

EXTRACT FROM THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF M/S. KRBL LIMITED HELD ON 24.02.2006 AT 08.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY 5190, LAHORI GATE, DELHI-110006.

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CLEAN DEVELOPMENT MECHANISM BENEFITS FROM THE WIND TURBINES

The Board discussed the risks inherent to the proposed wind energy installations at Village Hatti- Khurd, and village Panhalipade, Dhule district, Maharashtra, India and also the possible CDM benefits that can be availed.

"RESOLVED THAT cash flows during the loan repayment period of the wind mill project would greatly depend on the generation and grid availability. The company is undertaking a risk by making a big investment in a technology that may have inconsistent returns. Thus the project carries an inherent risk of power generation."

The directors are aware that the Government of India has ratified an international legislation, Kyoto Protocol, working towards mitigation of green house gas concentrations across the globe. The protocol enables a market mechanism, Clean Development Mechanism (CDM), and may provide a source of additional revenue stream to mitigate the risks associated with projects similar to our kind.

"RESOLVED THAT the reduction in emissions of carbon dioxide and other GHGs will be additional to the business as usual scenario in the Indian power sector, and result in real, measurable and long-term benefits in climate change mitigation. Therefore the project shall be made eligible for carbon revenue by registration under the CDM of the UNFCCC and the CER revenue gained by sale of credits to industrialized countries shall strengthen the finances of the project and minimize associated risks."

Sd/-
CHAIRMAN

CERTIFIED TRUE COPY

For KRBL LIMITED



Joint Managing Director