

MEMORANDUM

SUB:FINANCIAL & TECHNICAL INVESTMENT APPROVAL FOR "PROPOSAL FOR DIVERSION OF 0.03 Ha of Forest Land of village Madhapur under Athagarh Tehsil of Cuttack Districk for installation of High Power Transmission line connected from tapping point at Champia to Aarti Steels Limited for fulfillment of additional requirement of power by Aarti Steels Limited,Ghantikhal under Athargarh Forest Division".

The Board of Directors of Aarti Steels Limited,in exercise of powers delegated to it,have accorded financial and technical investment approval for **"PROPOSAL FOR DIVERSION OF 0.03 Ha of Forest Land of village Madhapur under Athagarh Tehsil of Cuttack Districk for installation of High Power Transmission line connected from tapping point at Champia to Aarti Steels Limited for fulfillment of additional requirement of power by Aarti Steels Liited,Ghantikhal under Athargarh Forest Division"**in its meeting held on 02.01.2003 as per the detils given below;

1.Broad Scope of the project**Transmission Line**

A LILO Installation of 132 KV High Power Transmission line from Chainpal-Choudwar to Aarti Steels Limited in between the tapping point at Champia for fulfillment of additional requirement of power by Aarti Steels Limited,Ghantikhal under Athargarh Forest Division".

2.Project Cost & Funding

The estimated cost of the project based on 2003 price level is Rs 27.7 Lacs.Project is proposed to be implemented through domestic borrowings(Loans/bonds) and internal resources of Aarti Steels Limited with a Debt:Equity ratio of 70:30.

3.Commissioning Schedule

The Project is scheduled to be commissioned within 24 months from the date of investment approval.

This is issued in pursuance of meeting of Board of Directors held on 02.01.2003.

(Authorised Signatory)

Official Seal:

For AARTI STEELS LIMITED
L. T. P. Narayan
(L.T.P. Narayan)
President