**Note:**

1. Based on Information provided by the company, the total land area awarded to NFCL ad-measures 1040 acre. However, as per details of land provided by the company the actual land area currently available with NFCL admeasures 960.080 Acre only. 960.080 Acre of land includes 177 Acre of land as Core/Main plant area and 783.080 Acre of Mandatory Green area that has to be maintained by NFCL at its own cost. However as per Consent for operation the company has to maintain 789 Acres as greenbelt as a compliance to Consent for operations.
2. We have only received the information for 960.080 Acres. However, the actual land area as awarded to the company ad measures 1040 Acre. No information of usage of land is available for land area ad measuring approx. 80 Acre. Therefore, Value of those land parcels is considered to be 0.
3. Breakup of Land Area ad measuring 960.080 Acre as per Villages is as below:

Village Suryaraopeta: 952.580 Acre

Village Vakalpudi: 7.50 Acre

1. During micro market research, we have analysed the Land rates Matrix in and around Kakinada area within 25 Kms. radius and have found high variation in the land rates based on its specific location. The land rates are ranging from Rs.50 Lakh per acre to Rs.4.5 Crore per acre as per the table below.
2. As per Registration and stamps department, Government of Andhra Pradesh the current prevailing circle rates in Village Suryaraopeta is Rs.4,84,00,000/- per acre and Rs.6,05,00,000/-per acre in village Vakalapudi.
3. We have verbally enquired from APIIC regarding base Land Allotment rate for allotment of approximately 2 Acres of land area in Vakalupudi industrial area. The same has been informed to us at Rs.8,795/- per sq. mtr. (Rs.10,554 per Sq. yd.). However, land will be allotted based on e-Auction procedure only and the final rates may vary as per auction.
4. The land has been awarded to NFCL Under the Land acquisition Act 1984 which is now superseded by The Right to Fair Compensation and Transparency In Land Acquisition, Rehabilitation And Resettlement Act, 2013. According to the agreement between NFCL and the Government of Andhra Pradesh under Section 41 of the Land Acquisition Act, 1894, following are the restrictions imposed over the said land parcels
   1. **Clause 99** which says that "No change from the purpose or related purposes for which the land is originally sought to be acquired shall be allowed. Provided that if the land acquired is rendered unusable for the purpose for which it was acquired due to a fundamental change because of any unforeseen circumstances, then the appropriate government may use such land for any other public purpose"
   2. C**ause 100** which says that "No change of ownership without specific permission from the appropriate Government shall be allowed."
5. Now since we are doing the valuation of an Industrial Plant therefore in the open market the prospective interest buyer will always evaluate the price of the land in the similar area appropriate for setting up such a Plant. If the similar area of land is not available in the subject location then it will evaluate the other similar appropriate location.
6. In this area NFCL and Cormondal Plant have been setup few decades back and since then in and around this area lot of habitation and development has come. At this point of time not much vacant land is available within 4-5 Kms radius.
7. Similar kind of land parcel area is not available in Kakinada. Therefore, this valuation is based on Land rates available in nearby area which has been discounted considering the restrictions imposed by the Government on sale and usage of these land parcels.
8. The main Plant land comprises of 19% of the total Plant land and 81 is in green belt area. Therefore, the market price has been accordingly distributed.
9. Therefore considering the market range, circle rate, land allotment rate and considering the very large size of the land, its restricted usage to only this Plant we are of the opinion to take Rs.2 crore per acre for the main Plant land and xx for green belt area.

**Note:** Project specific comments in regard to these clauses are already mentioned the copies of land agreements provided to us by the company.

