

Date: 20/03/2006

Minutes of the Meeting of the Members of M/s Claris Lifesciences Limited held at its Corporate Headquarters, Nr. Parimal Crossing, Ellisbridge, Ahmedabad - 380 006, India.

PRESENT:

1. Mr. Pankaj Patel
2. Mr. Bharat Patel
3. Mr. Ashish Shah
4. Mr. Sanjay Bhatt
5. Mr. Hitesh Shukla
6. Mr. Bhavesh Prajapati
7. Mr. Arvind Kadia

[Handwritten signatures of the members listed above]

Chairman of the Meeting

Mr. Pankaj Patel was voted to the Chair.

Discussions held- Setting up of a Cogeneration Facility at "Clarion"

The Chairman started off by informing the members that operating a captive cogeneration unit (for steam and power generation) based on lignite as fuel would pose environmental problems associated with fossil fuel combustion. However, a cogeneration unit running on renewable biomass (like castor de-oiled cake, cotton hulk, saw dust etc) is an environment-friendly option which results in less Green House Gas (GHG) emissions compared to any fossil fuel based cogeneration unit.

Claris Lifesciences Limited is committed towards professional growth by implementing adequate environmental measures and ensuring that proper scopes related to health, safety and welfare measures are maintained while pursuing our business activities.

However, the Chairman went on to explain that biomass-based cogeneration is not an attractive proposition for our plant in view of the following:

- Increase in the price of biomass and inconsistent calorific value of the biomass
- Anticipated technological and operational risks associated with biomass based cogeneration system



Claris Lifesciences Limited

- Lack of operational experience since no other Pharmaceuticals industry in the State of Gujarat has so far implemented biomass based cogeneration.
- Considerable progress in work pertaining to setting up a lignite based cogeneration as per our last board resolution dated 10/09/2004.

Our project team has deliberated on several occasions on the above factors which we need to overcome in order to ensure successful implementation of this environment friendly renewable energy generation project especially in a scenario where work pertaining to setting up of our lignite based power plant is in full swing.

In this context Clean Development Mechanism (CDM) of the Kyoto protocol will be of immense help to us in light of all the risks associated with setting up of a biomass based captive power plant to meet our process steam and electricity demands. CDM is a scheme available under Kyoto Protocol, which is formulated by United Nation Framework Convention of Climate Change (UNFCCC). The Kyoto Protocol and CDM has opened a new avenue for Indian Industries to get finances to implement these GHG abatement projects which face several bottleneck. The biomass based cogeneration project of Clarion campus would be eligible for earning CDM revenue since the project would lead to avoidance of Green House Gas emissions.

The Chairman then asked for the opinion of the other members. The members agreed but at the same time expressed concern over setting up of a biomass based cogeneration unit. Banking on CDM to alleviate all the risks associated with the biomass unit, the members agreed to the Chairman's proposition.

RESOLVED that Claris Lifesciences Limited will proceed in setting up BIOMASS based combined heat and power generation facility at "Clarion and all the necessary actions are to be initiated to implement the unit and simultaneously initiate necessary steps towards availing carbon credits for the same.



CHAIRMAN
CLARIS LIFESCIENCES LIMITED