

### Capex Clearance Request (IR3)

Division / Country / BU:

Project Name:  Project No:

Project Description / Objective (INTERNAL DEVELOPMENT):

Consolidation:  Ownership:

Capex Appropriation Value (Group) Total for Phase 1, 2 & 3: MEUR  of which capitalized interests: MEUR

Capex Appropriation Value (Group) for Phase 1: MEUR  of which capitalized interests: MEUR

	Year 1 2006	Year 2 2007	Year 3 2008	Year 4 2009	Year 5 2010	Year 6 2011	Year 10 2017
Capex Bookings	0.0	40.5	50.8	75.9	51.4	25.4	
Sales Revenue							236.4
Ebitda			11.0	48.5	82.5	146.4	12.1
COI			0.1	17.6	28.7	49.5	17.2
EVA			-2.1	19.5	21.2	39.1	17.2
ROCE (at local tax rate)		0%	4%	0.4%	1%	6%	19.8%
EPS			0.0*	1.05	0.05	0.11	0.16

Enterprise value (100%): MEUR  Terminal value (100%): MEUR

Capex NPV (100%): MEUR

Value Creation (100%): MEUR

Group Share of value creation: MEUR  %

Project timing: Project start  Project end  Duration

Capex validated at Clearance (IR2) for Phase 1: MEUR

Status of prerequisites identified before IR3:

Plant capacity and design has been finalized for 1.2 MT expansion to produce slag cement. The technical approval (process Vertical Water Mill (VWM), which has been ordered from Lurgi) and suppliers for other equipment have been contacted and discussions are in progress.

Land is available within the premises of existing plant and no additional purchase of land is required.

Statutory Clearances: Applications for environmental clearance and permit to mine are under process and a clearance will be obtained by 31 December 2008.

Comminution Sources: A contract letter for supply of wet slag has been signed with Lurgi. A contract letter for wet slag will be signed by 30 Nov 2008.

Power will be supplied by local power. Written consent will be received by end of October 2008.

Logistics feasibility for movement of clinker and cement has been assessed and deemed feasible.

	Signature	Date	Comments
BU			
Project leader	S. Subramanyam	11/10/08	
Projects director	KV. Venkatesh	15/10/08	
CEO	Sourish Bhattacharya	9/10/2008	
BU Manager	Uday Khanna	13/10/08	
Region			
Technical Center (DEC)	Ramesh Narayan		
Technical Center (ATC)	Ramesh Narayan		
Regional President	Manoj Khanna		
Division			
DPC VP			
Division control			
Division Executive VP			
Division Executive VP			
Division Executive VP			
Group			
Group Executive VP Finance			
Group Executive VP Strategy & Development			
Group Executive VP Human Resources			
Group CEO			

Attentio  
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