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DET NORSKE VERITAS
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Climate Change Services
Veritasveien 1
NO-1322 Høvik
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Tel: +47-6757 9900
Fax: +47-6757 9911
<http://www.dnv.com>
NO 945 748 931 MVA

Att: CDM Executive Board

Your ref.:
CDM Ref 1852

Our ref.:
MLEH/KCHA

Date:
7 October 2008

Response to request for review

“Abatement of Green House Gas (GHG) emissions through biomass residue based cogeneration at Claris Lifesciences Limited” (1852)

Dear Members of the CDM Executive Board,

We refer to the requests for review raised by three Board members concerning DNV’s request for registration of the “Abatement of Green House Gas (GHG) emissions through biomass residue based cogeneration at Claris Lifesciences Limited” project (1852) and would like to provide the following initial response to the issues raised by the requests for review.

Comment 1:

The PP/DOE are requested to justify prior consideration of the CDM following EB 41 guidance, Annex 46, paragraph 5 and 6.

DNV Response:

DNV would like to clarify that the project was submitted for registration on 28 May 2008. At that time, the guidance of EB41 was not available. Hence this timeline was not referenced in the validation report. Nevertheless, DNV did verify various documents during the validation which clearly established that the project proponent had (a) prior knowledge of CDM before the start of the project activity, (b) the benefits from CDM was a decisive factor for proceeding with the project and (c) the project proponent took real and continuing actions to ensure CDM benefits. The timeline for the different activities are as provided below and will clarify the sequence of events that led to the project activity as well as the steps taken to ensure CDM benefits:

- i. The PP decides to put up a lignite based steam and power generation system on 10 September 2004 (Annex-I)
- ii. The lignite based system is hence set up and commissioned on 27 October 2005 (Annex-II)
- iii. The project proponent contemplates setting up a biomass fired system in-spite of the lignite based system being operated successfully and requests the boiler supplier Thermax for their opinion through a letter dated 18 January 2006 (Annex-III)

- iv. Thermax provides their opinion on the project activity through a letter dated 16 February 2006 and recommends that the project proponent seek benefits of carbon revenue from CDM (Annex-IV)
- v. The project proponent decides to take up the project considering the benefits from CDM on 20 March 2006 (Annex-V)
- vi. The project proponent appoints personnel to follow-up on CDM related activities on 4 April 2006 (Annex-VI)
- vii. Talks were conducted between the project proponent and CDM consultants as evidenced from the status update on the project on 3 August 2006 (Annex-VII)
- viii. First mail communication with consultant E & Y on 7 August 2006 (Annex-VIII)
- ix. The biomass based plant was commissioned on 10 August 2006 (Annex-IX).
- x. Subsequent mails from project proponent to E&Y from August to December 2006 (Appendix-I)
- xi. Appointment of consultant on 5 December 2006 (Annex-X)
- xii. Project information note prepared by consultant and submitted to PP on 16 February 2007 (Appendix-I), draft PDD submitted on 31 April 2007 (Appendix-I)
- xiii. Submission of Project Design Document (PDD) and Project Concept Note (PCN) to Ministry of Environment & Forests (MoEF) on 6 August 2007 (Annex-XI)
- xiv. Validator appointed on 14 September 2007 (Annex-XII)
- xv. PDD web-hosted for international stakeholder consultation on 2 October 2007.

The above sequence of evidence clearly establishes CDM benefits were seriously considered for the implementation of the project activity, the project proponent had prior knowledge of CDM and real and continuing actions were taken to ensure CDM benefits.

Comment 2:

The DOE is required to explain how the surplus of biomass and possible leakage have been validated.

DNV Response:

The excess availability of the biomass used in the project activity, namely De-oiled Castor cake (DOC) and saw dust has been validated from a biomass availability survey report and from contract agreements with several of the DOC suppliers.

For de-oiled castor, a survey has been done determining the production as 2 500 t/day and the use as 2 140 t/day plus the project of 65-70 t/day. This indicates an excess of de-oiled castor of 13-14%, which is less than the requirement for biomass leakage. Even though the PP has letters proving long time supply to the project activity, a survey showing more than 25% has to be presented during verification.

For saw dust, a production capacity of 650 t/day has been confirmed, of which 150 t/day is waste. This gives a 30% excess saw dust, in accordance with the requirement for biomass leakage consideration.

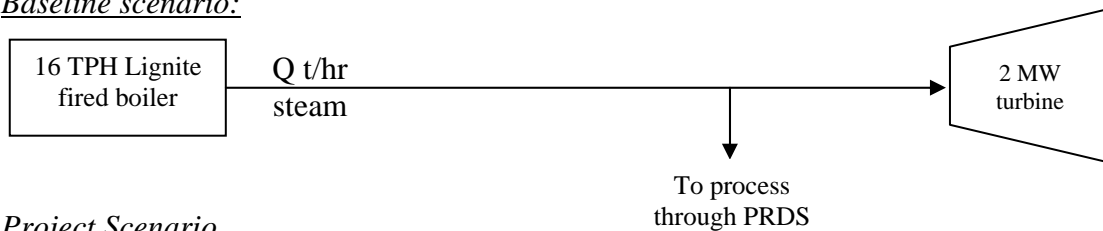
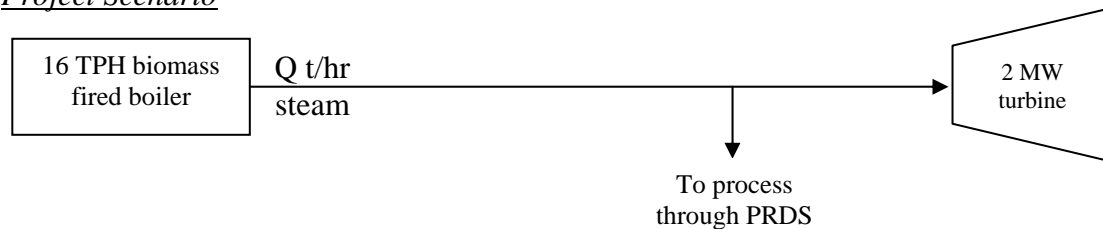
The entire de-oiled castor biomass assessment survey report is attached as **Appendix II** for the reference of the EB members.

Comment 3:

The DOE is required to explain how a) the annual net quantity of steam/heat displaced by the project activity, and b) the 2 MW captive electricity (part of phase I, 16 TPH boiler) are accounted for in the baseline emission calculations.

DNV Response:

DNV would request the EB members to note the following pictorial representation of the baseline and project scenario:

Baseline scenario:**Project Scenario**

From the above diagram it is clear that the configuration of the plant is not changing in the project scenario. The only difference between the baseline and project scenario is that the steam required in the process and in the turbine for generating power is being generated from biomass instead of lignite. In the absence of the project activity the same amount of steam would have been generated by lignite firing. Thus the project activity displaces technologies using fossil fuels with renewable biomass and as per paragraph 6 of AMS-I.C, version 12 the simplified baseline is the fuel consumption of the technologies that would have been used in the absence of the project activity times an emission coefficient for the fossil fuel displaced. The fuel consumption of the technologies that would have been used in the absence of the project activity, lignite in this case, is calculated from the steam generated by the boiler and according to AMS-I.C, version 12; for steam/heat produced using fossil fuels the baseline emissions are calculated as per paragraph 10. This method of calculating the baseline emissions is the most accurate in the context of the project activity and is exactly as per the requirement of the methodology. Hence separate accounting of emission reductions from steam and electricity is not required.

We sincerely hope that the Board accepts our aforementioned explanations.

Yours faithfully

for DET NORSKE VERITAS CERTIFICATION AS

Michael Lehmann

Michael Lehmann
Technical Director
International Climate Change Services

C Kumaraswamy

C Kumaraswamy
Manager
Climate Change Services

Annex I

Claris

Date: 10/09/2004

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. Arvind Kadia

[Handwritten signatures and initials next to the list of attendees]

Chairman of the Meeting

Mr. Pankaj Patel was voted to the Chair.

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

The Chairman expressed concern over the increasing trend in furnace oil prices which was in turn increasing the cost of production in its manufacturing processes. The chairman thus proposed that some other alternative be taken up to cater to the in house steam and power requirements of its manufacturing processes at "Clarion".

The members present at the meeting discussed that they could substitute furnace oil with lignite or biomass based cogeneration facility to cater to process steam and electricity requirements at Clarion.

While analyzing the options, Mr. Bharat Patel pointed out that lignite was abundantly available in the region and the trend in the region is to set up lignite based cogeneration plant. Taking note of the above factors it was reinforced that the combination of readily available resource endowments along with economical cost of generation, setting up a LIGNITE based cogeneration facility would be the most attractive in terms of cost savings and the perceived risks associated with setting up of a lignite based cogeneration facility would also be less.

The Chairman approved the same and asked the members to proceed further with all procedural formalities for the same.

RESOLVED that Claris Lifesciences Limited will proceed in setting up a LIGNITE based cogeneration facility at "Clarion".

[Handwritten signature]
CHAIRMAN

Claris Lifesciences Limited

Regd. Office : Claris Corporate Headquarters,
Nr. Parimal Rly Crossing, Ellisbridge, Ahmedabad 380 006, India.
Tel : +91-79-26563331, Fax: +91-79-26408053/26565979
Email: claris@clarislifesciences.com www.clarislifesciences.com

Annex-II

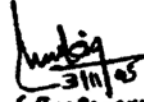
THERMAX LIMITED D-13, MIDC INDUSTRIAL AREA, R. D. AGA ROAD, CHINCHWAD
PUNE 411019, INDIA ☐ TEL.: (020) 27475941 (5 LINES) ☐ FAX : (020) 27475679 (D.
27472049 ☐ Website : www.thermaxindia.com ☐ IT PAN - AAAC3910D

Cooling & Heating Division



COMMISSIONING CERTIFICATE

This is to certify that the Boiler Model No. **BDF 160/1/44** Sr. No. - 1 Installed at the site of **M/s Claris life science Ltd., Ahmedabad (Gujarat)** has been commissioned on **27th October 2005**, and handed over for commercial use.


(JAISANKAR MISHRA)
Thermax Ltd.


Customer
(BHARAT PATEL)

Annex-III

Claris

Date: 18th January 2006

To,
Thermax Limited
409-411, Mahakant, Opp.V.S.Hospital
Ashram Road,
Ahmedabad-380006.

Kind Attn.: Mr. Bhavin Shah, Business Manager
Subject: Your expert opinion on setting up a biomass-based unit


We are pleased to inform you that our Management is contemplating setting up a biomass-based unit. Though our lignite unit is in full operation and has been successfully commissioned by your company, we would like to install a biomass-based unit due to environmental concerns.

We are proposing to use biomass fuels; mainly De Oiled Castor cake (DOC); a residue after castor oil is extracted from castor seeds and we are applying for patent application for the same. We know that this is a risky proposition on our part since such usage of DOC has not been known in the past. We anticipate that the unit cost of generation of steam from biomass-based fuels would also be higher than the existing lignite based unit, which our financial team is in the process of evaluation.

It is in this regard we seek your expert advice on how to take things forward since we lack any operational experience and, as you are aware we are the first in the pharma industry to take up this initiative.

Looking forward for an early response.

Yours faithfully,


For Claris Lifesciences Limited

Claris Lifesciences Limited

Regd. Office : Claris Corporate Headquarters,
Nr. Parimal Rly Crossing, Ellisbridge, Ahmedabad 380 006, India.

Annex-IV

THERMAX LIMITED 409 - 411 "MAHAKANT", OPP. V. S. HOSPITAL, ASHRAM ROAD,
AHMEDABAD 380 006, INDIA ☐ TEL.: (079) 26575408, 26577073 ☐ FAX : (079) 26577270
Website : www.thermaxindia.com ☐ IIT PAN - AAAC3910D



Date: 16th February 2006

To,

Claris Lifesciences Limited

Claris Corporate Headquarters,

Near Parimal Crossing,

Ellisbridge, Ahmedabad.

Dear Mr. Pankaj Patel,

It is heartening to know that you are installing a biomass-based unit when your lignite unit is in operation. We appreciate your environmental concerns and acknowledge that installing a biomass-based unit will be a risky venture at your end. We understand that the cost of generation would be higher from your future proposition and coupled with lack of any precedence could pose as a hindrance. However we commend you for your excellent initiative and also suggest that you could avail the benefits of carbon revenues for your project under the Clean Development Mechanism of the Kyoto Protocol.

In order to be eligible for the carbon revenues, which would mitigate the risks for your project, there are certain procedural formalities under UNFCCC. Therefore I suggest that you seek advice from consultants having relevant expertise in this field.

Assuring you of our cooperation in all your future endeavors,

Yours faithfully,

For THERMAX LIMITED


BHAVIN SHAH

BUSINESS MANAGER
C & H Division

Annex-V

Claris

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

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

Regd. Office : Claris Corporate Headquarter
Nr. Parimal Crossing, Ellisbridge, Ahmedabad 380 006, IN
Tel : +91 79-26563331, Fax : +91 79-26408053/265665

- 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.



A handwritten signature in black ink, appearing to read "R. K. Kulkarni".

CHAIRMAN
CLARIS LIFESCIENCES LIMITED

Annex-VI

Extract from the minutes of the meeting on 4 April 2006

CDM Project

The Chairman deliberated that work pertaining to setting up of the biomass-based unit within Clarion was in progress. However he acknowledged that there was no progress for their CDM project activity, which had been approved, in the last Board Meeting. He further directed that the Board appoint personnel for coordination of all businesses as and when required to secure the carbon credits.

RESOLVED FURTHER THAT, Mr. Bhavesh Prajapati, (Executive – Projects) be and is hereby authorized for and on behalf of the Company, to sign, affirm, execute, authenticate, all such agreements, contracts, deeds, documents, writings to undertake on the biomass based unit as CDM as also getting approvals and sanctions from the requisite authorities in this regard and appointing experienced consultants in this regard.”



CHAIRMAN

CLARIS LIFESCIENCES LIMITED

Annex-VII

Extract from the minutes of the meeting on 3 August 2006

CDM Project

The Chairman deliberated that he was not getting proper feedback on the progress of the carbon credit project. The appointed personnel (Mr. Prajapati) informed that he was in the process of getting relevant applications from authorities. He also went on to inform that he had initiated the process and had got in touch with some of the consultants. He was in talks with a consultant, however he went on to inform that he required the intervention of a senior Management.

The Chairman expressed concern over this and assured the Board that he would be advice Mr. Prajapati wherever necessary.

RESOLVED FURTHER THAT, Mr. Bhavesh Prajapati, (Executive – Projects) along with the Chairman take all such necessary actions to freeze upon the consultants for the carbon credit project activity.



CHAIRMAN
CLARIS LIFESCIENCES LIMITED

Annex-VIII

Ernst & Young Pvt. Ltd

Sudipta Das
Partner
Risk and Business Solutions
BRS * ESS * FIDS * F&PM * TSRS

Phone:	+91 - 33 - 2281 1144	Mobile:	+91 - 98300 43428
Assistant:	Haimanti Chaudhuri	Phone:	+91 - 33 - 2281 1224 -29 (Extn.113)
Fax:	+91 - 33 - 2281 7750	URL:	http://www.ey.com/in

"Nikhil Mohta"
<Nikhil.Mohta@carlyle.com>
>

07/08/2006 06:40 PM

To "Dilip Dusiya" <Dilip.Dusiya@in.ey.com>, "Sudipta Das" <Sudipta.Das@in.ey.com>, "Bharat Gulia" <Bharat.Gulia@in.ey.com>, <aditya.handa@clarislifesciences.com>

<pankaj.patel@clarislifesciences.com>

cc <sushil.handa@clarislifesciences.com>, "Shankar Narayanan"

<shankar.narayanan@carlyle.com>, "Manish Gaur" <manish.gaur@carlyle.com>

Subject RE: Carbon Credits for Claris Lifescience

Dear Sudipta,

Following up on my discussions with Dilip, I would like to introduce you to one of our investee companies, Claris Lifesciences Ltd. Claris is looking to apply for carbon credits for a bio-feedstock based power plant they have recently setup for captive use.

In this context, you could get in touch with Aditya Handa or Pankaj Patel at Claris, both of whom are marked on this email.

Hope this is useful.

Regards

Nikhil

Dear Aditya/Pankaj Bhai,

Sudipta works with E&Y and looks after the carbon credit related initiatives. He should be able to

help you with your requirements.

Sudipta can also be reached on +91 9830043428.

Trust the introduction is helpful.

Regards
Nikhil

Nikhil Mohta
nikhil.mohta@carlyle.com

The Carlyle Group
1st Floor, Quadrant 'A'
The IL&FS Financial Centre
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051, India

Mobile: +91 98204 13376
Phone: +91 22 6647 0800
Fax: +91 22 6647 0802

<http://www.linkedin.com/pub/0/2b2/90>

Annex-IX

THERMAX LIMITED D-13, MIDC INDUSTRIAL AREA, R. D. AGA ROAD, CHINCHWAD
PUNE 411019, INDIA ☐ TEL.: (020) 27475941 (5 LINES) ☐ FAX : (020) 27475679 (D,
27472049 ☐ Website : www.thermaxindia.com ☐ IT PAN - AAAC139100

Cooling & Heating Division

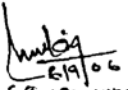


THERMAX

ISO 9001 : 200

COMMISSIONING CERTIFICATE

This is to certify that the Boiler Model No. **BDF
160/1/44** Sr. No. - 1 Installed at the site of **M/s Claris
life science Ltd., Ahmedabad (Gujarat)** has been
commissioned on 10th August 2006, and handed over for
commercial use.


6/19/06
(JAISHANKAR MISHRA)
Thermax Ltd.


Customer
(BHARAT PATEL)

THERMAX LIMITED D-13, MIDC INDUSTRIAL AREA, R. D. AGA ROAD, CHINCHWAD
PUNE 411019, INDIA ☐ TEL.: (020) 27475941 (5 LINES) ☐ FAX : (020) 27475679 (D
27472049 ☐ Website : www.thermaxindia.com ☐ IT PAN - AAAC3910D

Cooling & Heating Division



THERMAX

ISO 9001 : 200

COMMISSIONING & HANDING OVER REPORT

Member Presents -:

Claris life Science Ltd.

Thermax Ltd.

1. Mr. Pankaj Patel
2. Mr. Bharat Patel

1. Mr. Rupin Raval
2. Jai Shankar Mishra

The Boiler was successfully commissioned and handed over to the customer for regular operation & Maintenance. All the control and safety circuit was checked and working satisfactorily. The unit / Boiler were given on load from 10th August 2006.

The details list of activities carried out during the commissioning visit are listed in attachment - 1. The details commissioning parameters & expansion details are enclosed in attachment - 2.

The operation & Maintenance manual for boiler and electrical circuit drawing and its wiring diagram is handed over to customer. Customer is requested to please take care of the points mentioned in attachment - 1.

As explained by us during our interaction at site and also during the training imparted to your operation personnel, we would request you to take special care for safety and periodic maintenance at the unit to get the best output of your boiler. Also maintain minimum load and 44 kg/cm² operating pressure of the boiler as mention in O & M Manual.

For Claris life science Ltd.

(BHARAT PATEL)

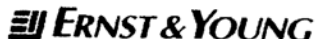
For Thermax Ltd.

Jai Shankar Mishra
6/19/06

(JAI SHANKAR MISHRA)

2.

Annex-X



■ Ernst & Young Private Limited
22, Camac Street, Block 'C', 3rd Floor
Kolkata - 700 016, India

■ Phone : (91) (33) 2281-1224 (6 lines)
Fax : (91) (33) 2281-7750

Dated: December 5, 2006

Claris Lifesciences Limited
Corporate Towers, Near Parimal Crossing,
Ellisbridge, Ahmedabad - 380006
Gujarat, INDIA

Attn: Mr. Pankaj Patel, Head-Projects

Sub: Engagement Letter - Climate Change Advisory Services

Dear Sir,

This letter will confirm Ernst & Young Pvt Ltd's ('E&Y') engagement to act as advisor to **Claris Lifesciences Limited** regarding matters related to Kyoto Protocol under United Nations Framework Convention on Climate Change (UNFCCC). This letter shall constitute an engagement agreement ("*the Agreement*") between **Claris Lifesciences Limited ('the Company')** and Ernst & Young and sets out our understanding of the services you require us to provide. The Services Terms and Conditions (Exhibit-B) and Dispute Resolutions Procedures (Exhibit-C), provide further details of our respective responsibilities and form part of this engagement letter.

1.0 Introduction

The Company has undertaken the following Green House Gas (GHG) abatement project. The Company hereby appoints E&Y to assist the Company in getting the potential benefits of the GHG abatement project under the Clean Development Mechanism (CDM) of the Kyoto Protocol:

Biomass based facility -comprising of one 16 TPH high pressure steam boiler and 2 MW steam turbine and one 10 TPH boiler (proposed).

2.0 Scope of Services

Scope of services of E&Y for the project is detailed below in this section:

2.1 Preparation of Project Idea Note (PIN)

The PIN document will test in brief suitability of the project as a CDM project. E&Y would assist the Company in developing the PIN.

2.2 Preparation of PDD

E&Y would assist the Company to prepare Project Design Document (PDD) based on the guidelines of the United Nations Framework Convention on Climate Change (UNFCCC). The Company would provide E&Y all the technical information/data required. Following documents would be prepared:

2.2.1 Baseline Study

E&Y would assist the Company in preparing baseline document as per the requirements of UNFCCC. The baseline study will cover issues like additionality, leakage and excel sheet based calculation for the emission reductions.

Annex-XI

Shri. Pankaj Patel - Project Head

Clarix

Date: 06/08/2007

The Secretary,
Ministry of Environment & Forests,
Government of India,
Paryavaran Bhawan, CGO Complex,
Lodhi Road,
New Delhi - 110003

Subject: Request for Host Country Approval for the project "Abatement of Green House Gas (GHG) emissions through biomass residue based cogeneration at Clarix Lifesciences Limited."

Dear Sir,

- Clarix Lifesciences Limited is an international pharmaceutical company. As an environmentally sustainable activity the project proponent has implemented the project activity of "Abatement of Green House Gas (GHG) emissions through biomass residue based cogeneration at Clarix Lifesciences Limited." in Ahmedabad, Gujarat.


We have developed the Project Concept Note (PCN) and Project Design Document (PDD) for the above mentioned project activity as per the guidelines of UNFCCC for GHG abatement CDM projects in a developing country under Kyoto Protocol. We are enclosing herewith 20 (Twenty) copies each of Project Concept Note (PCN) and Project Design Document (PDD) along with two copies of CDs in the requisite format.

We look forward to receive the host country approval from MoEF for the above mentioned project activity, at an early date.

Thanking you,

Yours sincerely,

For Clarix Lifesciences Limited,


Pankaj Patel
Head - Projects.

CLARIS and **DNV** are individually referred to herein as a 'Party' and collectively as the 'Parties'

WHEREAS

- i) **CLARIS** is an international Pharmaceutical Company dedicated to the development, manufacturing and marketing of research based products and therapies of world-class quality, for acute illnesses and surgical situations and also engaged in developing process know how, discovering new products and the techniques thereof.

DNV is an independent, autonomous foundation established in 1864. The mitigation of climate change falls squarely within **DNV's** objective of protecting life, property and the environment. **DNV** is accredited as one of the 2 first Designated Operational Entities, for all the major scopes under CDM. **DNV** is accredited for validation and verification of CDM projects belonging to sectoral scopes 1 to 13 and 15.

DNV also represented that it has the requisite knowledge, capability and infrastructure to undertake " **Validation of the GHG emission reduction through biomass**" (herein after referred to as "**Project**") work for **CLARIS**.

NOW THEREFORE THE AGREEMENT WITNESSTH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. The above preamble shall form an integral part of this agreement.
2. **Subject of the Agreement**
 - 2.1 **CLARIS** hereby appoints **DNV** for performing validation of the Project as mentioned herein above.
 - 2.2 Each of the party confirms that:
 - It has all necessary legal and statutory approvals to enter into this agreement.
 - Knows its business well and has understood the requirements of one another to carry out the work.
 - Has upfront given all the information relevant to the work under the agreement and no part of this information is false and no material information has been suppressed.
3. **Scope of work: -**
 - 3.1 Adoption or revision of existing validation protocols for the project.
 - 3.2 Review and assessment of the draft PDD (Project Design Document) and other existing documents relevant for the determination of the project's eligibility as CDM (Clean Development Mechanism) project.
 - 3.3 Running of one global stakeholders process for the project on UNFCCC Web Site for a period of 30 days.
 - 3.4 Audit and inspection (On Site).
 - 3.5 Development of Draft Validation Report.
 - 3.6 Resolution of CAR's (Corrective Action Request) and Stakeholders comments.
 - 3.7 Final Validation Report.



Annex-XIII



January 5, 2008

To ,
**The Manger ,
The Material Department ,
Claris LifeSciences**

Subject : **Supply of De-oiled Cake (DOC)**

Dear Sir ,

As per our discussion held at your office , we understood the yearly requirement of DOC for your FBC boiler located at Changodhar is about 22,000 to 25,000 Metric Tones.

Our production capacity of DOC per annum is around 1,00,000 (one lac Metric Tones).

We can supply the said quantity from our plant
N.K.Industries which is located at Kadi Thor Road , Kadi.

We will supply the DOC on day to day requirement basis against your bulk purchase order.
Clariss will issue such PO in advance.

The prices of DOC will be mutually agreed time to time depending on prevailing market situation .

Assuring you the best services.

For **N.K. Proteins Ltd.**


Authorized Signatory

Office : 902, 9th Floor, Popular House, Ashram Road, Ahmedabad-380 009, India.
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