Memorandum of Understanding (MoU) for Co-processing of Plastic Waste from Designated Urban Local Bodies (ULBs), as per list at Annexure-A, at ACC Limited, Gagal Cement Works, Barmana, Himachal Pradesh

By and Between

ACC Limited, a Company incorporated under the Indian Companies Act, 1913, having its Registered Office at Cement House, 121, Maharshi Karve Road, Mumbai 400020, Maharashtra (hereinafter referred to as “ACC” which expression shall, unless repugnant to the context, mean and include its successors and assigns) of the One Part.

And

Designated Urban Local Bodies (ULBs) of Himachal Pradesh, through Director, Urban Development Department, Government of Himachal Pradesh (herein after referred to as “Authorized signatory”)

Both ACC and Authorized signatory shall be collectively addressed / referred to as “the Parties” and individually as “Party” herein after in this Agreement.

WHEREAS,

ACC is an associate company of Lafarge Holcim which is the largest global cement company and has operations in more than 80 countries. Lafarge Holcim is a pioneer and leader in co-processing of waste materials in cement manufacturing process and has been carrying out co-processing operations globally since 48 years to provide ecologically sound solutions for management of different wastes and to support the cause of sustainable development. Lafarge Holcim is a founder member of the Cement Sustainability Initiative (CSI) of the World Business Council for Sustainable Development which was formed to help the cement industry to address the challenges of sustainable development;

ACC is now extending these co-processing services in the country to provide a safe and environmentally friendly method for the management of wastes to the industry and society. Through the initiative currently more than 250,000 tons of waste per annum has been disposed through co-processing in the kilns and captive power plants of ACC on its different locations.

Co-processing of waste in cement kilns refers to a complete end to end solution for the management and disposal of both municipal and industrial wastes. Due to the high temperature and long residence time in cement kiln all types of wastes can be effectively disposed without any harmful emissions. Co-processing is indeed a more environmentally sustainable disposal method as compared to landfilling and incineration because of reduced emissions and no residue after the treatment. Therefore, it relieves the waste generator of any future liability which may accrue due to waste disposal by processes like land filling and incineration; and provide the peace of mind.

This transaction is being initiated further to the meeting held in between Director, Urban Development Department, Himachal Pradesh and ACC Gagal Cement Works Barmana.
representative on 04th August, 2019 at the office of Director, Urban Development Department, Himachal Pradesh and meeting held with Addl. Chief Secretary (Env. Sc. & Tech.)to the Govt. of H.P. on 24th Sept, 2019 regarding co-processing of plastic waste generated in Designated ULBs, in ACC cement kiln at Gagal Cement Works, Barmana.

Designated ULBs collects community generated plastic waste and is interested in its disposal through environmentally sound technologies. Director, Urban Development Department, H.P. has approached ACC to dispose the segregated plastic wastes through co-processing in the cement kiln at ACC Limited’s Gagal Cement Works, Barmana.

The Parties have decided to enter into this MoU to record their broad nonfinancial understanding regarding the aforesaid transaction as hereinafter appearing.

NOW THIS MOU WITNESSES AS FOLLOWS:

Following shall be the responsibilities of ACC and Designated ULBs in the kiln co-processing activities of the Waste Material.

A. Responsibilities of Designated Urban Local Bodies (ULB):

1. Designated ULB will segregate the dry waste into two parts i.e. recyclable and non-recyclable. Only non-recyclable material such as multilayered plastic, rags, single use plastic etc. shall be segregated which is Segregated Combustible Fraction (SCF).
2. Moisture content shall not be more than 20%. As far as possible care shall be taken to send dry waste.
3. Designated ULB shall pack the SCF in the packing material supplied by the cement company.
4. After baling the SCF, bales shall be kept in dry and safe place for further transportation to cement plant and inform the cement plant nodal officer accordingly.
5. Designated ULB will show to ACC representative the waste plastic generated in its Municipal Ward.
6. Designated ULB shall collect, segregate, and ensure that the plastic waste is packed in polythene/ scrap cement bags of size around 700 x 450 mm, tie or seal the bags properly to avoid any leakage/fall off.
7. Designated ULB shall keep the segregated combustible fraction (SCF) and inform the ACC nodal officer when it becomes a truck load for transportation.
8. Designated ULB shall ensure that the waste consignment delivered by them is in a form that is easily co-processable. If in case the waste is deemed to be non co-processable by ACC Gagal Cement Works, the consignment will be taken back by concerned ULB at its own cost within a period of 2 days of informing about the rejection of such waste material.
9. Designated ULB shall take all applicable statutory clearances as required for storage, handling of plastic waste at their site & its transportation to cement plant of ACC.
10. Designated ULB shall follow all applicable Rules and Regulations as per Solid Waste Management Rules, 2016 and Pre & Co-Processing Guidelines 2017 for this MoU.
11. Designated ULB shall follow Annexure B,C&D attached herewith with this MoU.
12. ULB shall obtain a receipt from the ACC cement plant, Barmana regarding handing over of the quantity of SCF on the following performa.

| Name of ULB | Date | Quantity of SCF in Kgs | Vehicle no. in which waste sent to ACC | Signature of receiving by ACC representative |

B. Responsibilities of ACC Gagal Cement Works for Co-processing:

1. ACC shall appoint nodal officer to communicate with Urban Development Department, H.P. and ULBs. The contact number of the nodal officer shall be shared with the UDD/ULB for communication.

2. ACC shall take all steps to supply packing material to all ULBs free of cost and ensure that sufficient packing material is available with ULBs.

3. ACC shall make all necessary arrangements for transportation of SCF once in a week/month as per schedule to be notified by the ACC so that ULB shall make arrangement accordingly.

4. ACC shall survey the storage area used for storing plastic waste free of cost along with the Municipalities' representative, and confirm to Designated ULB that their segregated plastic waste can be safely disposed through co-processing at ACC Gagal Cement Works, if provided in the size of 700x450mm bundles/bags.

5. ACC shall organize unloading and storage of the material at their plant.

6. ACC will take all steps to ensure that each consignment of waste is co-processable if they are accepted after testing and acceptance process.

7. ACC shall take all statutory clearances for unloading, storage and co-processing of plastic at its cement plant.

8. ACC shall carryout the regular co-processing of the waste materials by organizing the necessary resources.

9. If in case the plastic waste from Designated ULB is delivered to ACC Limited's Gagal Cement Works in a form which seems unsuitable to co-process, ACC has an option to reject the consignment. In such a case ACC Limited will inform the Designated ULB of the capricious consignment and return the consignment back to the same municipality at no cost and risk to ACC.

10. For the materials disposed by ACC during regular co-processing, ACC shall provide to Designated ULBs a certificate of disposal at agreed frequency mentioning the quantity of waste disposed for their records.

11. ACC shall provide packing material to designated ULBs.

12. The transportation arrangement will be made free of cost by ACC as back load of the trucks after returning from delivery of cement supply.

C. The parties shall comply with all the statutory requirements which may be specifically applicable to them in connection with this transaction. Each Party shall indemnify the other party against any demands, damages, claims, cost, expenses etc. claimed by any third party on
account of violation of the terms of this Agreement and / or statutory noncompliance by such indemnifying Party.

D. Both Parties agree that they shall have the option to terminate this agreement with a written notice of 60 days without attributing any reason for such termination.

E. Further, the Designated ULBs agrees that it / its personals etc. will strictly follow the Safety policy and Rules of ACC as provided in Annexure D to this MoU.

F. The Transport Unions will adhere to the Government decision to allow trucks carrying plastic waste from designated ULBs as backload.

G. This MoU for Co-processing of Plastic Waste shall be valid for a period of one year i.e. until 03rd October, 2020 as agreed by both parties, Authorized signatory and ACC Limited, with an option of renewal with mutually agreed additional terms in writing as consented subsequently by both parties.

Dated on 04th day of October, 2019 at Directorate of Urban Development, Himachal Pradesh

For Designated ULBs

[Signature]

Director, Urban Development
Department, Himachal Pradesh

For ACC Limited

[Signature]

Sr. General Manager
ACC Limited,
Shimla, Himachal Pradesh

Witness I

Witness I

Witness II

Witness II
## ANNEXURE A

**List/Names of Designated ULBs**

<table>
<thead>
<tr>
<th>S.No.</th>
<th>District</th>
<th>Name of ULBs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Bilaspur</td>
<td>Municipal Council Bilaspur</td>
</tr>
<tr>
<td>2.</td>
<td></td>
<td>Municipal Council Shri Naina Devi</td>
</tr>
<tr>
<td>3.</td>
<td></td>
<td>Municipal Council Ghumarwin</td>
</tr>
<tr>
<td>4.</td>
<td></td>
<td>Nagar Panchayat Talai</td>
</tr>
<tr>
<td>5.</td>
<td></td>
<td>Municipal Council Mandi</td>
</tr>
<tr>
<td>6.</td>
<td></td>
<td>Municipal Council Sundernagar</td>
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<tr>
<td>7.</td>
<td></td>
<td>Nagar Panchayat Sarkaghat</td>
</tr>
<tr>
<td>8.</td>
<td>Mandi</td>
<td>Municipal Council Nerchowk</td>
</tr>
<tr>
<td>9.</td>
<td></td>
<td>Municipal Council Jogindernagar</td>
</tr>
<tr>
<td>10.</td>
<td></td>
<td>Nagar Panchayat Rewalsar</td>
</tr>
<tr>
<td>11.</td>
<td></td>
<td>Nagar Panchayat Karsog</td>
</tr>
<tr>
<td>12.</td>
<td>Kullu</td>
<td>Municipal Council Kullu</td>
</tr>
<tr>
<td>13.</td>
<td></td>
<td>Nagar Panchayat Bhuntar</td>
</tr>
<tr>
<td>14.</td>
<td></td>
<td>Nagar Panchayat Banjar</td>
</tr>
</tbody>
</table>
ANNEXURE B
Results of analysis of Plastic Waste sent to ACC Limited, Gagal Cement Works, PO Barmana, Bilaspur, Himachal Pradesh

The waste sample shall be sent by Designated ULB to R&D of ACC and it shall comply with the standards as mentioned below:

1. **Plastic Waste Specifications**: Plastic/co-processable Waste (as received)

<table>
<thead>
<tr>
<th>Components</th>
<th>Plastic Waste</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Moisture (As recd.)</td>
<td>&lt; 20%</td>
</tr>
<tr>
<td>CV (Kcal/Kg) (ODB)</td>
<td>&gt; 2,500</td>
</tr>
</tbody>
</table>

Note:

- Waste should be properly sealed and packed in bags as mentioned above in MoU.
- Waste should be consistent in terms of quality and similar to the samples send for testing to our lab.
ANNEXURE C

List of Banned Items

The Plastic Waste dispatched by Designated ULB’s Collection Area to the ACC’s Cement Plant shall not contain any of the following items that are in the banned item list of ACC for Co-processing.

- Radioactive waste (रेडियोपोटोमाजिगराद)
- Asbestos-containing waste (अष्ट्रोकृत-अजिगराद)
- Explosives and ammunition / weapons (सिप्लोटकृत-अण्गिगलाबाहुव्यवस्थित, शस्त्र)
- Anatomical medical waste (चिकित्सक-अजिगराद)
- Electronic fraction of electrical and electronic waste (e-waste) (इलेक्ट्रॉनिक क्षेत्र)
- Whole batteries as a targeted material stream (बैट्री-आयडी)
- Wet compostable waste (सीतल-क्रांत-अजिगराद)
- Waste of unknown or unpredictable composition, including unsorted/mixed municipal waste (अज्ञातव्य-अण्गिगिततवक्षात्र, अण्गिगिताहंद्रणकुत्बताय-अजिगराद)
ANNEXURE - D
Health and Safety Policy of ACC

Health & Safety Policy

ACC Limited is one of India’s foremost manufacturers of cement and ready mix concrete with a countrywide network of plants, mines and office establishments.

We conduct our business in a manner that creates a healthy and safe environment for all stakeholders - our employees, contractors, communities and customers - built on a sound health and safety culture.

Health and Safety is our core value. We believe in visible leadership and personal accountability for Health and Safety at all levels and throughout our organization.

Nothing we do is worth getting hurt for.

Our Commitment

We will:

• Conduct our business with a goal of zero harm.

• Provide safe, healthy and secure work conditions for employees and contractors.

• Maintain a global Health and Safety Management System designed to continuously improve our performance and actively minimize risk in our business.

• Comply with applicable legal, regulatory, industry and corporate requirements.

• Communicate openly with all stakeholders on relevant health and safety issues.

• Empower all employees and contractors to stop any unsafe work.

February 9, 2018

Neeraj Akhoury
Managing Director & CEO