

MEMORANDUM OF UNDERSTANDING FY 2026-27

1. This memorandum of understanding (MOU) is between M/s..... having its registered office at (First part) and M/s National Aluminium Company Limited having its registered office at plot no. P/1, Nayapalli, Bhubaneswar-751013 (Second part) and is being signed on ----- (Date).
This memorandum of understanding (MOU) for each category of products will be governed broadly by the following terms and conditions:
2. (a) M/s _____ has requested for an Annual MOU quantity / Nine Months MOU quantity / Six Month MOU quantity / Three Month MOU quantity (Strike out whichever is not applicable) of _____ MT of **Alumina hydrate (AH10)**. However, after review of availability of Alumina Hydrate (AH10), M/s NALCO has agreed for _____ MT of alumina hydrate (AH10) for the period 01.04.2026 to 31.03.2027 / 01.07.2026 to 31.03.2027 / 01.10.2026 to 31.03.2027 / 01.01.2027 to 31.03.2027 (Strike out whichever is not applicable).
(b) M/s _____ has requested for an Annual MOU quantity / Nine Months MOU quantity / Six Month MOU quantity / Three Month MOU quantity (Strike out whichever is not applicable) of _____ MT of **Spl. Hydrate (NSPH)**. However, after review of availability of Spl. hydrate, M/s NALCO has agreed for _____ MT of Spl. hydrate for the period 01.04.2026 to 31.03.2027 / 01.07.2026 to 31.03.2027 / 01.10.2026 to 31.03.2027 / 01.01.2027 to 31.03.2027 (Strike out whichever is not applicable).
(c) M/s _____ has requested for an Annual MOU quantity / Nine Months MOU quantity / Six Month MOU quantity / Three Month MOU quantity (Strike out whichever is not applicable) of _____ MT of **Calcined Alumina (CA10)**. However, after review of availability of Calcined Alumina (CA10), M/s NALCO has agreed for _____ MT of Calcined Alumina (CA10) for the period 01.04.2026 to 31.03.2027 / 01.07.2026 to 31.03.2027 / 01.10.2026 to 31.03.2027 / 01.01.2027 to 31.03.2027 (Strike out whichever is not applicable). The MOU quantity for each category of products indicated above has to be indicated separately and accordingly all the terms & conditions of MOU would be applicable separately for each item.
3. **MOU Period, Products and Quantity for each category of products indicated at 2(a), (b) & (c) above:**
 - a) **MOU Period:** From 01.04.2026 to 31.03.2027 for Annual MOU, from 01.07.2026 to 31.03.2027 for Nine Month MOU and from 01.10.2026 to 31.03.2027 for Six Month MOU and 01.01.2027 to 31.03.2027 for Three Month MOU.
 - b) **Products covered:** Calcined Alumina (CA10), Alumina Hydrate (AH 10) and Special Hydrates (NSPH).
 - c) **Annual MOU quantity:** Total signed quantity for the FY2026-27 including revision as mentioned at para- 11. Minimum Annual MOU quantity shall be 192 MT
 - d) **Nine Month MOU quantity:** Total signed quantity for the nine-month period starting from 01.07.2026 to 31.03.2027. Minimum nine-month MOU quantity shall be 144 MT
 - e) **Six Month MOU quantity:** Total signed quantity for six-month period starting from 01.10.2026 to 31.03.2027. Minimum six-month MOU quantity shall be 96 MT
 - f) **Three Month MOU quantity:** Total signed quantity for three-month period starting from 01.01.2027 to 31.03.2027. Minimum three months MOU quantity shall be 48 MT
 - g) **Monthly MOU quantity:** Annual MOU quantity divided by 12(Twelve) for the financial year 2026-27 except for revised monthly MOU quantity as per para-11 for Annual MOU, nine-month MOU quantity divided by 9(Nine) for Nine-month MOU , Six-Month MOU quantity divided by 6 (Six) for Six Month MOU and Three-Month MOU quantity divided by 3 (Three) for Three Month MOU.

4. **(I)** Qualification Criteria for Annual MOU:
- a) The customer should lift 100% of the signed MOU quantity in the MOU period starting from 01.04.2026 to 31.03.2027 (including revision as mentioned at para-11).
 - b) The customer should achieve lifting of minimum 40% of their original annual signed MOU quantity in the 1st six months ending on 30th September 2026.
 - c) The customer should fulfill the eligibility criteria for monthly MOU reward at least 4 times in each half of the financial year and 8 times in total. However, lifting of at least 70% of the stipulated monthly MOU quantity shall not be considered as failure.
 - d) Partial lifting (> 1 MT) of MOU quantity during April'26 shall not be considered as failure and shall be counted as successful month for achieving qualification criteria at para-4 (c) above.
- (II) Qualification Criteria for Nine Month MOU:
- a) The customer should lift 100% of the signed Nine Month MOU quantity during the MOU period from 01.07.2026 to 31.03.2027.
 - b) The customer should fulfill the eligibility criteria for monthly MOU reward for at least 6 times during the MOU period and at least 2 times in each quarter besides lifting the signed MOU quantity. However, lifting of at least 70% of the stipulated monthly MOU quantity shall not be considered as failure.
- (III) Qualification Criteria for Six Month MOU:
- a) The customer should lift 100% of the signed Six-Month MOU quantity during the MOU period from 01.10.2026 to 31.03.2027.
 - b) The customer should fulfill the eligibility criteria for monthly MOU reward for at least 4 times during the MOU period and at least 2 times in each quarter besides lifting the signed MOU quantity. However, lifting of at least 70% of the stipulated monthly MOU quantity shall not be considered as failure.
- (IV) Qualification Criteria for Three Month MOU:
- a) The customer should lift 100% of the signed Three-Month MOU quantity during the MOU period from 01.01.2027 to 31.03.2027.
 - b) The customer should lift stipulated monthly MOU quantity in at least 2(Two) months out of 3 (Three) months. However, lifting of at least 70% of the stipulated monthly MOU quantity shall not be considered as failure.

Once an MOU customer fails to meet the criteria as above, the customer would automatically cease to be an MOU customer and would not be entitled for any benefit Under the scheme thereafter.

5. **Facilities / Benefits for MOU Customers:**

- a) MOU customers will get priority in dispatch. Considering the DI issuance date as 1st day and the turn of the MOU customer does not come for dispatch of the specified product while making the program on the 2nd day for loading on the 3rd day, then the priority would be given to the MOU customers for giving program on 3rd day subject to availability of the product. There could also be an inevitable queue amongst the MOU customers depending on the DI quantum and the stock availability. To avoid such situation to the extent possible, the above priority would be as follows:

Monthly MOU Qty. ≤72 MT = 1 truck/day
 Monthly MOU Qty. >72-200 MT: = 2 trucks /day
 Monthly MOU Qty. >200-600 MT: = 3 trucks /day
 Monthly MOU Qty. >600-1000 MT: =4 trucks /day
 Monthly MOU Qty. > 1000 MT: = 6 trucks /day

Note: Each truck capacity 16 MT appx.

However, in case of more material availability after considering above, the additional material could be given on priority to MOU customers based on their seniority against their pending DIs but not more than their monthly MOU quantity.

After meeting monthly, half-yearly and annual MoU criteria (as mentioned in MOU scheme) for MOU customers, balance material may be made available

to all customers to clear the backlog of pending DI as per DI seniority subject to availability of material.

All MoU Customers are advised to make necessary financial arrangements well in advance so as to enable smooth planning and dispatch of material during the month.

Backlog/Shortfall in MoU quantity due to non-lifting in earlier months would be supplied subject to material availability and dispatch instruction seniority.

b) **MOU Customer Reward for MOU of each category of product as indicated at 2 (a),(b)& (C):** This would be calculated considering the following:

I) Basic price for the purpose of calculating the MOU reward would be the Basic price ex-plant ruling on the date of dispatch.

II) GRADED MOU REWARD: This would be calculated as follows.

i) **GRADED MOU REWARD FOR ANNUAL MOU:**

Sl. No.	Annual MOU quantity for FY 2026-27 (MT)	Monthly MOU quantity (MT)	Annual graded MOU reward in percentage (%)
1	≥192<384	≥16<32	1.00
2	≥384<576	≥32<48	1.30
3	≥576<864	≥48<72	1.60
4	≥864<1152	≥72<96	2.00
5	≥1152<1440	≥96<120	2.50
6	≥1440<2400	≥120<200	3.00
7	≥2400<4800	≥200<400	3.50
8	≥4800<7200	≥400<600	3.75
9	≥7200<9600	≥600<800	4.00
10	≥9600<12000	≥800<1000	4.25
11	≥12000	≥1000	4.50

On fulfillment of qualification criteria at para-4(I) above, annual graded MOU reward shall be paid for the actual quantity lifted by the customer as per percentage (%) indicated in above table applicable to signed quantity (including revision as mentioned at para-11), multiplied by the weighted average basic price (ex-Plant) of invoices raised in favor of customer during the financial year 2026-27.

ii) **GRADED MOU REWARD FOR NINE MONTH MOU:**

Sl. No	Nine Month MOU quantity for the period 01.07.2026 to 31.03.2027 (MT)	Monthly MOU quantity (MT)	Nine Month graded MOU reward in percentage (%)
1	≥144<288	≥16<32	0.90
2	≥288<432	≥32<48	1.17
3	≥432<648	≥48<72	1.44
4	≥648<864	≥72<96	1.80
5	≥864<1080	≥96<120	2.25
6	≥1080<1800	≥120<200	2.70
7	≥1800<3600	≥200<400	3.15
8	≥3600<5400	≥400<600	3.30
9	≥5400<7200	≥600<800	3.55
10	≥7200<9000	≥800<1000	3.80
11	≥9000	≥1000	4.05

On fulfillment of qualification criteria at para-4(II) above, Nine Month graded MOU reward shall be paid for the actual quantity lifted by the customer as per percentage (%) indicated in above table applicable to signed quantity multiplied by the weighted average basic price (ex-Plant) of invoices raised in favor of customer during the MOU period i.e. 01.07.2026 to 31.03.2027.

iii) **GRADED MOU REWARD FOR SIX MONTH MOU:**

Sl. No	Six Month MOU quantity for the period 01.10.2026 to 31.03.2027	Monthly MOU quantity (MT)	Six Month graded MOU reward in percentage (%)
1	≥96<192	≥16<32	0.80
2	≥192<288	≥32<48	1.04
3	≥288<432	≥48<72	1.28
4	≥432<576	≥72<96	1.60
5	≥576<720	≥96<120	2.00
6	≥720<1200	≥120<200	2.40
7	≥1200<2400	≥200<400	2.80
8	≥2400<3600	≥400<600	3.00
9	≥3600<4800	≥600<800	3.20
10	≥4800<6000	≥800<1000	3.40
11	≥6000	≥1000	3.60

On fulfillment of qualification criteria at Para -4(III) above, Six Month graded MOU reward on the signed quantity shall be paid for the actual quantity lifted by the customer as per percentage (%) indicated in above table multiplied by the weighted average basic price (ex-Plant) of invoices raised in favor of customer during the MOU period i.e. 01.10.2026 to 31.03.2027.

iv) **GRADED MOU REWARD FOR THREE MONTH MOU:**

Sl. No	Three Month MOU quantity for the period 01.01.2027 to 31.03.2027	Monthly MOU quantity (MT)	Three Month graded MOU reward in percentage (%)
1	≥48<96	≥16<32	0.70
2	≥96<144	≥32<48	0.91
3	≥144<216	≥48<72	1.12
4	≥216<288	≥72<96	1.40
5	≥288<360	≥96<120	1.75
6	≥360<600	≥120<200	2.10
7	≥600<1200	≥200<400	2.30
8	≥1200<1800	≥400<600	2.50
9	≥1800<2400	≥600<800	2.70
10	≥2400<3000	≥800<1000	2.90
11	≥3000	≥1000	3.15

On fulfillment of qualification criteria at Para -4(IV) above, Three Month graded MOU reward on the signed quantity shall be paid for the actual quantity lifted by the customer as per percentage (%) indicated in above table multiplied by the weighted average basic price (ex-Plant) of invoices raised in favor of customer during the MOU period i.e. 01.01.2027 to 31.03.2027.

The graded MOU reward shall be paid preferably within 15 days from the expiry of FY 2026-27 by way of credit note.

6. **Loyalty Reward for Annual MOU customers of Calcined Alumina, Alumina Hydrate and Spl. Hydrate.**

In addition to graded MOU reward as above, successful annual MOU customers who have lifted 100% of their annual MOU quantity (considering revised MOU quantity) in the preceding FY i.e. 2025-26 will qualify for a loyalty bonus subject to their fulfilment of MOU qualifying criteria in the financial year 2026-27. The loyalty bonus at the rate of 5% of total annual graded MOU reward amount as per para-5(b)(II)(i) above for the financial year 2026-27 shall be paid to the MOU customer. The loyalty bonus as applicable will be payable along with the annual graded MOU reward at the end of the financial year 2026-27 by way of credit note.

MoU customers entering into Corporate MoU in the year 2026-27, will not be considered for any loyalty reward for FY 2026-27. However, fulfilment of MOU qualifying criteria in the financial year 2026-27 will be considered as base year in order to qualify for a loyalty bonus in future.

All discounts & credit terms as applicable to non-MOU customers would also be applicable to MOU customers.

7. The price and the terms and conditions for supply shall be as per the company's policy declared from time to time by NALCO.
8. Supplies of various grades of Special hydrate against their MOUs shall be made as per the availability of these grades and DI seniority. In the event of any shortfall in supply by NALCO during any period of the MOU, no compensation would be payable by NALCO.
9. The price and the terms and conditions for supply shall be as per the Company's policy declared from time to time by NALCO. Nalco's Standard terms and conditions shall also be applicable to MOU Customers.
10. **SUSPENSION OF BUSINESS RELATIONSHIP / DEBARMENT:**
In case any customer(s) indulge in threatening / intimidation / making false allegations / canvassing / connivance against or with company officials, the business relationship of Nalco with the said customer(s) will immediately be suspended pending inquiry. In case in the inquiry, the above acts are established, the said customer(s) will be debarred from business as per the company policy.
11. **Revision in MOU for Annual MOU customers of Calcined Alumina, Alumina Hydrate and Spl. Hydrate: (Annual MOU Customers only)**

There may be some customers who wish to revise their Annual MOU Quantity during the financial year depending on their requirement. Such customers shall be permitted to exercise one-time option for a mid-year revision to the annual MOU quantity, separately for each category of products, subject to the following:

- i) Reduction in the Annual MOU Quantity may be allowed. However, the reduced MOU quantity should not be less than 90% of the Signed MOU quantity and should be equal to or more than 192 MT.
- ii) Increase in MOU quantity may be allowed without any ceiling subject to availability of the product.
- iii) Such request for revision in annual MOU quantity should be received by NALCO by 15th September 2026 and the revision in quantity, if agreed, shall be applicable from 1st October 2026 to 31st March 2027.
- iv) The corresponding monthly MOU quantity for the 2nd half of the year will get increased / decreased accordingly. The formula for arriving at the revised monthly MoU Quantity will as under.

Revised Monthly MoU Quantity for the Period Oct'26 to March'27 =

(Revised Annual MoU quantity minus 50% of Original Signed Annual MoU Quantity)/6

- v) On revision of Annual MOU Quantity, the benefits associated with Annual MOU quantity will be with reference to the rate applicable to original Annual MOU signed quantity for 1st half and with reference to rate applicable to revised Annual MOU quantity for 2nd half of the year as per Graded MOU Reward table at 5(b)(II)(i)
12. The MOU qualifying customers are free to lift material for their various units having same name with distinct legal entity but located at different locations under different customer codes as Corporate Sector. However, during operation of MOU scheme, some of these MOU customers (Corporate Sectors) may place orders from different units having same

name which are not included in the MOU list at the time of signing of MOU. For such MOU customers (Corporate Sectors), new additional customer codes may be incorporated in the original MOU list in addition to the existing ones without changing the total MOU quantity for such MOU customers (Corporate Sectors), subject to their fulfilling required conditions and upon approval of Competent Authority of NALCO

- 13. Notwithstanding anything contained in the MOU, management may formulate separate scheme(s) for sale of the product in the best interest of the company depending on market conditions.
- 14. **It is hereby declared that Calcined Alumina purchased from Nalco shall be used for non-metallurgical application only. (This will be applicable for Calcined Alumina Customers).**
- 15. Last date for signing MoU:
 - I. For Annual MOU Scheme: Customers desirous of signing MOU for the whole year shall sign preferably before. **13.04.2026.**
 - II. Customer desirous of signing MOU for 09 month, 06 month and 03 month shall sign preferably before last day of preceding month prior to beginning of that MOU period.

DISCLAIMER: This is a reward scheme for loyalty and consistency, benefit of which would accrue to you on successful performance as stipulated in the scheme. However, materials would be supplied subject to availability. NALCO reserve right to review the terms & conditions of the MOU, if required.

The memorandum of understanding has been entered into on the aforementioned date by the authorized representatives of the two parties.

1st PART
For.....

By.....
Designation:

2ND PART
For, National Aluminium Co. Ltd.

By.....
Designation: