



SIDDHESHWARI
INDUSTRIES PVT. LTD.

Certified true copy of the resolution passed at the Board Meeting of the Directors of M/s Siddheshwari Industries (P) Ltd. Held on 15/3/2004 at 10:30 A.M. at its registered office 432, Sita Ram Apartments, 102 IP Extension, Patpar Ganj, New Delhi

The Board was apprised that there are growing need of power to the company and the quality of power supply by the government is too poor, therefore the board had considered the various options available in the market for the generation of power in the paper mill and after a considerable research the board had found that following are the options available viz. power and steam generation with coal fired power, Power and steam generation with petcock fired power plant, Power and steam generation with the rice husk based power plant. Though the cost of power generation plant based at rice husk is higher then that of coal fired power plant and that of petcoke fired power plant yet in view of its environment friendly ness, availability of rice husk in the nearby area etc are some of the important factor which is to be considered before going for any option.

Therefore the board discussed in detail all the option s available, the pros and cons of every option and thereafter had passed the following resolution unanimously:

“RESOLVED THAT the Board had decided to generate its own power, for this board had analyzed all the feasible available option in details and had decided to generate the power and steam with the “rice husk based Power Plant” due to the following reason:

1. There are some international funds are available through Clean Development Mechnism (CDM), which may compensate the risk and unexpected price increase in the rice husk cost.
2. “Rice husk based power plant “ will give sustainable development in the village by providing good price of rice husk to the villagers.
3. The “ Rice husk based power plant “ will use the renewable fuel for power generation thus making fossil fuel available for other application.

RESOLVED FURTHER that in view of the above decision of the board Mr. Shishir Sangal, Director and Sh. Deepak Bansal, Director be and is hereby authorized to further negotiate, finalize and get the installation done of “ Rice husk based Power Plant “ in the factory premises.”

By order of the Board

For Siddheshwari Industries (P) Ltd.

Director
(SHISHIR SANGAL)

| Running cost analysis with coal and rice husk | | | |
|---|------------------------|---------------------------------|--------------------------------------|
| Description | UOM | Running cost of power with coal | Running cost of power with Rice husk |
| FUEL COST OF POWER | | | |
| Power generation | kW | 2250 | 2250 |
| Heat rate | kcal/kWh | 3800 | 3800 |
| Heat requirement | kcal/hr | 8550000 | 8550000 |
| Calorific value of fuel used (NCV) | kcal/kg | 4000 | 3150 |
| Quantity of fuel required | kg/hr | 2137.500 | 2714.286 |
| Cost of fuel | Rs/kg | 1.40 | 1.40 |
| Cost of fuel for power generation | Rs/hr | 2993 | 3800 |
| Annual expenses on fuel cost | Rs (lacs)/annum | 237.01 | 300.96 |
| FIXED COST | | | |
| Manpower cost | - | - | - |
| No. of operator | nos. | 6 | 6 |
| No. of helpers | nos. | 9 | 12 |
| Salary of operators | Rs./month | 6000 | 6000 |
| Salary of helpers | Rs./month | 2500 | 2500 |
| Total manpower cost | Rs (lacs)/annum | 7.02 | 7.92 |
| Annual inspection cost | Rs (lacs)/annum | 0.25 | 0.25 |
| Ash handling cost | Rs (lacs)/annum | 12.00 | 12.00 |
| Maintenence exp. | Rs (lacs)/annum | 0.30 | 0.30 |
| Annual expenses on operation | Rs (lacs)/annum | 19.57 | 20.47 |
| Total running cost per year | Rs (lacs)/annum | 256.58 | 321.43 |
| Cost per unit | INR/kWh | 1.44 | 1.80 |