Project parameters Initial Investment of the proposed project (2 x 4.2 MW) (RS in millions) 275.00 Annual administrative cost (Rs in millions) 0.50 Annual escalation in administrative cost 5.00% Expected CER pricing (Rs/ ton of Co2) 308.00 Production loss during project implementation (Rs in million)	IRR calculations for Gas Turbine Project in Apollo	Tyres	,					
Initial Investment of the proposed project (2 x 4.2 MW) (Rs in millions) Annual administrative cost (Rs in millions) Annual escalation in administrative cost Expected CER pricing (Rs/ ton of Co2) Production loss during project implementation (Rs in million) Year 2005 Expected CER pricing (Rs/ ton of Co2) Production loss during project implementation (Rs in million) Year 2005 Expenditure Initial investment (equity) Recurring cost Cost of insurance (1.5% of project cost) every year At 13			į.					
Annual administrative cost (Rs in millions) Annual escalation in administrative cost Expected CER pricing (Rs/ ton of Co2) Production loss during project implementation (Rs in million) Year 2005 2006 2007 2008 2009 2010 2011 Expenditure Initial investment (equity) Recurring cost Cost of insurance (1.5% of project cost) every year A.13 Income Tax on Energy Savings A.4.58 52.11 60.40 69.51 79.53 87.34 Total cashflow out (A) 275.00 A.7.1 56.24 64.52 73.63 83.66 91.46 Income Salvage Value of project (10%) Savings in operating cost based on following figures. F. O Price of Rs. 12/kg with 10% Escalation, Grid power at price of Rs. 5.3/kWh with 10% escalation N.G. Price of Rs. 8.2/SMJ with constant price for first 5 years and 10% Escalation for next 5 years Maintenance cost escalation 5% CER credits 0 13.94			,					
Annual escalation in administrative cost Expected CER pricing (Rs/ ton of Co2) Production loss during project implementation (Rs in million) Year 2005 2006 2007 2008 2009 2010 2011 Expenditure Initial investment (equity) Recurring cost Cost of insurance (1.5% of project cost) every year A.13 Income Tax on Energy Savings At 4.58 275.00 48.71 56.24 64.52 73.63 83.66 91.46 Income Salvage Value of project (10%) Savings in income tax due to depreciation (35% of depreciated amount) Savings in operating cost based on following figures. F. O Price of Rs. 12/Rg with 10% Escalation, Grid power at price of Rs. 5.3/kWh with 10% escalation, Grid power at price of Rs. 5.3/kWh with 10% escalation 15% Year 1275.00 127.37 148.89 172.56 188.60 227.23 249.54 CER credits 0 13.94	(Rs in millions)	275.00						
Expected CER pricing (Rs/ ton of Co2) 308.00 Production loss during project implementation (Rs in million) Year 2005 2006 2007 2008 2009 2010 2011	Annual administrative cost (Rs in millions)	0.50						
Production loss during project implementation (Rs in million) Year 2005 2006 2007 2008 2009 2010 2011	Annual escalation in administrative cost	5.00%						
Production loss during project implementation (Rs in million) Year 2005 2006 2007 2008 2009 2010 2011	Expected CER pricing (Rs/ ton of Co2)	308.00	1					
Year 2005 2006 2007 2008 2009 2010 2011			,					
Expenditure Initial investment (equity) Recurring cost Cost of insurance (1.5% of project cost) every year A.13 Income Tax on Energy Savings A4.58 Total cashflow out (A) Income Salvage Value of project (10%) Savings in income tax due to depreciation (35% of depreciated amount) Savings in operating cost based on following figures. F. O Price of Rs. 12/kg with 10% Escalation, Grid power at price of Rs. 5.2/KWh with 10% escalation N.G. Price of Rs. 8.2/SM3 with constant price for first 5 years and 10% Escalation 5% CER credits O 13.94 Total project income without considering CER credits(C) Net cash flow without considering CER credits (A-B) Net cash flow without considering CER Credits (A-C) RR of the project Without considering CER Credits A4.36% IRR of the project Without considering CER credits A4.36% IRR of the project Without considering CER credits A4.36% IRR of the project Without considering CER credits A4.36% IRR of the project	million)							
Initial investment (equity)	Year	2005	2006	2007	2008	2009	2010	2011
Initial investment (equity)								
Recurring cost Cost of insurance (1.5% of project cost) every year A.13 Income Tax on Energy Savings A4.58 Discrete Tax on Energy Savings Bax.34 Discrete Tax on Energy Savings Ba	Expenditure							
Cost of insurance (1.5% of project cost) every year	Initial investment (equity)	275.00						
Income Tax on Energy Savings	Recurring cost							
Total cashflow out (A) 275.00 48.71 56.24 64.52 73.63 83.66 91.46	Cost of insurance (1.5% of project cost) every year		4.13	4.13	4.13	4.13	4.13	4.13
Income	Income Tax on Energy Savings		44.58	52.11	60.40	69.51	79.53	87.34
Salvage Value of project (10%) 0 <th< td=""><td>Total cashflow out (A)</td><td>275.00</td><td>48.71</td><td>56.24</td><td>64.52</td><td>73.63</td><td>83.66</td><td>91.46</td></th<>	Total cashflow out (A)	275.00	48.71	56.24	64.52	73.63	83.66	91.46
Salvage Value of project (10%) 0 <th< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></th<>								
Saving in income tax due to depreciation (35% of depreciated amount) Savings in operating cost based on following figures. F.O Price of Rs. 12/kg with 10% Escalation, Grid power at price of Rs. 5.3/kWh with 10% escalation N.G. Price of Rs. 8.2/SM3 with constant price for first 5 years and 10% Escalation 5% CER credits O 13.94	Income							
depreciated amount) Savings in operating cost based on following figures. F.O Price of Rs. 12/kg with 10% Escalation, Grid power at price of Rs. 5.3/kWh with 10% escalation N.G. Price of Rs. 8.2/SM3 with constant price for first 5 years and 10% Escalation for next 5 years Maintenance cost escalation 5% CER credits O 13.94 13.94 13.94 13.94 13.94 13.94 13.94 Total project income without considering CER credits(B) Total project income with considering CER credits(C) Net cash flow without considering CER Credits (A-B) Net cash flow with considering CER Credits (A-C) IRR of the project without considering CER credits 44.36% IRR of the project			•	,	,	0	0	0
Savings in operating cost based on following figures. F.O Price of Rs. 12/kg with 10% Escalation, Grid power at price of Rs. 5.3/kWh with 10% escalation N.G. Price of Rs. 8.2/SM3 with constant price for first 5 years and 10% Escalation for next 5 years Maintenance cost escalation 5% CER credits 0 13.94 13.94 13.94 13.94 13.94 13.94 13.94 13.94 13.94 Total project income without considering CER credits(B) Total project income with considering CER credits(C) 0 149.98 171.49 195.16 221.20 249.83 272.14 Net cash flow without considering CER Credits (A-B) -275.00 87.33 101.32 116.70 133.63 152.24 166.74 Net cash flow with considering CER Credits (A-C) -275.00 101.27 115.26 130.64 147.56 166.18 180.68 IRR of the project without considering CER credits 44.36% IRR of the project	Saving in income tax due to depreciation (35% of		8.66	8.66	8.66	8.66	8.66	8.66
F.O Price of Rs. 12/kg with 10% Escalation, Grid power at price of Rs. 5.3/kWh with 10% escalation N.G. Price of Rs. 8.2/SM3 with constant price for first 5 years and 10% Escalation for next 5 years Maintenance cost escalation 5% CER credits O 13.94 13.94 13.94 13.94 13.94 13.94 13.94 13.94 13.94 13.94 Total project income without considering CER credits(B) Total project income with considering CER credits(C) Net cash flow without considering CER Credits (A-B) Net cash flow with Considering CER Credits (A-C) IRR of the project without considering CER credits 44.36% IRR of the project								
Grid power at price of Rs. 5.3/kWh with 10% escalation N.G. Price of Rs. 8.2/SM3 with constant price for first 5 years and 10% Escalation for next 5 years Maintenance cost escalation 5% 0 127.37 148.89 172.56 198.60 227.23 249.54 CER credits 0 13.94 13								
escalation N.G. Price of Rs. 8.2/SM3 with constant price for first 5 years and 10% Escalation for next 5 years Maintenance cost escalation 5% 0 127.37 148.89 172.56 198.60 227.23 249.54 CER credits 0 13.94 13.9								
price for first 5 years and 10% Escalation for next 5 years								
years Maintenance cost escalation 5% 0 127.37 148.89 172.56 198.60 227.23 249.54 CER credits 0 13.94 <								
CER credits 0 13.94 13.								
Total project income without considering	,							
CER credits(B) 0 136.04 157.56 181.23 207.26 235.89 258.20 Total project income with considering 0 149.98 171.49 195.16 221.20 249.83 272.14 Net cash flow without 0 87.33 101.32 116.70 133.63 152.24 166.74 Net cash flow with 0 -275.00 87.33 101.32 116.70 133.63 152.24 166.74 Net cash flow with 0 -275.00 101.27 115.26 130.64 147.56 166.18 180.68 IRR of the project 44.36% IRR of the project 44.36%		0	13.94	13.94	13.94	13.94	13.94	13.94
Total project income with considering CER credits(C) 0 149.98 171.49 195.16 221.20 249.83 272.14 Net cash flow without considering CER Credits (A-B) Net cash flow with considering CER Credits (A-C) 101.27 115.26 130.64 147.56 166.18 180.68 IRR of the project without considering CER credits 44.36% IRR of the project		0	120.04	157.50	404.00	207.00	025.00	050.00
CER credits(C) 0 149.98 171.49 195.16 221.20 249.83 272.14 Net cash flow without considering CER Credits (A-B) -275.00 87.33 101.32 116.70 133.63 152.24 166.74 Net cash flow with considering CER Credits (A-C) -275.00 101.27 115.26 130.64 147.56 166.18 180.68 IRR of the project without considering CER credits 44.36% IRR of the project	Total project income with considering	U	130.04	157.50	101.23	207.20	233.09	230.20
Net cash flow without considering CER Credits (A-B) -275.00 87.33 101.32 116.70 133.63 152.24 166.74 Net cash flow with considering CER Credits (A-C) -275.00 101.27 115.26 130.64 147.56 166.18 180.68 IRR of the project without considering CER credits 44.36% IRR of the project IRR of the project		0	149.98	171.49	195.16	221.20	249.83	272.14
Net cash flow with considering CER Credits (A-C) IRR of the project without considering CER credits 44.36% IRR of the project Without project Without considering CER credits Advantage 44.36%	Net cash flow without				, , , , , ,			
considering CER Credits (A-C) -275.00 101.27 115.26 130.64 147.56 166.18 180.68 IRR of the project without considering CER credits 44.36% IRR of the project		-275.00	87.33	101.32	116.70	133.63	152.24	166.74
IRR of the project without considering CER credits IRR of the project 44.36%					100			
without considering CER credits 44.36% IRR of the project	considering CER Credits (A-C)	-275.00	101.27	115.26	130.64	147.56	166.18	180.68
IRR of the project		44.260/						
	IRR of the project	44.30%						
	with considering CER credits	48.41%						

2012	2013	2014	2015	2016	2017	2018	2019	2020
4.13	4.13	4.13	4.13	4.13	4.13	4.13	4.13	4.13
97.41	105.37	115.76	127.18	139.75	153.57	168.78	185.50	203.89
101.54	109.49	119.88	131.31	143.87	157.70	172.90	189.62	208.02
0	0	0	0	0	0	0	0	27.5
8.66	8.66	8.66	8.66	8.66	8.66	8.66	8.66	8.66
278.32	301.05	330.73	363.38	399.28	438.78	482.21	529.99	582.55
13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94
286.98	309.72	339.40	372.04	407.95	447.44	490.88	538.66	618.71
300.92	323.66	353.33	385.98	421.88	461.38	504.82	552.59	632.65
185.44	200.22	219.51	240.73	264.07	289.74	317.98	349.03	410.69
199.38	214.16	233.45	254.67	278.01	303.68	331.92	362.97	424.63