

M I N U T E S B O O D

VARAM POWER PRODUCTS PRIVATE LIMITED
Regd. Office : 8-4-120/3, Raja Complex, G.T.Road, Srikakulam-532 001

Minutes of the SEVENTH Meeting of the Board of Directors of the company held on 9th January, 2000 at the Registered Office, Srikakulam at 10.00 A.M.

Present :

1.Sri. A.V.Narasimham	:Managing Director
2.Sri. B.Govinda Raju	:Director
3.Sri K.Narasimhulu	:Director

Chairman : Sri. A.V.Narasimham, Managing Director, occupied the chair and conducted the proceedings.

1 Confirmation of the minutes of the previous Board meeting :

The minutes of the previous Board meeting held on 20th December, 1999 were read and later confirmed by the Chairman.

2. Review of activities :

Detailed report of the implementation of the project during the month of December, 1999 as submitted by the Managing director was perused by the directors and noted.

3.Technical-know how agreement :

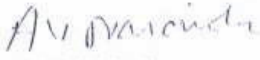
The chairman placed before the meeting a draft copy of the technical know-how agreement to be entered by the company with M/s. M.N.Dastur & Company, in connection with implementation of the project including preparation of various reports, designs and drawings, and other connected engineering services. The terms and conditions of the agreement were read and later approved by the Board. The Managing director was authorized to execute the agreement on behalf of the company.

4.To develop the project as a CDM activity:

The project is biomass based one of capacity 6 Mws. The objective of the project is to generate electricity by using various surplus bio-mass fuels like paddy husk, jute sticks, woody biomass and other crop residues. The project caters Direct and Indirect jobs for many people by way of employment within the plant and also by way of biomass collection, processing and transportation. The project uses surplus biomass for power generation which otherwise would have dominated by fossil fuels such as coal, lignite and gas. Further the project will not result in harmful emissions and will not cause any negative impact on the environment. Recently the concept of sustainable development and clean development Mechanism is being heard from Ministry of environment and Forests, and projects like us are eligible to develop under Clean Development Mechanism Activity, so that the risks involved in venturing in these types of projects will be reduced to certain extent. The project generates real measurable and long-term emission reductions. The Board unanimously decided and resolved to examine the possibility to develop the project as a CDM activity and the Managing Director is authorized to approach, negotiate and to do such acts at his discretion in calling and appointing consultants in this line.

5.Vote of thanks :

The meeting terminated with a vote of thanks to the Chairman.


CHAIRMAN

