



BANNARI AMMAN SUGARS LIMITED

Regd. Office : 1212, Trichy Road Coimbatore 641 018 Tamilnadu India
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EXTRACT FROM THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF BANNARI AMMAN SUGARS LIMITED HELD AT THE REGISTERED OFFICE OF THE COMPANY AT 252, METTUPALAYAM ROAD, COIMBATORE 641 043 ON 24th JUNE 2002.

The Chairman informed the Board that the company proposes to install a new co-generation plant in Karnataka Sugar Unit (Sugar Unit-II). He placed before the Board a technical and financial feasibility report relating to 20 MW co-generation plant. He briefed the Board about the existing power system, the proposed expansion, investment requirements cost benefit projects and technical aspect of the project.

The Chairman further informed the Board that the 20 MW co-generation project would reduce carbon di-oxide emissions by generating renewable power and the company can get carbon credit revenues for the project through Clean Development Mechanism (CDM) of Kyoto Protocol. The Board discussed in detail the critical factors of the project including rate of return, tariff policy issues and technical issues. The Board also discussed the technical problems faced in the existing high pressure power plant and noted that any such risks in the new system could offset with the help of CDM revenue. After the above discussions, the Board passed the following Resolutions:

RESOLVED that the project proposal for installing 20 MW co-generation plant at the company's Sugar Unit-II at Alaganchi village, Nanjangud Taluk, Mysore District in the State of Karnataka be and is hereby approved.

FURTHER RESOLVED that the proposed co-generation project be taken up as a CDM project and appropriate consultant be engaged to realize the carbon credits.

FURTHER RESOLVED that Sri S V Balasubramaniam, Managing Director, Sri S V Arumugam, Director and Sri R Murugesan, General Manager (Finance) be and are hereby severally authorized to discuss and negotiate with various agencies and





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vendors of long delivery equipments and to make applications to the concerned authorities for clearances required for the projects.

FURTHER RESOLVED that Sri S V Balasubramaniam, Managing Director, Sri S V Arumugam, Director and Sri R Murugesan be and are hereby severally authorized:

- a) to discuss, deliberate, negotiate, finalise and accept the terms and conditions relating to co-generation project with the various agencies concerned and with vendors of long delivery equipments in connection with the investment proposals and agree to such changes and modifications in the said terms and conditions as may be suggested by the concerned agencies/vendors from time to time;
- b) to prepare and file with the Government authorities (Central, State or Union Territories) or any officer thereof any statement, declaration or application forms for registration etc. or to enter into any correspondence as may be deemed fit for the aforesaid purpose and modifying the same from time to time;
- c) to apply to the Government authorities (Central, State or Union Territories) or any local authority or officer having jurisdiction with respect to any approval or sanction as may be required under any law from time to time being in force;
- d) to represent the Company before any Government Department (Central, State or Union Territories) or any other public or quasi public authority or any officer thereof in connection with obtaining of any permit, licence, sanction or approval and to sign for and on behalf of the Company all returns, declarations, forms, statements, papers and documents necessary or usual for the aforesaid purposes.

CERTIFIED TRUE COPY

For BANNARI AMMAN SUGARS LIMITED


COMPANY SECRETARY