



ADHUNIK METALIKS LIMITED

(Formerly NEEPAZ METALIKS LIMITED)

Corporate Office : "LANSDOWNE TOWERS", 2/1A, SARAT BOSE ROAD, KOLKATA - 700 020
PH. : 033-3051 7100 ★ FAX : 91-33-2289 0285 ★ Website : www.adhunikgroup.com

EXTRACTS OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF NEEPAZ METALIKS LIMITED HELD ON THE 25TH DAY OF AUGUST, 2004 AT THE REGISTERED OFFICE OF THE COMPANY AT 14 N.S. ROAD, KOLKATA 700001.

It is hereby certified that the following Resolutions of the Board of Directors of the Company were passed at a Meeting of the Company held its Registered Office and have been duly recorded in the Minutes Book of the Company:

The Chairman informed the Board that the Company is embarking upon a major project of setting up an integrated iron and steel plant consisting of Sponge Iron Plant, Mini Blast Furnace, SMS-I & SMS-II, Concast-I, AOD & Concast, Ferro Alloy Plant, Rolling Mill, Coal Washery, Oxygen Plant and other ancillary units at Sundergarh district of Orissa.

The Chairman also informed that the power requirement for the entire integrated iron and steel plant is estimated to be around 55 MW and the Company can either import the entire power from the grid or can generate the same in-house in a coal based captive power plant. Alternately the Company can also adopt power generation with DRI kiln gas. The same can be supplemented with CFBC boiler and the balance power being imported from grid.

M/s. Avant Garde Engineers & Consultants (P) Ltd was requested to evaluate the power cost for all the three options. The Chairman has presented the power cost analysis report of M/s. Avant Garde Engineers & Consultants (P) Ltd to the Board. As per the report, power cost in case of a coal based captive power plant is found to be the least amongst all the three options envisaged. Besides,, coal based captive power generation would ensure reliability and consistency in the entire power system whereas power generation utilizing the DRI kiln gas would be subjected to fluctuations and interruptions due to either process disruptions in DRI kilns or network failure. This may adversely impact the operations of the integrated iron and steel facility.

However the Chairman further deliberated to the Board the potential of the DRI kiln gas based power project to qualify as a Climate Change initiative thereby availing carbon revenue under the



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International Scheme-Clean Development Mechanism of the Kyoto Protocol .This revenue will reduce the power cost for the DRI kiln gas based power generation option.

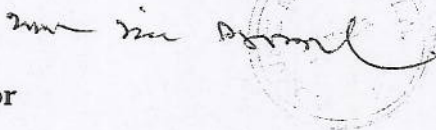
The Board discussed the matter at length and thereafter passed the following resolutions:

"RESOLVED THAT, the consent of the Board be and is hereby accorded for undertaking the integrated iron and steel plant project involving , setting up of Sponge Iron Plant, Mini Blast Furnace, SMS-I & SMS-II, Concast-I, AOD & Concast, Ferro Alloy Plant, Rolling Mill, Coal Washery, Oxygen Plant, Captive Power Plant based on DRI kiln gas supplemented with CFBC boilers and other ancillary units at the Sundergarh district of Orissa and that Mr. Jugal Kishore Agarwal, Mr. Ghanshyamdas Agarwal and Mr. Manoj Kumar Agarwal, Directors be and are hereby severally authorized for and on behalf of the Company to execute matters relating to land allotment and other infrastructural facilities .

RESOLVED FURTHER THAT, Mr. Jugal Kishore Agarwal, Mr. Ghanshyamdas Agarwal and Mr. Manoj Kumar Agarwal, Directors 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 DRI kiln gas based power generation project as CDM as also getting approvals and sanctions from the requisite authorities in this regard.."

[Certified to be true copy]

For Adhunik Metaliks Limited



Director