Two original copies of this Agreement are prepared and one copy each will be kept with ENERCON and KIL duly signed by the authorized representatives of both the Companies.

IN WITNESS WHEREOF, This Agreement has been executed as of the date first set forth above.

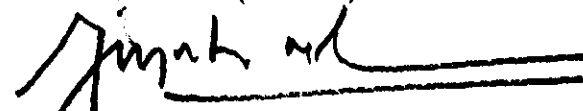
For KALANI INDUSTRIES LTD


Manish Kalani
Managing Director

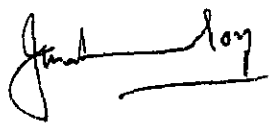
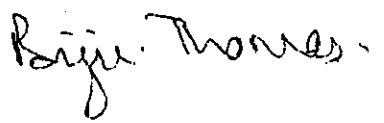
Witness :-

1. Name :- A.P. Oka 
Address :- 'Kadamb' Coop. Hsg. Soc. Ltd
Plot No R.H 89, MID C
Dombivli (East) 421203
2. Name :- N.N. Joshi 
Address :- C-203, Raysmore, Chakola,
Andheri (E), Mumbai - 400099.

For ENERCON (INDIA) LTD


Yogesh Mehra
Managing Director

Witness :-

1. Name :- T.R. MEEROY, Enercon India Ltd, 
Address :- 206, Geetha Enclave, C scheme,
JAIPUR.
2. Name :- 
Address :- Bijju Thomas
9, Akashdeep,
Tirunelveli Marg,
St. Pius colony,
Mumbai (W),
Mumbai 400080