

M N KRISHNAN

From: "S Chithra" <S.Chithra@in.ey.com>
To: <mnkrishnan@kilburnchemicals.com>
Cc: "Prathmesh Raichura" <Prathmesh.Raichura@in.ey.com>
Sent: Wednesday, September 27, 2006 4:06 PM
Subject: Responses to queries

Dear Mr. Krishnan

Please see my responses in blue colour.

thanks, regards

ERNST & YOUNG ®
Ernst & Young Pvt. Ltd

Chithra Srinivasan
 Manager

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"M N KRISHNAN"
 <mnkrishnan@kilburnchemicals.com>

To "S Chithra" <S.Chithra@in.ey.com>

cc

Subject Re: Godrej wind project - Registered at UNFCCC

09/27/2006 11:40 AM

Please respond to
 "M N KRISHNAN" <mnkrishnan@kilburnchemicals.com>

Dear Ms.Chitra,

Thanks a lot for your follow up regarding KCL's CDM advisory services by E&Y.

I have the last bit or is it list of questions before I wrap things up.

1. Can you give me some contacts in MSPL/Godrej Agrovet who will share his experience in registering Windmill projects?

Godrej Agrovet : Mr. S. Varadraj, Vice President
 email : s.varadaraj@godrejagrovvet.com
 Tel : 022 - 2518 8010/20/30

As mentioned, MSPL is still in the process of registration

2. The PDD document if I surmise correctly gives all the information that will carry the projects' credentials for approval and registration. Scope of E&Y ends with that and the subsequent services shall be in the form of assistance during the course of the next stages.

The Project Design Document (PDD) would definitely give all the information of the project and the credentials required for approval and registration, However the scope of E&Y does not end here and we would be closely associated (working) with you at each stage of CDM project for the next ten years. We (EY) do a hand holding exercise right from the project documentation upto registration and further on till you receive the carbon credits at the end of the 10 year crediting period. While we do mention the word 'assistance' in our Proposal we actually do the work in association with your team (KCL's). Our team works with complete dedication to ensure that you would ultimately receive the credits. We have demonstrated this in every project we have handled. Some of the most crucial stages in any CDM project would be (a) In the Pre-registration phase: **providing assistance during validation and clarifying all the queries posed by the validator** and (b) In the Post registration: **during verification of emission reductions when we provide assistance in monitoring and verification as per UNFCCC requirements**. We would be completely with you in both the above steps.

3. Will you help us with some additional projects that could be taken up as you do the preliminary rounds with us in preparing the PDD's for the projects already planned? We could look at the fee necessary once it is understood it will stand the test of approval.

Once we start the assignment for the already planned projects, during our site visits we could also assist you in identifying new additional projects which could be a potential candidates for CDM. We do it as a process for every other company. As mentioned if there be more potential cases for CDM we could explore its eligibility (as we had done for the wind and fuel switch projects) and then take it forward from there.

4. Some contacts on the Bio-mass conversion related CDM registered organizations also will help us like Bannari Amman Sugars etc.

Bannari Amman Sugars project is completing validation and is yet to be registered. You could however contact the following biomass based project developer:

Sri Balaji Biomass Power Ltd.
Mr. Soma Pradyumana
Tel : 91 - 40 - 27843508
email : spradyumna@yahoo.com

For registered projects you could contact TNPL (I will provide you with the contact details of the concerned person in my following mail). This is a CDM project related to methane extraction from wastewater treatment

5. There are a host of other projects for CDM which have been facilitated by E&Y like Energy Conservation, waste heat recovery etc., which are the projects we are interested in as specified under Point 3. For example there is mention of E&Y credentials in Metal, cement sector etc., Are all of them related to energy conservation measures, fuel switch etc., or are they not related to CDM at all?

All the projects mentioned in the proposal i.e. (Energy Conservation, Waste Heat Recovery) are CDM Projects and are being facilitated by E&Y.

Yes, all the mentioned projects in Metal and Cement Credentials are also being facilitated by E&Y under CDM only. What ever credentials are provided in the proposal are all related to CDM only. While we are working on more than 250 projects in the country as on date considering available and applicable methodologies 46 of them (our projects) are registered at the UNFCCC (of a total of 92 projects registered from India).

6. Do Natural Gas based projects qualify for CDM benefits as they find a mention in your presentation?

Yes, Natural Gas based projects do qualify for CDM, however, we have to evaluate the eligibility based on the additionality for these projects. We are well versed in this area as well.

I intend presenting the updated information by second week of Oct'06 for approval by our Directors. I shall be happy if someone can present a brief on the CDM advisory services of E&Y to our Directors around the 10 th of Oct'06. I shall confirm the exact dates by 3 rd Oct'06. While I shall sum up the information and send it

across to them, your interaction shall help in better understanding of the process.

Please come back if anything else is needed.

I would be out of the country starting 1st October and would return only on 8th October night. It would be nice if you could let me know prior to 1st Oct so that a trip can be planned well in advance. Else, please inform my colleague Prathmesh Raichura (to whom I have marked cc:) so that he could plan it. However I am tied up on 9 and 10 Oct due to my prior commitments. Anyway let's try our best.

Thanks for the update. Looking forward to your response

Best Regards,

M.N.Krishnan

----- Original Message -----

From: S Chithra

To: M N KRISHNAN

Sent: Tuesday, September 19, 2006 9:55 AM

Subject: Godrej wind project - Registered at UNFCCC

Dear Mr. Krishnan

As apparent from the subject, the 11.25 MW wind power project of Godrej Agrovet Ltd has been registered at the UNFCCC as CDM project. It can start availing carbon benefits now.

I think this info would be useful to you in convincing your management on taking up your project under CDM.

Looking forward to your communication

regards

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Chithra Srinivasan

Manager

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