

**EXTRACTS OF THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF M/S.
ACTION ISPAT & POWER (P) LTD. HELD ON 15/11/2004 AT THE REGISTERED OFFICE OF
THE COMPANY AT 11:00 A.M.**

The Chairman informed the Board that the company intends to set up a 37 MW Power Plant in phased manner at their proposed Sponge Iron manufacturing unit in the Village: Marakuta & Pandaripathar, District: Jharsuguda in Orissa State.

Directors of the Board desired to put up the Power Plant to generate 37 MW Power based on the Char, Dolochar ad Coal as fuel as this route was considered as financially most viable. The proposed Sponge Iron Kiln will also generate which generate Waste Heat enough steam to generate power up to 16 MW. Since the generation of power from waste heat is subjected to the operation of Sponge Iron Kiln, which has frequently interruption due to the several reasons, thus the cost of generation from WHRB may be higher.

The Chairman informed to the Board about the Kyoto Protocol and its Clean Development Mechanism (CDM)

CDM benefits and the revenue to be earned by the company by sale of carbon benefits under the Kyoto Protocol, is most likely to compensate the additional expenses involved in setting up and operating the waste heat recovery based Power Plant. Thus only in view of availability of CDM benefits, the Company decided to go for setting up of 8 MW X 2 Nos. = 16 MW WHRB power plant along with 21 MW in Coal based FBB based Power plant.

After detailed evaluation of the possible CDM benefits Board approved the proposal for setting up 16 MW WHRB based Power Plant and passed the following resolutions:

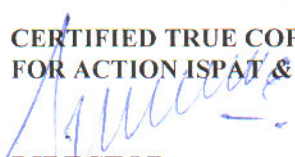
"RESOLVED THAT Shri Naresh Aggarwal, Director of the company be and is hereby authorized to explore the availability of CDM benefits and get necessary approvals and sanctions at the earliest from various State and Central Government departments such as State Pollution Control Board, Electricity Board and from UNFCCC-CDM Board etc."

"RESOLVED FURTHER THAT the proposal for setting up of out of which 8 MW X 2 Nos. = 16 MW WHRB power plant along with 21 MW Coal based FBB Power plant is hereby approved."

"RESOLVED FURTHER THAT Shri Naresh Aggarwal, Director of the company be and is hereby authorised to do all such things and to take all such actions as may be required in this connection."

Sd/-
CHAIRMAN

**CERTIFIED TRUE COPY,
FOR ACTION ISPAT & POWER (P) LTD.**


DIRECTOR