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Kind Attn.: Mr. Lalit Kumar Singhania, Chief Consultant

Sub.: Order for advisory services by Indus Technical and Financial Consultant Limited (ITFCL) to help Action Ispat & Power Private Limited realise benefits available under Clean Development Mechanism (CDM) of UNFCCC.

Dear Sir,

The services would cover :

1. Project Development and Registration with UNFCCC.
2. Carbon Asset Management (Trade of Carbon Credits).

Background :

Action Ispat & Power Private Limited (AIPPL) is operating an Integrated Steel Plant at Villages Marakuta & Pandaripathar in the District of Jharsuguda (Orissa). The project shall be implemented in phases. Initially, a WHRB Plant of 8MW capacity using DRI gases from 350 TPD Sponge Iron Kiln and 2 Nos. Induction Furnace each of 12T capacity are proposed to be installed and targeted for commissioning in the first half of 2006. This capacity shall be doubled in the second half of 2007. The above projects have been planned and are being implemented, after taking into consideration the benefits available from registering these are "CDM Project Activity" with UNFCCC as per guidelines under Kyoto Protocol.

CERs Potential : 80000 CERs per annum
for 8 + 8 = 16 MW WHRB.

Services Required :

Developing Project Design Document (PDDs), seeking Host Country approval, validation with DOE, following up through the UNFCCC registration process & subsequently verification from DOE & Issuance of CER's as well as marketing support thereof.

Approval by EB (Executive Board of UNFCCC)	ITFCL responds to queries, follows up and expedites	Present the case, if required	18 – 26 weeks
Port Registration verification	Support, if needed	Participation verification	Normally Yearly verification