

## MINUTES BOOK

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SMC POWER GENERATION LIMITED HELD ON THE 18<sup>TH</sup> MAY 2003 AT THE REGISTERED OFFICE OF THE COMPANY AT 311, VARDAN, 7/28, MAHAVIR STREET, ANSARI ROAD, DARYA GANJ, NEW DELHI-110002 AT 11.00 AM**

**PRESENT:**

- 1) Sh. Mool Chand Aggarwal - Chairman
- 2) Sh. Sandeep Aggarwal - Director
- 3) Sh. Amit Aggarwal - Director

**CHAIRMAN**

Sh. Mool Chand Aggarwal the Chairman of the Company occupied the Chair.

**QUORUM**

The quorum of the meeting being present the Chairman called the meeting in order.

**WELCOME ADDRESS**

Shri. Mool Chand Aggarwal, Director and Chairman of the Company welcomed the Board Members present in the Meeting. The Chairman presented a brief speech about the SMC Group and further action plans of M/s SMC POWER GENERATION LIMITED.

The Chairman explained the vision of the Company and about the on going activities in the project. The directors welcomed it.


Sh. Amit Aggarwal raised certain queries regarding implementation of Project and future prospects.

The Chairman answered the queries of the Directors and they expressed satisfaction.

**TO DISCUSS AND APPROVE MINUTES OF THE PREVIOUS BOARD MEETING HELD ON 16<sup>TH</sup> MAY 2003.**

The Minutes of the Previous Board Meeting held on 16<sup>th</sup> May 2003 were read approved and confirmed.

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### TO REVIEW THE WORKING PROGRESS OF THE PROJECT

The Chairman informed that the Company's integrated Steel Complex project is moving fast.

There was in depth discussion on the entire subject in which all the directors presented their views.

The Chairman further informed the Board that for smooth & cost effective operation of steel making facilities, we should have captive power plant. The sponge iron manufacturing will generate substantial quantity of waste product namely Char, Dolochar and coal washery will have medaling as waste products. Now some boiler manufacturers have developed specific designed Boiler which can use the above waste products together with coal for power generation.

The Chairman also informed that the M/s Prakash Industries Ltd., Jindal Steel, HEG, Tata Sponge are generating power using waste gases of sponge iron.

The Chairman informed the Board that the Company intends to set up a 33 MW Power Plant at their proposed Sponge Iron Plant at Village: Hirna, Dist: Jharsuguda, State: Orissa.

The Board of Directors desired to put up Captive Power Plant to generate 33 MW Power based on the Char, Dolochar and Coal as fuel as this route was considered as financially most viable. The Board was also informed that Sponge Iron Kilns existing and proposed will generate Waste Heat which could be used to generate steam capable to generate power up to 16 MW. However, the generation of power from waste heat is subjected to the operation of Sponge Iron Kiln, which has frequent interruption due to the several reasons, thus the cost of generation from WHRB may be higher.

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

The Board discussed the CDM benefits and the revenue to be earned by the Company by sale of carbon benefits under the Kyoto protocol and concluded that these may most likely compensate the additional expenses involved in setting up and operating the waste heat recovery based power plant. Thus, in view of the availability of CDM benefits, the Company decided to go for setting up of 16 MW (8 MW+8MW) WHRB power plant along with 17 MW Coal based FBB based power plant.

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After evaluation of the possible CDM benefits Board approved the proposal for setting up 16 MW WHRB based power plant as a CDM benefit and passed the following resolutions:

**"RESOLVED THAT** Shri M.C. Aggarwal, Chairman & Managing Director or Shri Sandeep Aggarwal, Director of the Company be and is hereby authorized severally to explore the availability of CDM benefits and get necessary approvals and sanctions at the earliest from various State and Central Government Departments and international agency such as State Pollution Control Board, Electricity Board and UNFCC-CDM Board etc.

**RESOLVED FURTHER THAT** the proposal for setting up of 16 MW (8 MW +8 MW) WHRB power plant (as a CDM project) along with 17 MW Coal based FBB power plant is hereby approved.

**RESOLVED FURTHER THAT** Shri M.C. Aggarwal, Chairman & Managing Director or Shri Sandeep Aggarwal, Director of the Company be and is hereby authorized severally to do all such things and to take all such actions as may be required in this connection."

**TO KEEP MINUTE BOOK OF THE MEETING OF BOARD OF DIRECTORS IN COMPUTERISED FORM.**

**"RESOLVED THAT** minute book of the meeting of the Board of Directors of the Company be kept and recorded in computerized form only."

### VOTE OF THANKS

There being no other business to transact, the meeting ended with a vote of thanks to the Chair.



CHAIRMAN

CHAIRMAN INITIALS
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