

Catalogue Cum Tender for Residue & BI-Products: Copper Matte

HZL/01/Cu-matte/2019-20 Dated: 09th May 2019

Lot Quantity +/- 10% - DMT	Date - Bids to be submitted by 1800hrs Indian time	Offer Validity Date
Lot1: 1000 MT	18th May 2019	31st July 2019

Vedanta Limited: Vedanta Limited a subsidiary of Vedanta Resources plc. is one of the world's leading diversified natural resource companies. With business operations in India, South Africa, Australia, Ireland, Namibia, Liberia and Sri Lanka; Vedanta is a leading producer of Oil & Gas, Zinc, Lead, Silver, Copper, Iron Ore, Aluminium and Commercial Power.

Hindustan Zinc : Hindustan Zinc Limited (HZL) is a subsidiary of Vedanta Limited in Zinc - Lead - Silver - Wind Energy business and world's leading integrated producer of zinc.

Invites Expression of Interest from potential purchasers below material with terms and conditions as detailed hereunder and **as per Standard Terms and Conditions attached herewith.**

HZL reserves the right to accept any bid or reject any or all the bids, & has the right to supply to multiple bids, received. Should the seller for any reasons refrain from concluding a contract with the successful bidder, the latter shall have no right to claim and damages in this connection.

The to deepak.vaishnav@vedanta.co.in with a copy to madan.yadav@vedanta.co.in; ashish.jain@vedanta.co.in harsh.gupta@vedanta.co.in; Hemendra.sharma@vedanta.co.in

WHEREAS the Seller is a producer in the material subject of this contract.

WHEREAS the Buyer is an importer, trader, broker and/or end user in this material, the Buyer is desirous of buying all such product from the Seller. The Buyer confirms to well know the product subject of this contract.

THE SELLER AND THE BUYER HEREBY AGREE AS FOLLOWS

The Seller agrees to sell to the Buyer who accepts to buy firm and irrevocable Copper Matte as per the following terms and conditions:

1. DEFINITIONS

Unless specifically stated, the following terms will have the following meaning

- a) **DMT**: shall mean dry metric ton
- b) **WMT**: shall mean wet metric ton

- c) **MMT**: metal metric ton
- d) **Metric Ton Unit** shall mean 1% or one hundredth part of the ton, dry weight
- e) **Ton or "Metric Ton"** shall mean a ton of 1000 kilograms wet or dry basis as stated
- f) **Inspectorate**: internationally recognised supervision company independent inspectorate as A.H. Knight, A. Stewart or SGS, Veritas, or any independent inspectorate accepted by both parties
- g) **LME** shall mean The London Metal Exchange
- h) **LMB** shall be the London Metal Bulletin
- i) **\$ or dollar or cent** shall mean dollars and cents of the united states of America official currency
- j) **IMO**: shall mean international maritime organization
CIF: shall mean Free on Board as per incoterm 2010
Shipment date: shall mean the date of the signed Bill of Lading
- k) **Inspectorate**: Inspection agency nominated by Buyer.

2. DESCRIPTION OF MATERIAL

Copper Matte

3. ORIGIN

India

4. QUANTITY: Copper Matte as produced at Dariba Smelter Complex (DSC) Hindustan Zinc Limited, with indicative chemical analysis as per Annexure 1 which may vary considerably. Under no circumstances, once the material dispatched from plant premises to port shall not be rejected.

1000 DMT+/- 10% at Seller's Option & Availability of material – in lots as detailed below:

Lot Quantity +/- 10% - DMT	Shipment date	Remark from Bidder if any
Lot 1000 MT	May 2019 to July 2019	

5. PACKING

In 1200kg / 900 Kg Bags of plastic PE bags (at Seller's option)

6. DELIVERY TERMS

Delivery is CIP JNPT/Nhava Sheva Port, Mumbai as per Incoterms 2010 and its subsequent amendments. Risk transfer will be at the place of first loading i.e. at Dariba Plant

7. SHIPMENT SCHEDULE:

Shipment Schedule from Plant : (depending on material availability)

As above - Shipment Schedule: May 2019 – July 2019 & subject to receipt of **90 % of Proforma Invoice** value in advance by Telegraphic Transfer to the Sellers account before dispatch of the material from plant. Material shall be despatched from Plant through trucks.

In case of non availability of material Seller may extend the shipment Schedule by further one month.

8. QUALITY

Copper Matte as produced at Dariba Smelter Complex (DSC), Hindustan Zinc Limited, with indicative chemical analysis as per Annexure 1 (all types). Under no circumstances, once the material dispatched from plant premises to port shall not be rejected. Indicative Assays is as below:

Size : < 50 mm. + 50 mm size may be upto 5%.

Element	Typical Assay	Un
Cu	25-30.0	%
Ag	1000 – 1300	Ppm
SiO2	< 6.0	%
Pb	< 7%	%
Sulphur	< 10	%
Fe	< 15	%
Na	< 7	%
Zn	< 1.0	%
As	< 1.5	%
Sb	< 0.5	%
Bi	< 300	Ppm
Cd	< 100	Ppm
Co	< 100	Ppm
Ni	< 200	Ppm
Size : < 50 mm. + 50 mm size may be upto 5%		
Moist: < 5.0 %		

if the quality of the material departs from the above mentioned assay, then buyer and seller will negotiate in good faith to overcome any economic hardship that may befall each party

9. PRICE: To Quote for all payable Metals :

9.1. Delivery is CIP JNPT/Nhava Sheva Port, Mumbai as per Incoterms 2010 and its subsequent amendments.

Risk transfer will be at the place of first loading i.e. at Dariba Plant

Copper : The Copper to be paid for each DMT of Copper Matte shipped hereunder shall be % of the full Copper content at a price equal to the daily official LME Cash Settlement Quotation for Standard

Copper in US Dollars, as correctly published in the "London Metal Bulletin" and averaged over the applicable Quotational Period.

Silver: The silver to be paid for each DMT of Copper Matte shipped hereunder shall be % of the full silver content at a price equal to the daily official LBMA Spot Quotation for Silver in US Cents, as correctly published in the "London Metal Bulletin" and averaged over the applicable Quotational Period

9.2 Deductions:

Treatment Charges: Shall be on per DMT

Refinement Charges: Shall be on per DMT

There are no penalties applicable.

9.3 Quotational Period (Q/P)

M + 1 First Month After Month of Shipment of Material (As per Bill of Lading) . or to be quoted while giving offer.

10. WEIGHING SAMPLING & MOISTURE DETERMINATION & SPLITTING LIMIT:

10.1 WEIGHING SAMPLING & MOISTURE DETERMINATION

Weighing, Sampling & Moisture determination shall be carried out at Seller's Premises located within Dariba Smelter Complex in the presence of Buyer's Nominated Surveyor/representative in accordance with standard international practices. Final weights to be determined by weighing after material has been bagged and sealed by Buyer's Nominated Surveyor at the Seller's plant weighbridge. The weighbridge shall be calibrated and certified in the presence of Buyer's Nominated Surveyor. Buyer has the right to provide their own bag/container seals. – Cost of WSMD will be shared between Buyer & Seller on 50/50 basis (The same will be settled in Final Invoice)

Buyer reserves the right to be additionally represented by one of its personnel at its own cost.

Buyer has the right to check the Metal Content on the Average Sample prepared as below at their end or the provisional assays for all payable metals can be done in presence of Third Party Surveyor at HZL's Laboratory.

Representative samples to be drawn from the material at the time of Bagging to determine the final assay. Samples of the material shall be taken on a 100mt lot by lot basis and shall be divided into 10 equal parts. The sample distribution will be done as below:

- a) 4 Complete sets of sealed samples for Buyer
- b) 4 Complete sets of sealed samples for Seller
- c) 2 Complete sets of sealed samples to be retained for arbitration by Buyer & Seller

Payable metals would be determined by Buyer & Seller to the second decimal place in accordance with International Standards. The Material will be packed in 1 mt Jumbo PE bags, sealed by Buyer's Nominated Surveyor and moved in the presence of Buyer's Nominated Surveyor. All the bags are to be marked clearly and seal with a tag supplied by Buyer's Nominated Surveyor at the time of clearance/transportation of material.

All bags and seals shall be re-checked by Buyer's Nominated Surveyor at the port of loading prior to container stuffing. Any bags found to be non-intact by Buyer's Nominated Surveyor shall be re-weighed and re-sampled. Any incremental costs incurred as a result of this occurrence shall be for Seller's account.

The assays will be exchanged in the customary manner on an agreed date between Seller and Buyer. Seller to furnish their assays on Smelter's Laboratory & Buyer to furnish the assay results on the letter head of an LME recommended Laboratory. Assay exchange to be done within 60 days after sealing of the samples. If results show that the difference between the Seller's and Buyer's assays are within the splitting limits as mentioned in Clause 11, Mean of such results shall be final and binding for the parties hereto. In the event the aforesaid splitting limits are exceeded, an umpire assay shall be performed, unless otherwise agreed on the reserve sample for that purpose by one or two (to be mutually agreed by Buyer and Seller) of the Umpire Laboratories as mentioned below.

ALS Inspection UK Ltd,
Knowsley Business Park
Caddic Road, Prescott
L34 9HP, England

Or

Laboratory Services International BV
Contact: Mr Anteun Oosterhoff
Pittsburghstraat 9
3047 BL Rotterdam
The Netherlands
Tel: +31 10 495 4798
Fax: +31 10 495 4809
Email: anteun@lsi-assays.com

Or

Alfred H Knight
Eccleston Grange
Prescot Road, St. Helens
Merseyside WA10 3 BQ
United Kingdom
Trina Lofthouse (katrina.lofthouse@ahkgroup.com)

Laboratories, which have performed supervision at the loading port, shall not be appointed to perform umpire analysis, unless otherwise mutually agreed.

If the umpire results falls in between the Seller's and Buyer's assay, the umpire assay shall be final.

If the umpire assay falls outside the Seller's and Buyer's assay then the value (either Buyer or Seller) nearest to the umpire assay will be final.

The cost of the umpire will be borne by the party whose assay is the farthest from the umpire assay, unless if the umpire assays is the mean of the Seller's and Buyer's assay, wherein the cost of umpire shall be equally shared by the Seller and the Buyer.

All instructions to the Umpire will be sent by the Seller after mutual agreement with copy of the instructions marked to the Buyer.

10.2 SPLITTING LIMITS

Copper : 0.3%

Silver : 20 g/dmt

11. PAYMENT

Provisional Payment

90 % value of the first provisional invoice to be paid to Seller's designated account by way of Telegraphic Transfer

before dispatch of the material from plant, within 3 business days of presentation of the following documents

- Seller's signed & stamped Provisional Invoice based on the price taken over the 110% of average of last 15 days prior to the date of Provisional Invoice.
- Seller's signed & stamped Provisional weight, assay certificate and moisture in percentage
- Seller's signed & stamped Certificate of Origin

Interim Payment:

Seller has option to raise interim invoice for any variation in Price of Payable metals by +/- 5%, Buyer agrees to pay the same within 3 working days of submitting of the Invoice.

Final Payments

Payment Adjustment as per Final Invoice after adjusting the first provisional payment based on the final weights & assays agreed as per clause 10 Price to be considered in Final Invoice as per Clause (9.3).

Documents for Final Payment

- Commercial invoice
- Certificate of origin
- Packing list

Delayed Payments:

If a payment to be made by either party under any invoice including “payment Adjustment invoices” is not made by the payment due date then such late payment shall attract interest at 3-month LIBOR (or other suitable mutually agreed rate should LIBOR cease to be functional on the date of the invoice), plus 1.5% per annum of advancement interest shall be calculated from a value date (per swift copy) until the third day after the date of the invoice.

12. INCOTERMS 2010

CIP JNPT/Nhava Sheva Port, Mumbai as per Incoterms 2010 and its subsequent amendments.

13. TITLE AND RISK OF LOSS

- a) Risk of each shipment shall pass to the buyer according to the **Incoterms 2010 EXW Delivery Basis.**
- b) Title passes to Buyer upon Receipt of 100 % provisional payment.

14. TARIFFS, TAXES & DUTIES

- a) All taxes, fees, custom duties and other charges of whatever nature assessed on the material within the country of loading shall be the responsibility of and paid by the Buyer as per INCOTERMS 2010 and its amendments thereof published by International Chamber of Commerce.
- b) All taxes, fees, custom duties and other charges of whatever nature assessed on the material outside the load port country shall be the responsibility of and paid by the Buyer as per INCOTERMS 2010 and its amendments thereof published by International Chamber of Commerce.

15. FORCE MAJEURE : As per attached Standard Terms and conditions.

16. GOVERNING LAW/ARBITRATION : As per attached Standard Terms and conditions.

17. CONFIDENTIALITY : As per attached Standard Terms and conditions.

18. MISCELLANEOUS

Upon signature of this Contract, all previous negotiations and also all previous correspondence are to be considered null and void. Changes to the terms and conditions of this Contract must be in writing and agreed to in writing by all parties involved.

This contract shall be legal and binding upon signature of the faxed copies. Upon receipt of the countersigned faxed copy, the Seller shall send four (4) signed originals by mail or courier to the Buyer

who shall sign and return two (2) originals thereof duly executed to the Seller also by courier. This shall not delay the opening of the payment instrument and is merely an administrative procedure.

19. HARDSHIP

In entering into this contract the parties hereto agree that it is impracticable to make provision for every contingency which may arise during the term hereof, and the parties hereby agree it to be their intention that this contract shall operate between them with fairness and without prejudice to the interest of either, and that if, in the course of the performance of this contract, obvious hardship to either party is expected or disclosed, then the parties will use their best endeavours to agree upon such action as may be necessary to remove or modify such obvious hardship.

Failing agreement, the matter shall be submitted for decision in accordance with the stipulations of clause Arbitration.

The parties hereto expressly state that they accept the decision of the arbitrators as final and conclusive and that they undertake to execute in a binding form any modification of the terms of this contract which the arbitrators may have determined.

20. GIFTS AND COURTESIES CLAUSE: As per attached Standard Terms and conditions.

21. TERMINATION: As per attached Standard Terms and conditions.

22. SEVERABILITY: As per attached Standard Terms and conditions.

23. LICENCE: As per attached Standard Terms and conditions.

24. NOTICES: As per attached Standard Terms and conditions.

25. WAIVER: As per attached Standard Terms and conditions.

26. AMENDMENT: As per attached Standard Terms and conditions.

27. ASSIGNMENT: As per attached Standard Terms and conditions.

28. ENTIRE AGREEMENT: As per attached Standard Terms and conditions.

29. COUNTERPARTS: As per attached Standard Terms and conditions.

Declaration by signatories to this contract:

Each signatory to this contract declares and confirms that they have been duly authorised by the competent authority/authorities of their respective companies to negotiate, finalise and enter into this contract. The respective companies on whose behalf this contract has been signed unequivocally undertakes to abide and honour all terms and conditions of this contract without any demure, protest and delay under all circumstances.

IN WITNESS WHEREOF, the Parties hereto by representatives duly authorised have executed this Contract as of the date hereinabove set forth in English language in two (2) original documents, one for each Party

(Deepak Kumar Vaishnav)

**HINDUSTAN ZINC LIMITED
UDAIPUR, INDIA**

Bidder

Complaints and the Investigation Procedures

The following procedures have been adopted by the Audit Committee of Hindustan Zinc Limited (the “Company”) to govern the receipt, retention, and treatment of Complaints and to protect the confidentiality and anonymity of the stakeholders / employees / cases reported. These policies and procedures apply to and are available to all employees of the Company, and all external stakeholders.

I. POLICY

Customers have the opportunity to submit / report ‘Complaints’ pertaining to the following areas such as:

- a) Fraud (an act of willful misrepresentation which would affect the interests of the concerned) against investors, securities fraud, mail or wire fraud, bank fraud, or fraudulent statements to the Securities and Exchange Board of India (the “SEBI”), the U.S. Securities and Exchange Commission (the “SEC”), therelevant stock exchanges, any other relevant authority or members of the investing public.
- b) Violations of any rules and regulations applicable to the Company and related to accounting and auditing matters
- c) Intentional error or fraud in the preparation, review or audit of any financial statement of the Company
- d) Any violations to the Company’s ethical business practices as specified in the Company’s Code of Conduct policy
- e) Any other event which would affect the interests of the businessThe company will protect the confidentiality and anonymity of the complainant to the fullest extent possible with an objective to conduct an adequate review. External stakeholders such as vendors, customers, business partners etc. have the opportunity to submit ‘Complaints’; however, the Company is not obligated to keep ‘Complaints’ from non- employees confidential or to maintain the anonymity of non- employees. We encourage individuals sending ‘Complaints’ / raising any matter to identify themselves instead of sending anonymous ‘Complaints’ as it will assist in an effective complaint review process.

Post review, if the complaint is found to be have been made with MALA FIDE intention, stringent action will be taken against the complainant. We encourage employees to report genuine ‘Complaints’ and those submitted in true faith.

II. PROCEDURES

Receipts of ‘Complaints’

All the ‘Complaints’ under this policy should be reported to the Group Head - Management Assurance, who is independent of operating management and businesses. The contact details are as follows:
Group Head – Management Assurance,

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Vedanta, 75 Nehru Road
Vile Parle (E), Mumbai 400 099.
Tel No. +91- 22 - 66461000
Fax No. +91- 22 - 66461450

‘Complaints’ can also be sent to the designated E-Mail ID: hzi.whistleblower@vedanta.co.in; the custodian of which is Group Head – Management Assurance. If a complaint is received by any other executive of the company, the same should be forwarded to the Group Head – Management Assurance at the above address.

Treatment of ‘Complaints’

1. Group Head - Management Assurance shall review the Complaint. Investigations may be carried out either by the MAS team or any other external agency / legal counsel or any company employee(s) as the Group Head – Management Assurance may feel appropriate. The investigation team will submit their findings or recommendations to the Group Head - Management Assurance.

2. Once every six months and whenever else as deemed necessary, Group Head - Management Assurance shall submit a report to the Audit Committee that summarizes the number of ‘Complaints’ received and status of actions taken.

Access to Reports and Records and Disclosure of Investigation Results

All reports and records associated with ‘Complaints’ are considered confidential information and access will be restricted to members of the Audit Committee, Group Head – Management Assurance and any other person as permitted by the Group Head – Management Assurance. ‘Complaints’ and any resulting investigations, reports or resulting actions will generally not be disclosed to the public except as required by any legal requirements or regulations or by any corporate policy in place at that time.

Retention of Records

All documents relating to such ‘Complaint’s made through the procedures outlined above shall be retained for at least five years from the date of the ‘Complaint’, after which the information may be destroyed unless the information may be relevant to any pending or potential litigation, inquiry, or investigation, in which case the information will be retained for the duration of that litigation, inquiry, or investigation and therefore as necessary.

Amendment to the policy

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever and the same will be posted on the company website