


HEADS OF AGREEMENT  
BETWEEN  
MALAIKA INVESTMENTS INC  
AND  
BOMBAY FINANCE INDIA Pvt Ltd

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## 1 Parties

This Heads of Agreement is made and effective from 12<sup>th</sup> May 2017 between:

1.1 Malaika Investments Inc (MII) a company registered under laws of the Government of Liberia represented by Mr. Ifeanyi Ajuluchukwu in his capacity as Managing Director and having its registered office at #17 1<sup>st</sup> Street, Capitol Hill, Monrovia, Liberia here after referred as to be the first party

AND

1.2 Bombay Finance India Pvt Limited(BFI) a company registered under Indian Companies Act represented by Mr. Satpal Singh Oberai in his capacity as Managing Director and having its registered office at 401 & 412, Chawala Complex, Sector -15, Plot No 38, CBD Belapur, Navi Mumbai – 400 614, India here after referred as to be the second party

WHEREAS MII intends to develop a Sugar refinery to produce sugar and associated derivatives, including the related backward integration into sugar plantation.

WHEREAS MII seeks to establish a sugar refinery in Liberia and subsequently Nigeria and is desirous of entering into a joint venture with BFI for the project. MII also seeks to be provided with technical and management services for the establishment and operation of the sugar refinery.

WHEREAS, Intent to associate with reputable firms and ownership rights on proprietary information regarding sugar manufacturing, supplies of core components for the project and knowhow used in connection with the development of sugar refinery and related backward integration .

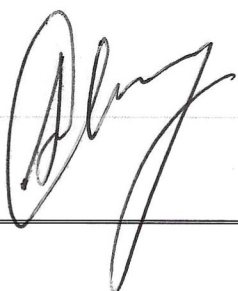
WHEREAS MII has expertise in and specific knowledge of sugar, power, infrastructure and logistics in Liberia and the region

And

WHEREAS BFI is diversified group with business units in the sectors of financial services, sugar refinery, automated components, hospitality & Travel and entertainment.

WHEREAS BFI has extensive expertise in the design, manufacture and operational management and supply of sugar solutions

WHEREAS BFI recognises the need to cooperate with other third parties successfully execute the project



NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS

## 2. Cooperation of the Parties

Each party agrees to:

- 1) Use of its expertise and knowledge to move forward the purpose of this Heads of Agreement in an efficient and effective manner
- 2) Carry out all its activities and dealings under the Heads of Agreement and
- 3) Perform its obligations under the terms of this Heads of Agreement

## 3. MII Rights and Responsibility

- 1) Agrees to use its expertise and know – how to advice on the project in line with their respective area of expertise;
- 2) MII will be responsible for the acquisition of the land, EIA's work and resident permits and other local approvals required for the plant to be operational. The legal and beneficial ownership of the landed property shall be transferred to the project SPV for the agreed period of time not less than 25 years.
- 3) MII will support BFI with the domestic marketing and securing export market for the refinery's products.
- 4) MII will be responsible for the assuring availability of a Power Purchase Agreements for the excess power to be generated.
- 5) MII will be responsible for handling government subsidies which will include a 5-year tax holiday in the first 5 years and import duty waiver/concessions during the construction phase of the project.
- 6) MII will be responsible for the local accommodation and local transportation of project consultants during the initial concept and design phase. Upon establishing of the SPV and the financial closure, this responsibility shall revert to the SPV.

## 4. BFI Rights and Responsibility

1. Agree to use its expertise and knowledge of the energy markets, infrastructure and logistics and any other means available to it to promote and facilitate the assessment of the project viability, planning and execution of the project.
2. Agrees to provide requirements for the land for which the plant will be build, which land will have access to irrigation, transport and national grid.



3. BFI will assume responsibility for the day-to-day running of the sugar refinery and the senior management team shall be supervised by a Managing Director and Technical Director appointed by BFI. The Management team will however provide business update to the Board at an agreed frequency which could also be at quarterly Board meetings. The non-executive Chairman of the Board shall be a local and nominated by MII. Each party shall have 3 board members and voting shall be by a simple majority at board meetings.
4. BFI will be responsible for the design, construction, commissioning and operation of the sugar refinery plant. All these costs will be done by the JV Company formed by MII & BFI
5. Bombay Finance India Pvt Ltd will provide assurance of continuous raw material supply to the plant and to handle the logistics upto the sea port delivery

#### 4. Both Parties

Understand & Agree that

1. Bombay Finance will take 65% shareholding of the operating company while MII and their local partners will take 35% shareholding
2. The Sugar refinery should have a production capacity of 4500 in total and to start with 1500 tonnes per day and it will be a replica of their operations in India.
3. This will ensure that the plant design cost savings are passed to MII. It will also ensure that the plant being constructed is a tried and tested model. The plant will require a land size of 80 acres
4. The construction and commissioning of the plant will be completed within one year from the signature of the MOU and contractual agreements between MII & BFI
5. The estimated cost of the plant will be agreed in due time based on the need to factor in the co-generation cost and the potential use of solar power to augment bagasse fuelled power generation. However, the tentative cost of the 1500 tonne project is estimated at US\$14 Million which will include Engineering, Procurement, Construction, Transportation, Installation and Commissioning of the plant as well as the agriculture to cultivate about 7,000 Ha of land.
6. The project will create an estimated 1000 permanent jobs 200 temporary jobs for Liberia Citizens.
7. Both parties will be responsible for raising their contribution to the share capital of the JV Company, In accordance with the agreed shareholding structure.

#### 5. Arbitration

In the event of any dispute with regard to this agreement and / or the interpretation of any terms and conditions hereof and / or the implementation hereof, including questions of determination and any aspect hereof as may arise or become applicable any and all other matters relating to or arising out of the same, howsoever remotely connected, the same shall be final and binding and all the parties being bound to forthwith implement the same. The arbitration shall be held at Monrovia – Liberia or Mumbai and shall be conducted in accordance



with the arbitration in accordance with the rules of the Chartered Institute of Arbitration (UK)

#### 6 .Validity

This Heads of Agreement shall take effect from the date of signing and remain valid for a period of 12 Months or signing of the MOU whichever is earlier.

#### 7. Funding

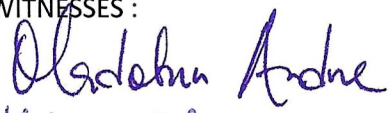

The project shall be financed by a combination of equity and debt finance as follows:

- Grants – for technical and financial studies
- Equity – 30% Equity provided by Bombay Finance India
- Debt – 60% Debt from commercial and traditional lenders arranged by Bombay Finance India
- Development Finance - 10% Debt from Development Finance Institutions such as OPIC/AFC/IFC

IN WITNESS WHEREOF the parties have executed this Agreement as of the dates bellow written.

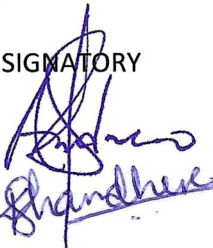
  
Signed by Ifeanyi Ajuluchukwu at Dubai on 12<sup>th</sup> day of May 2017

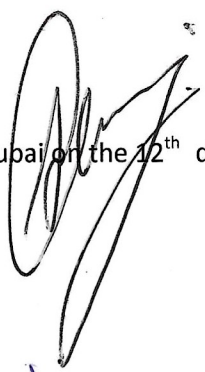
AS WITNESSES :

- 1) 
- 2) 

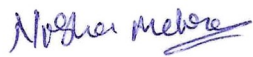

For and on Behalf of MALAIKA INVESTMENTS INC

SIGNATORY



  
SIGNED BY Satpal .S. Oberai at Dubai on the 12<sup>th</sup> day of May 2017.

AS WITNESSES :

- 1) 
- 2) 

For and on behalf of Bombay Finance India Ltd Ltd

SIGNATORY

