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ENTERPRISE VALUATION REPORT

OF

M/S NANGLOI WATER SERVICES PRIVATE LIMITED

REINFORCING YOUR BUSINESS

REGISTERED AT

WATER TREATMENT PLANT, KAMRUDDIN NAGAR NANGLOI,
SOUTH WEST DELHI, NEW DELHI-110041

REPORT PREPARED FOR

BANK OF INDIA, ARB KOLKATA

- Corporate Valuers
- Business/ Enterprise/ Equity Valuations
- Lender's Independent Engineers (LIE)
- Techno Economic Viability Consultants (TEV)
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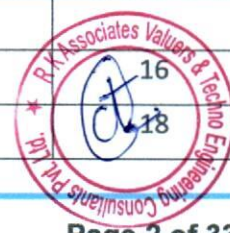
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ENTERPRISE VALUATION REPORT

M/S. NANGLOI WATER SERVICES PRIVATE LIMITED

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PART A

INTRODUCTION

1. ABOUT THE REPORT:

Enterprise Valuation of M/s Nangloi Water Services Private Limited (NWSPL), a Special Purpose Vehicle (SPV) created for water treatment activity and for uninterrupted water supply system in Nangloi area in New Delhi through Public-Private Partnership on Design, Build, Finance, Operate and Transfer (DBFOT) basis.

2. BACKGROUND: Nangloi Water Services Private Limited (NWSPL) is a special purpose vehicle (SPV) established by Veolia Water India Private Limited (51%) and Swach Environment Private Limited (49%) with its incorporation in New Delhi on February 4, 2013, under the Companies Act, 1956.

One of the promoter company, Veolia Water India is a subsidiary of Veolia, a leading global environmental services company headquartered in France. Veolia has been selected by several other Indian cities in Maharashtra and Karnataka to provide uninterrupted water supply to their residents. And other promoter company, Swach Environment is an environmental business entity focusing on water and waste management projects.

Nangloi Water Services (NWS) has been granted a 15-year concession based on a Public-Private Partnership (PPP) model to ensure uninterrupted water supply in the Nangloi area of New Delhi. This concession was awarded by the Delhi Jal Board (DJB), which is an Authority established under the Delhi Water Board Act, 1998. The DJB is responsible for planning, designing, executing, and operating water supply and wastewater management facilities within the jurisdiction of the National Capital Territory of Delhi.

The Concession Agreement between DJB and NWSPL was executed on March 28, 2013. The project's scope includes the rehabilitation and expansion of the water supply system, transmission and distribution network in the command area of the Nangloi Water Treatment Plant, as well as the rehabilitation of the plant itself.

The objective of this project, conceived by DJB, is to enhance service delivery and improve water distribution management by upgrading the Water Supply System and Network. The aim is to significantly reduce non-revenue water (NRW), conserve energy, improve water quality, and enhance revenue collection efficiency in the command area of the Nangloi Water Treatment Plant. The project will be implemented through a Public-Private Partnership on a Design, Build, Finance, Operate, and Transfer (DBFOT) basis. Below table shows the timeline of the company:

S.No.	TIMELINE	DATE
1	Request for Proposal Issued on	17 th July 2012
2	Letter of Award	18 th January, 2013
3	Appointed Date (Concession Signed)	28 th March, 2013
4	Compliance Date	23 rd September, 2013
5	Scheduled Commercial Operation Date	On or before 30 months from Compliance Date
6	Projection Completion	Within 18 Months from SCOD
7	Construction Period	15 Years from Compliance Date

The authority (DJB) has granted multiple extensions to the project completion dates based on requests from NWS. In their extension letter dated November 16, 2021, with reference DJB/EE (Proj)/W-IX/2020-21/1733, DJB extended the project completion timeline to March 31, 2022. However, despite the granted extension, the company has been unable to meet the revised deadline.

As per the documents provided by the client/company, majority of the revenue has gone for debt servicing, the company is not able to fulfill its financial obligations and hence Bank of India, need to take appropriate decision/resolution on this NPA account.

The account is a stressed assets in the books of Bank of India since March, 2023. The account turned NPA due to Delay in Date of Commencement of Commercial Operations (DCCO) and due to lack of adequate working capital with the Company for executing the work.

Hence, Bank of India, ARB Kolkata has appointed R. K Associates to determine the Fair Market Value/Enterprise Value of the Business/Company to take appropriate course of action on this stressed account.

- 3. TYPE OF REPORT:** Enterprise Valuation of M/s Nangloi Water Services Private Limited.
- 4. PURPOSE OF THE REPORT:** To determine the Enterprise Value of the SPV Company to enable the lenders to evaluate the further course of action on this account.
- 5. SCOPE OF THE REPORT:** To estimate & determine current Enterprise Value of the Company based on Income based approach (Discounted Cash Flow method).



- ***This is just the enterprise valuation of the project based on its income generating capacity/ projections in future years. This Valuation shall not be construed as the physical asset valuation or should be directly related to cost approach or Project cost.***
- ***This Valuation only covers the cash flow generated from water treatment plant of the project Company. It does not cover any transaction with the subject company's subsidiary/ associate/ Joint Venture Companies.***
- ***This Enterprise Valuation report doesn't cover vetting of the documents/ financial data/ projections or any other information provided to us by the Bank/company.***
- ***It doesn't contain the principles of physical asset valuation and is not based on the site inspection of the project.***
- ***This exercise is neither an audit activity nor investigative in nature.***
- ***We have relied on the data provided by the Bank and the Company in good faith.***
- ***The Market and Industrial assessment of the given company's industry has not been done at our end. So, this valuation doesn't cover the Market & industrial scenario in terms of the product demand & market potential.***

6. DOCUMENTS / DATA REFERRED:

- Last two year's audited Financial Statements of the company.
- Financial Model
- Concession agreement.
- Details of Outstanding Debt
- Details of Directors and Shareholding Pattern.
- TEV Report



PART B

PROJECT COMPANY

- EXECUTIVE SUMMARY:** The promoter companies incorporated an SPV in the name of M/s Nangloi Water Services Private Limited ("NWSPL"), which was awarded a 15 years contract for uninterrupted water supply system in Nangloi area in New Delhi from Delhi Jal Board (DJB) through Public-Private Partnership on Design, Build, Finance, Operate and Transfer (DBFOT) basis. Below table shows the incorporation details of the company:

Incorporation Details	
Company Name	M/s Nangloi Water Services Private Limited
Corporate Identity Number	U41000DL2013PTC247846
Incorporation Date	4 th February, 2013
Constitution	Private Limited Company/Company limited by Shares
Sector	Water Treatment Plant
Registered / Corporate Office Address	Nangloi Water Treatment Plant, Kamruddin Nagar, Nangloi, New Delhi – 110041
Authorized Share Capital	INR 75,00,00,000/-
Issued, Subscribed and Paid-Up Capital	INR 1,01,00,000/-

Source: <http://www.mca.gov.in/>

Nangloi Water Services Private Limited is a special purpose entity set up to undertake water treatment activity for uninterrupted water supply system in Nangloi area in New Delhi. Capacity of Nangloi WTP is 40 MGD (million gallons per day). The Company only has one 15 year concession project currently i.e., operations and maintenance project from Delhi Jal Board which expires in September 2028.

- DETAIL OF PROMOTERS:** As per information provided by the company/client, below table shows the details of directors/promoters of the company along with their DIN details, Academic background and working experience:

List of Directors of M/s Nangloi Water Services Pvt Ltd

S. No.	Name	DIN	Designation	Begin Date
1.	Mr. Ajay Pradhan	00409153	Director	30 th November, 2021
2	Mr. Sourav Daspatnaik	02147356	Director	1 st June 2017

3	Mr. Sangandahalli Venkata Krishna Babu	02955810	Director	3 rd May 2018
4	Ms. Lucie Teague	08464595	Director	27 th January 2021
5	Mr. Gurpreet Brar	09270205	-	13 th September 2021
6	Mr. Neeraj Narang	ABDPN7188C	CEO	13 th June 2019
7	Mr. Shantanu Mitra	AEUPM6866N	CFO	6 th January 2020

3. **DEBT OF THE COMPANY:** As per information provided by the company/client, total debt of the company as on 31st March, 2023 is as shown below:

S. No.	Borrowing	Amount (In Crores)
	Long Term	
1	Term Loan from Banks	78.58
2	Term Loan from Public Financial Institution	68.29
3	Optionally Convertible Participating Interest-bearing Debentures (Tranche 1 & 2)	165.61
	Short Term	
1	Working Capital from Banks	2.89
2	Other Corporate Loans	3.00
3	Term Loans from Banks	14.35
4	Term loans from Public Financial Institution	37.28
	Total	367.01

4. **CAPITAL STRUCTURE:** As per information available on the MCA website, the company is having an authorized share capital is INR 75.00 Crores and its paid-up capital is INR 1.01 Crore.
5. **SHAREHOLDING PATTERN:** The shareholding pattern of M/s Nangloi Water Services Private Limited as on 31 March, 2023 is provided below:

SHAREHOLDER'S NAME	NO. OF SHARES	NOMINAL VALUE	AMOUNT
Veolia Water India Private Limited	515100	INR 10/- Per Share	5151000
Swach Environment Private Limited	494900	INR 10/- Per Share	4949000
Total	10,10,000	100%	1,01,00,000

6. CURRENT STATUS OF THE PROJECT: As per data/information provided by the client/company, NWSPL currently operates a water treatment plant in the Nangloi district of New Delhi, providing water to over 277,000 households. The company will continue its operations until the agreement with Delhi Jal Board expires in September 2028.

In addition to operating the water treatment plant, NWSPL has been involved in the rehabilitation and expansion of the water supply system, transmission, and distribution network within the command area of the Nangloi Water Treatment Plant.

However, the company has faced financial constraints, which have hindered the completion of the construction and the monetization of the project. To facilitate the project's completion, the company had obtained credit facilities from banks and financial institutions. Unfortunately, due to these constraints, the company has been unable to meet its repayment obligations and discharge its interests. Consequently, the company has proposed a debt restructuring plan to address these challenges.

7. REASON FOR FINANCIAL STRESS: The Company is undergoing financial distress and requires funds for future operations and also for undertaking balance capex as per the agreement entered with Delhi Jal Board. There is a possibility that if the capex is not undertaken, the on-going project from Delhi Jal Board may be cancelled. The major reasons for financial stress in the project are: The project is experiencing financial stress primarily due to the following reasons:

- Delay in acquiring land for new underground reservoirs (UGRs): The project has faced delays in acquiring the necessary land for constructing UGRs, which has impacted the progress of the project.
- Non-availability of approvals and right-of-way (ROW): The project has faced challenges in obtaining various approvals and ROW permissions, further contributing to delays in project execution.
- Insufficient working capital: The company lacks adequate working capital to execute the project effectively. This shortage of funds has hindered the smooth progress of the project.

Additionally, the company faced a liquidity mismatch, as the 70% grant from DJB was received only upon completion of fixed project milestones. This required the company to arrange funds independently to complete the work before seeking reimbursement from DJB, creating a strain on its liquidity.



To fund the project, NWS has availed credit limits from lenders, as mentioned in the earlier section of the report. The repayment schedule of these credit facilities was modified in line with the extensions granted by DJB for the project's Defects Liability Period (DCCO). Repayment of the debt began on December 22, 2021. However, the company has expressed its inability to meet the debt repayment obligations and has proposed a restructuring of the debt facilities.

Due to the aforementioned financial challenges, the company has been facing financial stress. As a result, the company has been classified as a Non-Performing Asset (NPA) since 2023.

Hence Bank of India, ARB Kolkata, has appointed R. K Associates to determine the Fair Market Value/Enterprise Value of the Business/Company to take appropriate course of action on this stressed account.



PART C

ASSESSMENT OF WATER TREATMENT INDUSTRY

- 1. INTRODUCTION:** Water management is a promising subsector in India's environmental technology segment. India's demand for water is projected to be twice as much as the available supply by 2030. To overcome these challenges, public and private sector facilities have ambitious plans to develop comprehensive water treatment and distribution infrastructure.

The demand for fresh water is increasing due to human needs and the expansion of work activities, hence chemical industries are developing new techniques for treating water using water treatment chemicals. Water treatment chemicals are the type of chemicals which are majorly used in the industries for the treatment of the waste water that is generated during the manufacturing process of the finished goods. The rising demand brought on by the increased efficiency of big boilers in industry and the increased usage of water treatment chemicals in oil refining industries.

The India Water Treatment Technology Market size is estimated at USD 1.02 billion in 2024, and is expected to reach USD 1.71 billion by 2029, growing at a CAGR of 10.78% during the forecast period (2024-2029). The Indian water and wastewater treatment (WWT) technology market is partially consolidated, with the major players accounting for a moderate market share. Key players in the market studied include (not in any particular order) Veolia, Suez, Thermax Limited, VA TECH WABAG LIMITED, and DuPont.

- 2. INDUSTRY OVERVIEW:** According to a 2021 report published by the Central Pollution Control Board (CPCB), India's current water treatment capacity stands at 27.3%, while the sewage treatment capacity is 18.6% (with an additional 5.2% capacity being added). Although India's waste and sewage treatment capacity exceeds the global average of approximately 20%, it is still far from sufficient. Failing to swiftly address and expand sewage treatment capacity could have serious consequences.

Government statistics reveal that 62.5% of wastewater in urban India remains untreated or partially treated. A 2019 research report highlighted that a significant number of sewage treatment plants established under the Ganga Action Plan and Yamuna Action Plan are non-functional. Out of the 33,000 million litres per day (MLD) of waste generated, only 7,000 MLD is collected and treated.

The disparity between global water supply and demand is projected to increase to 40% by 2030. Demand already exceeds supply in many areas and water scarcity is impeding economic progress in various regions. The rapid growth of the urban population is unsustainable without

effective city planning and the provision of essential services, particularly clean and affordable water.

In India, it is estimated that by 2050, approximately 1,450 km of water will be required, with around 75% allocated for agriculture, 7% for drinking water, 4% for industry, and 9% for energy generation. However, due to increasing urbanization, the demand for drinking water will surpass rural water requirements.

In the year 2020-21, urban sewage generation reached 72,368 MLD, while the existing sewage treatment capacity was only 31,841 MLD. The operating capacity is 26,869 MLD, significantly lower than the generation load. Only 28% of the total sewage generated, equivalent to 20,236 MLD, undergoes processing, indicating that 72% of wastewater is left untreated and discharged into various water bodies such as rivers, lakes, or underground sources.

3. WATER TREATMENT MARKET DRIVERS:

- Increasing efficiency of large boilers in industries
- Increasing water scarcity and dropping ground water level
- Increasing waste water generation by chemical industries
- Increasing use of water treatment chemicals in oil refining industries

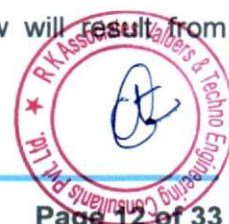
4. WATER TREATMENT MARKET RESTRAINTS/CHALLENGES:

- Use of biocides and some other water treatment chemicals
- Requirement of high-quality chemicals for separation of waste from water

5. RECENT DEVELOPMENT:

In March 2023, WABAG recognized by Water Digest and WABAG has been conferred with the "Best Water Treatment Solution Provider" at the Water Digest Water Awards 2022 – 23. WABAG has been a preferred partner for various governments and industries across the globe for providing innovative and advanced water treatment solutions and thereby ensuring safe and clean drinking water and sustainable sanitation for millions of people

In December 2022, WABAG secures Industrial Waste Water Treatment order in Romania worth about INR 260 Crores (EUR 30 Million) towards upgrading the Industrial Wastewater Treatment Plant ('WWTP') in Romania. The existing plant, located in Victoria, Brasov County, was designed to treat 5,820 m3/day of wastewater generated from resin production. Purolite Victoria WWTP has planned to increase the production and an increased wastewater flow will result from production.



PART D

FINANCIAL PERFORMANCE

As per the audited financial statements provided by the company/client, below table shows the historical performance of the company.

1. HISTORICAL PROFIT & LOSS STATEMENT: (FY 2021-22 to FY 2022-23)

(Figures in INR Crores)

Particulars	Mar-22	Mar-23
Revenue from Operations	57.40	70.91
Total Revenue	57.40	70.91
Growth%		24%
<u>Expenses:</u>		
Employee Benefit Expenses	15.85	13.56
Other Expenses	32.89	39.53
Total Expenses	48.74	53.08
EBITDA	8.65	17.82
<i>Margin (%)</i>	<i>15.1%</i>	<i>25.1%</i>
Less: Depreciation & Amortisation	37.05	35.78
PBIT	-28.40	-17.95
Less: Finance Costs	48.31	55.05
Add/Less: Other Income/Expenses	3.71	0.10
PBT	-73.01	-72.91
<i>Margin (%)</i>	<i>-127.2%</i>	<i>-102.8%</i>
<u>Less: Taxes</u>	-	-
PAT	-73.01	-72.91
<i>Margin (%)</i>	<i>-127.2%</i>	<i>-102.8%</i>

Notes:

- As per the historical analysis, it is observed that EBITDA Margin of the company positive and increased from 15.1% in FY 2022 to 25.1% in FY 2023.
- Net Profit Margin were negative throughout FY 2022 to FY 2023 due to the higher financing costs.
- Revenues of the company were constantly increasing in most of the past recent years historically



2. PROJECTED PROFIT & LOSS STATEMENT (From FY 2023-24 to FY 2028-29): Based on the data/ information/ inputs provided by the Bank/ company, As per shared concession agreement with Delhi Jal Board the financial projections of the company have been estimated as follows:

(Figures in INR Crores)

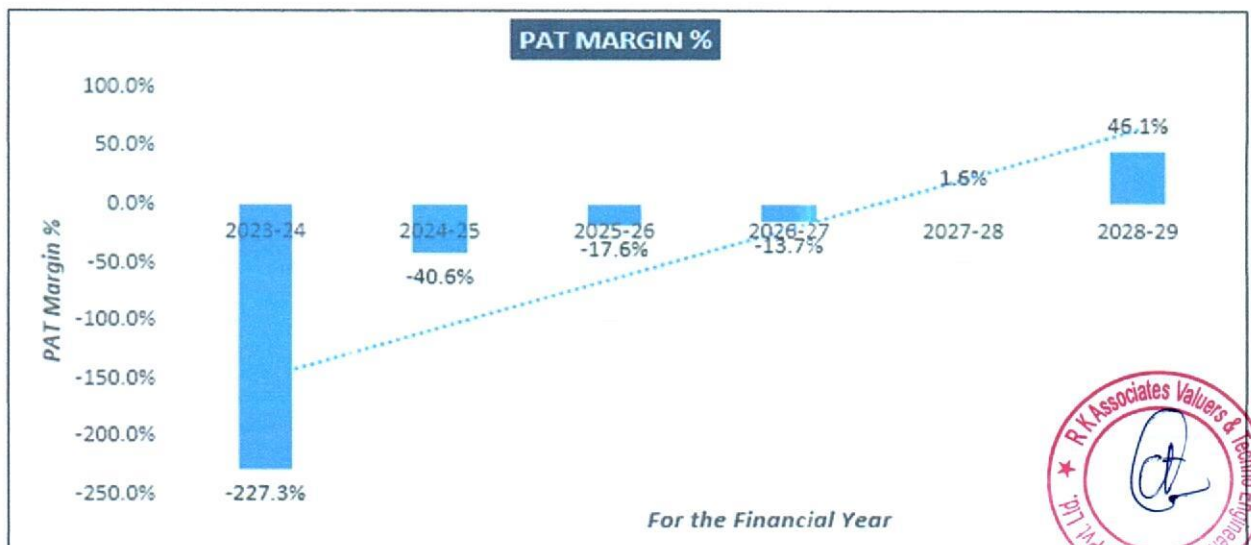
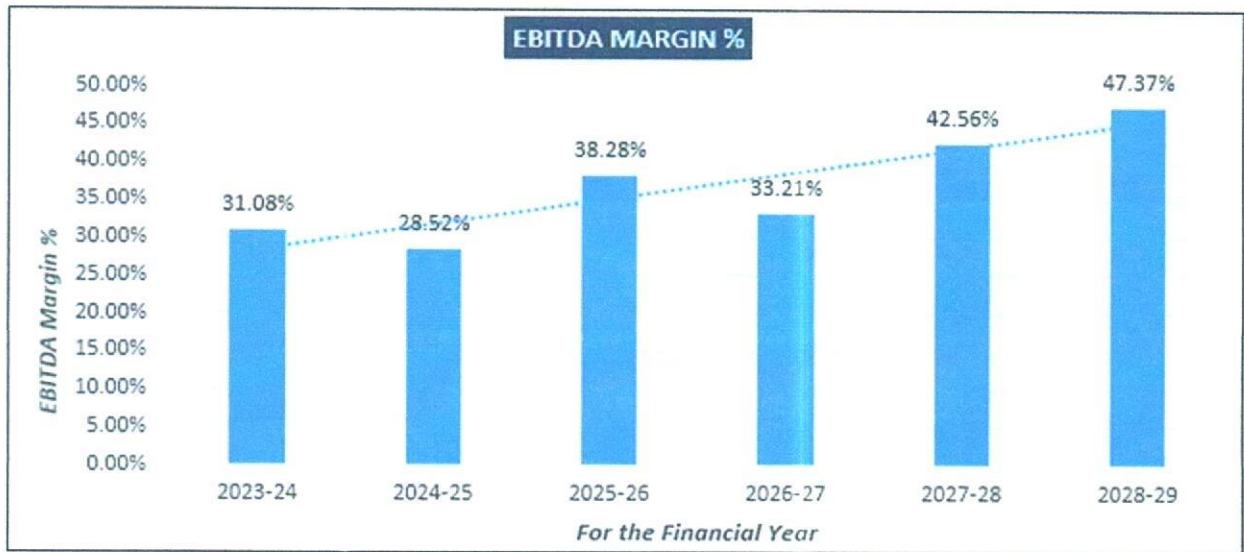
Particulars	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Billings	20.37	79.47	98.15	111.60	120.84	64.35
GST Claim from DJB-NOR	0.41	1.59	1.96	2.23	2.42	1.29
Power Incentive	0.12	0.48	0.48	0.48	0.48	0.24
New HSC Revenue Post Capex	2.73	5.37	2.69	2.69	2.69	1.34
Total Revenue	23.63	86.91	103.28	117.00	126.42	67.22
Operation Costs	6.53	27.57	29.69	42.10	34.72	15.51
Operations Staff costs - Local Staff	6.00	25.21	26.46	27.78	29.16	15.31
New HSC Cost Post Capex	2.73	5.37	2.69	2.69	2.69	1.34
KPI Deductions	1.02	3.97	4.91	5.58	6.04	3.22
Total Expense	16.29	62.12	63.75	78.14	72.61	35.37
PBDIT/EBITDA	7.34	24.79	39.53	38.86	53.81	31.84
Depreciation	45.50	45.50	45.50	45.50	46.04	-
Interest on Loan	15.55	14.54	12.23	9.42	5.80	0.88
PBT/EBT	(53.70)	(35.25)	(18.20)	(16.06)	1.97	30.96
Provision for Tax	-	-	-	-	-	-
PAT/Net Profit	(53.70)	(35.25)	(18.20)	(16.06)	1.97	30.96

3. KEY FINANCIAL RATIOS:

Particulars	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
EBITDA MARGIN %	31.08%	28.52%	38.28%	33.21%	42.56%	47.37%
EBIT MARGIN %	-161.5%	-23.8%	-5.8%	-5.7%	6.1%	47.4%
PAT MARGIN %	-227.3%	-40.6%	-17.6%	-13.7%	1.6%	46.1%
Revenue Growth Rate %		267.8%	18.8%	13.3%	8.1%	-46.8%



4. GRAPHICAL REPRESENTATION OF THE PROJECTED KEY RATIOS OF THE COMPANY:



PART E

VALUATION OF THE COMPANY

1. METHODOLOGY/ MODEL ADOPTED: Out of the various models & theories available, we have adopted the most widely used & acceptable approach to calculate the Enterprise Value of the Company, which is, Income based approach (Discounted Cash Flow Model).

- a) The free cash flow method is similar to the method used for public companies.
- b) FCFF is more practical when substantial capital changes are expected because weighted average cost of capital (WACC) is less sensitive to the cost of equity.
- c) In this method, we calculate the free cash flow to firm (FCFF) for the projected period.
- d) Finally, we calculate the present value of future cash flows by using a required rate of return based on the riskiness of the project, which we determine by using the Weighted Average Cost of Capital (WACC).

RATIONALE FOR USING DCF METHOD FOR ENTERPRISE VALUATION:

- a) The three broadly used approaches of the company/Business Valuations are – Income based approach (Discounted Cash Flow Model), Asset Based Approach (Net Asset Value Method) and Relative Valuation Approach (Market Multiple method).
- b) Asset Based Model is inappropriate as the Company is a going concern and the model is unable to capture the Fair Value of the company.
- c) Considering the limited life of the project and project characteristics not being comparable to other projects/companies in terms of number of operational projects, period of concession, location, etc., typically market approach-based methods like CCM or CTM are not used for valuing this project.
- d) Instead, DCF method is used which determines the value of a business based on its ability to generate desired economic benefit/ cash flows for the owners. Thus, considering the nature of business, we have used DCF method for valuing the Company.
- e) The DCF Model gives us a variety of input options to use while calculating the Value of the firm - Dividend, Free Cash Flow to the Firm, Free Cash Flow to Equity, Capitalized Cash Flows and Residual Earnings.



- f) Dividends cannot be used as the Company has no history of paying dividends and we don't foresee any dividend payments to occur in the future due to the high leverage of the firm.
- g) The best method input option for the PV Model in the case of M/s Nangloi Water Services Private Limited will be FCFF as it represents the benefits accruable to all the stakeholders in the Business enterprise.

FCFF Model Formula and Key Inputs:

$$\text{Firm value} = \sum_{t=1}^n \frac{\text{FCFF}_t}{(1 + \text{WACC})^t}$$

• Free Cash Flow to Firm (FCFF):

FCFF is the cash available to pay investors after a company pays its costs of doing business, invests in short-term assets like inventory, and invests in assets like property, plants and equipment.

FCFF = Net Income + Non-Cash Charges + Interest (1 - tax rate) – Working Capital Investment – Fixed Capital Investment.

• Weighted Average Cost of Capital (WACC):

The weighted average cost of capital (WACC) is the rate that a company is expected to pay on average to all its security holders to finance its assets. The WACC is commonly referred to as the firm's cost of capital. WACC is used as the discount rate to discount FCFF.

$$\text{WACC} = \frac{D}{D + E} K_d + \frac{E}{D + E} K_e$$

Where D is the total debt, E is the shareholders equity and K_d and K_e are the cost of debt and cost of equity, respectively.

2. CALCULATION OF FREE CASH FLOW TO FIRM:

(Figures in INR Crores)

Particular	31-03-2024	31-03-2025	31-03-2026	31-03-2027	31-03-2028	31-03-2029
Number of Months	3	12	12	12	12	6

EBITDA	7.34	24.79	39.53	38.86	53.81	31.84
Dep & Amortization	45.50	45.50	45.50	45.50	46.04	0.00
EBIT	-38.16	-20.71	-5.97	-6.64	7.77	31.84
Tax Rate	0.00%	0.00%	0.00%	0.00%	25.17%	25.17%
(1-t)	100.00%	100.00%	100.00%	100.00%	74.83%	74.83%
NOPAT = EBIT*(1-T)	-38.16	-20.71	-5.97	-6.64	5.81	23.83
+ Dep & Amortization	45.50	45.50	45.50	45.50	46.04	0.00
(+/-) WCC	0.00	0.00	0.00	0.00	0.00	0.00
- CAPEX	-6.85	-85.63	0.00	0.00	0.00	0.00
FCFF	0.49	-60.84	39.53	38.86	51.85	23.83

3. CALCULATION OF ENTERPRISE VALUE:

Particular	31-03-2024	31-03-2025	31-03-2026	31-03-2027	31-03-2028	31-03-2029
FCFF	0.49	-60.84	39.53	38.86	51.85	23.83
Discount Period	0.25	1.25	2.25	3.25	4.25	4.75
Discount Factor	0.97	0.86	0.76	0.67	0.59	0.56
WACC	13.09%					
PV of FCFF	0.48	-52.17	29.97	26.05	30.74	13.28
Enterprise Value	INR 48.36 Crore					

ENTERPRISE VALUE OF THE COMPANY	
Enterprise Value	INR 48.36 Crore
Non-Current Investment	3.52
+ Available CASH & bank BALANCE	17.03
Adjusted EV	INR 68.91 Crore

ENTERPRISE/BUSINESS VALUE OF M/S NANGLOI WATER SERVICES
(INR SIXTY EIGHT CRORE NINTY LAKHS) INR 68.91 CRORES

Note:

- The Company is undergoing financial distress and requires funds for future operations and also for undertaking balance capex as per the agreement entered with Delhi Jal Board. There is a possibility that if the capex is not undertaken, the on-going project from Delhi Jal Board may be cancelled.
- Promoters have already infused more equity / loans than was envisaged initially. However Promoters are going to bring in the necessary funds in the form of equity / loans of a

combination thereof to meet the net funding requirement for the balance capex plan subject to satisfactory resolution of debt as mentioned.

- There is a debt of ~INR 201 Crore as on valuation date from banks/financial institutions in the Company which the promoters are in discussion for a resolution for which the valuation exercise is being conducted.
- Post incurring capex over a period up to Mar-25, the Company expects improvement in cash flows on account to additional consumers, increased usage per connection and collection efficiency which are reflected in the estimates provided to you.
- The intangible asset amounting to ~INR 191 crores as on 31 March 2023 appearing on the balance sheet of the Company is the Concession Rights which is being amortized over the period of the concession. It does not represent any real asset as all these represented would belong to Delhi Jal Board post the concession term.
- As the Company consists of only one project with less than 5 year remaining life of concession, it does not have a comparable peer and currently the net worth of the company is also completely eroded.
- As per informed by client/company, There aren't any contingent liability or litigations except those listed below, which will have a material impact and needs to be factored for the instant exercise: There is ongoing litigation with SREI and BOI for NCLT matter & BG of 33 crs given to DJB is a contingent liability.
- *This is only a general assessment of the current value of the Enterprise/Business based on the data/ input that the Bank/Client/Company could provide to us against our questions/ queries using the appropriate method with respect to the present scenario. In no manner this should be regarded as an audit activity/ report and NO micro analysis or detailed or forensic audit/ scrutiny of the financial transactions or accounts of any kind has been carried out at our end.*

4. SENSITIVITY ANALYSIS:

Scenario	Discount Rate	Enterprise Value (in INR Crores)
Bull Case	12.09%	71.45
Present Case	13.09%	68.91
Bear Case	14.09%	66.48

NOTE: The discount rate change measures the sensitivity of Firm Value to a (+/-) 1% change

- 5. ASSUMPTIONS FOR FINANCIAL PROJECTIONS:** Assumptions in the Valuation assessment have been taken based on data/ information/ documents shared by the Company/ Bank, Project Cost Figures, Operating History of the Project. Assumptions have been considered after thoroughly reviewing their feasibility.

A. PROJECTION PERIOD DATES: Key dates and projection period details are as follows:

S. No.	TIMELINE	DATE
1	Request for Proposal Issued on	17 th July 2012
2	Letter of Award	18 th January, 2013
3	Appointed Date (Concession Signed)	28 th March, 2013
4	Compliance Date	23 rd September, 2013
5	Scheduled Commercial Operation Date	On or before 30 months from Compliance Date
6	Projection Completion	Within 18 Months from SCOD
7	Concession Period	15 Years from Compliance Date
8	Concession Period End Date	September, 2028

Thus as per the concession agreement the projection has been prepared from FY 2023-24 to FY 2028-29. 2. The Company only has one 15 year concession project currently i.e., operations and maintenance project from Delhi Jal Board which expires in September 2028.

B. REVENUE PROJECTION:

Particulars	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Billings	20.37	79.47	98.15	111.60	120.84	64.35
GST Claim from DJB-NOR	0.41	1.59	1.96	2.23	2.42	1.29
Power Incentive	0.12	0.48	0.48	0.48	0.48	0.24
New HSC Revenue Post Capex	2.73	5.37	2.69	2.69	2.69	1.34
Total Revenue	23.63	86.91	103.28	117.00	126.42	67.22

Particulars	Unit	Key Inputs
Total billed connection	No	2,81,093.50
Usage	KL/Day	0.40
Volume Billed	KL/Day	1,13,237.00
Actual Collection Efficiency	%	80.00
No of days in the month	Days	31.00
NOR Volume for the month	KL	28,08,277.60
NOR y-o-y inflation		5%
NOR Rate NWS	Rs	22.07
NOR Rate DJB	Rs	22.36

Note:

- Nangloi Water Services Private Limited is a special purpose entity set up to undertake water treatment activity for uninterrupted water supply system in Nangloi area in New Delhi. Capacity of Nangloi WTP is 40 MGD (million gallons per day). Currently the Company is supplying water to over 2, 77,000 households in the Nangloi area of New Delhi.
- Standard Operator rate are decided as per Clause No. 14.1, according to that with effect from bid due date, on 1st April of each financial year the operator shall be entitled for an automatic annual revision of NOR to reflect the variation in the Wholesale Price Index and Consumer Price Index in the previous financial year.
- Thus, NOR Rates NWS as INR 22.07 (Nov Month's Invoice) has been considered based on the current invoice shared by the client/company and historical trends. Escalation rate of 5% has been considered in NOR Rate NWS Y-o-Y basis. Actual collection efficiency has been take as 80% in the line with historical trends.

C. EXPENSES:

Particulars	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Operation Costs	6.53	27.57	29.69	42.10	34.72	15.51
Operations Staff costs - Local Staff	6.00	25.21	26.46	27.78	29.16	15.31
New HSC Cost Post Capex	2.73	5.37	2.69	2.69	2.69	1.34
KPI Deductions	1.02	3.97	4.91	5.58	6.04	3.22
Operations Staff Costs	-	-	-	-	-	-
Total Expense	16.29	62.12	63.75	78.14	72.61	35.37

- Operating Cost includes expenses towards G&A (General and Administrative), Accounts related, IT, O&M and contingencies towards operations and works. Major expenses is towards O&M which includes Cost towards network replacement, Repairs & Maintenance, Chemical purchase and hiring of Water Tankers. Company has considered 6% of annual revenue towards Contingencies
- 5% of total revenue has been considered towards penalty towards non-meeting of Key performance indicator. The KPI are defined as per schedule 13 of the Concession Agreement.

- As per analysis of operational cost trends, we found that there is a variation in the operating cost of the company in the year FY 2021-22 & FY 2026-27 due to the two components as Hiring tanker cost and Meter replacement cost.
- As per informed by client/company, Since Tanker hire requirement will vary based on the projected tanker requirement and during Covid waves in 2020 & 2021, fewer tankers, JCBs were hired. And thus the total operating cost were at lower as INR 23.97 Crore during FY 2021-22 in comparison with previous years. Construction cost and other expenses also reduced during this period.
- Company will be incurring meter replace cost during FY 2026-27 as per the terms of concession agreement, and thus the operational cost will be higher than the trends as INR 42.10 Crore and INR 34.72 Crore during FY 2027-28.
- In the projected period, operating cost to revenue ratio has decreased in comparison to historical trend. It is because of the reason since SCADA installation is assumed to be completed up to March 2025, which will increase the operational efficiency in the system by stopping water/water pipes theft. Also fixed expenses of the Project will be optimally utilized with the increased number of connections in the projected years.
- Thus there is a reasonable variation occurrences found in the operating cost with respect to revenue during the historical as well as projected period.

D. TAXATION: Corporate tax rate 25.17%.

E. CAPITAL EXPENDITURE: Net Capex less grant plus payables comes to 92.48 Crore as shown in the below table:

Cost	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
Execution Distribution	-	0.51	0.47	1.10	2.03	3.26	3.73	4.14	4.20	3.08	3.44	2.97	2.84	0.89	1.19
Supply Distribution	-	-	1.89	6.96	12.28	9.48	9.76	6.73	5.50	1.37	1.36	1.37	1.17	1.18	0.93
WTP	-	-	-	-	1.37	1.21	2.46	2.22	-	-	-	-	-	-	-
Existing UGR	-	-	0.36	2.29	1.30	0.76	2.09	-	-	-	-	-	-	-	-

New UGRs	-	1.2 5	1.0 3	0.9 5	1.3 8	2.5 7	2.9 0	1.7 4	-	-	-	-	-	-	-
Automation	-	-	-	-	1.2 0	3.8 2	-	-	-	-	-	-	-	-	-
Total	-	1.7 5	3.7 5	11. 29	19. 57	21. 09	20. 93	14. 83	9.6 9	4.4 5	4.7 9	4.3 3	4.0 1	2.0 7	2.1 2
Total Grant from DJB	-	-	1.0 0	12. 00	-	7.0 0	9.0 0	8.8 1	5.0 0	4.0 0	3.0 0	3.0 0	3.0 0	3.0 0	1.6 2
Payable	28. 23		2.3 5	2.3 5	2.3 5	2.3 5	2.3 5	2.3 5	2.3 5	2.3 5	2.3 5	2.3 5	2.3 5	2.3 5	-
Net Capex	-	1.7 5	5.1 0	1.6 5	21. 92	16. 44	14. 29	8.3 7	7.0 5	2.8 0	4.1 5	3.6 9	3.3 7	1.4 2	0.5 0

Additional funds required to undertake the pending capex is around ~INR 141 crores comprising of (a) ~INR 113 cr related to distribution network, water treatment plant, underground reservoirs and automation (b) ~INR 28 cr of net payables which is spread over a period upto Mar-25. A cost escalation of 10% can be assumed and ~70% of original BOQ cost shall be borne by Delhi Jal Board as per the agreement entered.

F. DISCOUNT RATE/ADJUSTED WACC:

Weighted Average Cost Of Capital (WACC)	
Weight Of Debt (Wd)	99.73%
Post-tax Cost Of Debt (Kd)	10.06%
Weight of Equity (We)	0.27%
Cost of Equity (Ke)	18.89%
WACC	10.09%

Capital Structure	INR Crore
Total Debt	370.5003
Total Equity	1.01
Debt + Equity	371.5103
Wd	99.73%
We	0.27%

Total Debt has been taken as INR 370.50 Crore as per information available in the latest audited financial statement. Long term borrowing & lease liabilities and Short term borrowings & lease liabilities as on 31st March 2023, has been included to calculate the Total Debt.

Cost Of Debt (Kd)	
Cost of Debt	13.45%
Effective Tax Rate (t)	25.17%



(1-t)	74.83%
Post-tax Cost of Debt	10.06%

Cost of Debt is taken as 13.45% as per information available in audited financial statement as on 31st March 2023.

Cost Of Equity (Ke)	CAPM
Risk-free Rate (Rf)	7.22%
Beta	1.50
Market Return (Rm)	15.00%
Market Risk Premium(Rm-Rf)	7.78%
Cost of Equity (Ke)	18.89%


Cost of Equity has been calculated by using Capital Assets Pricing Model (CAPM). 10-year govt. bond rate as on 3rd Jan 2024 has been considered as Risk free rate. (Ref: <https://in.investing.com/rates-bonds/india-10-year-bond-yield-historical-data>). Since the company is not having a comparable peer and currently the net worth of the company is also completely eroded, Beta is considered as 1.5 (as a proxy) as per the riskiness of the company with respect to stock market movement. Nifty 50 Returns (CAGR) in the Last 20 Years (15%) been considered as market Return. (Ref: <https://kunaldesai.blog/nifty-returns/>).

Discount Rate	
Company Risk Premium	3.00%
WACC	10.09%
Discount Rate	13.09%

The Company is undergoing financial distress and requires funds for future operations and also for undertaking balance capex as per the agreement entered with Delhi Jal Board. There is a possibility that if the capex is not undertaken, the on-going project from Delhi Jal Board may be cancelled. Also, there is ongoing litigation with SREI and BOI for NCLT matter & BG of 33 crs given to DJB is a contingent liability. Thus, to calculate the appropriate discount rate a company risk premium of 3% has been added in the WACC to determine the applicable discount rate for the purpose of valuation.

Hence, as a base case, the calculated Fair Market Value/Enterprise Value of M/s Nangloi Water Services Private Limited is INR 68.91 Crores, subject to the current micro & macro-economic assumptions, market, industry trends and inputs used during the forecasted period, market multiple and peers company used to compare the company, as well as the WACC used to calculate the EV.



Declaration	i. Since this is Enterprise Valuation hence no site inspection was carried out by us.
	ii. The undersigned does not have any direct/indirect interest in the above property.
	iii. The information furnished herein is true and correct to the best of our knowledge.
	iv. This valuation work is carried out by our Financial Analyst team on the request from Bank of India, ARB Kolkata.
	v. We have submitted Valuation report to the Client.
Name & Address of Valuer company	Signature of the authorized person
M/s R.K. Associates Valuers & Techno Engineering Consultants Pvt. Ltd. D-39, Second Floor, Sector-2, Noida, UP-201301 India	
Number of Pages in the Report	
Financial Analyst Team worked on the report	PREPARED BY: Chhavi Toshani
	REVIEWED BY: Mr. Gaurav Kumar

For R.K Associates Valuers & Techno
Engineering Consultants (P) Ltd.

Place: Noida

Date: 4th January 2024

(Authorized Signatory)
Valuations


PART F

IMPORTANT DEFINITION

Definitions:

- **Enterprise Value:** Enterprise value (EV) is the corporate valuation of a company, determined by using market capitalization and total debt. Market cap comprises preference stocks, common stocks, and minority interest; total debt comprises short-term and long-term liabilities of the company. Enterprise value (EV) refers to the overall valuation—equity, debt, cash, and cash equivalents. In other words, it is the cost of acquiring a firm. The EV/EBITDA is an enterprise multiple. It correlates EV with earnings before interest, taxes, depreciation, and amortization. The metric determines whether the firm is undervalued or overvalued.

EV is computed using the following formula: $EV = (\text{Market Capitalization} + \text{Market Value of Debt} - \text{Cash and Equivalents})$.

- **Fair Market Value** suggested by the competent Valuer is that prospective estimated amount in his expert & prudent opinion of the subject asset without any prejudice after he has carefully & exhaustively evaluated the facts & information came in front of him related to the subject asset at which the subject asset should be exchanged between a willing buyer and willing seller at an arm's length transaction in an open & unrestricted market, after proper marketing, wherein the parties, each acted knowledgeably, prudently and without any compulsion on the date of the Valuation.

Forced, under compulsion & constraint, obligatory sales transactions data doesn't indicate the Fair Market Value.

- **Realizable Value** is the minimum prospective estimated value of the Company which it may be able to realize at the time of actual transaction factoring in the potential prospects of deep negotiations carried out between the buyer & seller for ultimately finalizing the transaction across the table. Realizable value may be 10-20% less than the Fair Market Value depending on the various salability prospects of the subject asset and the needs of the buyer & the seller.
- **Forced/ Distress Sale Value** is the value when the company has to be sold due to any compulsion or constraint like financial encumbrances, dispute, as a part of a recovery process, legal issues or any such condition or situation. In this type of sale, minimum fetch value is assessed which can be 15-25% less than the estimated Fair Market Value. In this type of sale, negotiation power of the buyer is always more than the seller and eagerness & pressure of selling

the asset is more than buying it. Therefore, the Forced/ Distress Sale Value will always fetch significantly less value compare to the estimated Fair Market Value.

- **Liquidation Value** is the amount that would be realized when an asset or group of assets are sold on a piecemeal basis that is without consideration of benefits (or detriments) associated with a going-concern business. Liquidation value can be either in an orderly transaction with a typical marketing period or in a forced transaction with a shortened marketing period.
- **Difference between Costs, Price & Value:** Generally, these words are used and understood synonymously. However, in reality each of these has a completely different meaning, premise and also have different definitions in the professional & legal terms. Therefore, to avoid confusion, it is our professional responsibility to describe the definitions of these words to avoid ambiguity & confusion in the minds of the user of this report.
- The **Cost** of an asset represents the actual amount spend in the construction/ actual creation of the asset.
- The **Price** is the amount paid for the procurement of the same asset.
- The **Value** is defined as the present worth of future rights in the asset and depends to a great extent on combination of various factors such as demand and supply, market situation, purpose, situation & needs of the buyer & seller, salability outlook, usability factor, market perception & reputation. Needs of the buyer & seller, salability outlook, usability factor, market perception & reputation.
- Therefore, in actual for the same asset, cost, price & value remain different since these terms have different usage & meaning.



PART G

DISCLAIMER | REMARKS

1. No employee or member of R.K Associates has any direct/ indirect interest in the Project.
2. This is just an opinion report on Valuation based on the copy of the documents/ information provided to us by the client which has been relied upon in good faith and the assessment and assumptions done by us.
3. This report is prepared based on the copies of the documents/ information which the Bank/ Company has provided to us out of the standard checklist of documents sought from them and further based on our assumptions and limiting conditions. The client/owner and its management/representatives warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. All such information provided to us has been relied upon in good faith and we have assumed that it is true and correct in all respect. I/We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or wilful default on part of the owner, company, its directors, employee, representative or agents. Verification or cross checking of the documents provided to us from the originals or from any Govt. departments/ Record of Registrar has not been done at our end since this is beyond the scope of our work. If at any time in future, it is found or came to our knowledge that misrepresentation of facts or incomplete or distorted information has been provided to us then this report shall automatically become null & void.
4. This Valuation is prepared based on the current financial status of the company, financial data, other facts & information provided by the client in writing & during verbal discussion during the course of the assignment and based on certain assumptions which are specifically mentioned in the Valuation section of the Report.
5. Key assumptions in the report are taken based on data, information, inputs, financial statements etc. provided by the client to us during the course of the assessment and on the basis of the assessment done by us and we have assumed that all such information is true & factual to the best of the knowledge of the promoter company.
6. Sale transaction method of the asset is assumed as free market transaction while assessing Prospective Fair Market Value of the asset.
7. Legal aspects for e.g., investigation of title, ownership rights, lien, charge, mortgage, lease, sanctioned maps, verification of documents, etc. have not been done at our end and same has to be taken care by legal expert/ Advocate. It is assumed that the concerned Lender/ Financial Institution has satisfied them with the authenticity of the documents, information given to us and

for which the legal verification has been already taken and cleared by the competent Advocate before requesting for this report. I/ We assume no responsibility for the legal matters including, but not limited to, legal or title concerns.

8. All observations mentioned in the report is only based on the visual observation and the documents/ data/ information provided by the client. No mechanical/ technical tests, measurements or any design review have been performed or carried out from our side during Project assessment.
9. Bank/FII should ONLY take this report as an Advisory document from the Financial/ Chartered Engineering firm and its specifically advised to the creditor to cross verify the original documents for the facts mentioned in the report which can be availed from the borrowing company directly.
10. In case of any default in loans or the credit facility extended to the borrowing company, R.K Associates shall not be held responsible for whatsoever reason may be and any request for seeking any explanation from the employee/s of R.K Associates will not be entertained at any instance or situation.
11. We have relied on data from third party, external sources & information available on public domain also to conclude this report. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context, however still we can't vouch its authenticity, correctness or accuracy.
12. This Report is prepared by our competent technical team which includes financial experts & analysts. This report is a general analysis of the project based on the scope mentioned in the report. This is not an Audit report, Design document, DPR or Techno feasibility study. All the information gathered is based on the facts seen on the site during survey, verbal discussion & documentary evidence provided by the client and is believed that information given by the company is true best of their knowledge.
13. Value varies with the Purpose/ Date/ Condition of the market. This report should not to be referred if any of these points are different from the one mentioned aforesaid in the Report.
14. Analysis and conclusions adopted in the report are limited to the reported assumptions, conditions and information came to our knowledge during the course of the work.
15. This report is having limited scope as per its fields to provide only the general indication of the Value of Equity of the companies prevailing in the market based on the documents/ data/

information/ financial statements provided by the client and the assessment and assumption taken by us. The suggested value should be considered only if transaction is happened as free market transaction.

16. Secondary/ Tertiary costs related to transaction like Stamp Duty, Registration charges, Brokerage, etc. pertaining to the sale/ purchase of the company are not considered while assessing the Market Value.
17. Appropriate methodology & assumptions are rationally adopted based on the facts of the case came to our knowledge during the course of the assignment considering many factors like nature of Industry, current market situation and trends.
18. Valuation is a subjective field and opinion may differ from consultant to consultant. To check the right opinion, it is important to evaluate the methodology adopted and various factors/ basis considered during the course of assessment before reaching to any conclusion.
19. At the outset, it is to be noted that Value analysis cannot be regarded as an exact science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. Given the same set of facts and using the same assumptions, expert opinions may differ due to the number of different factors, which have to be made. Therefore, there can be no standard formulae to establish an indisputable exchange ratio. In the event of a transaction, the actual transaction value achieved may be higher or lower than our indicative analysis of value depending upon the circumstances of the transaction. The knowledge, negotiability and motivations of the buyers and sellers and the applicability of a discount or premium for control will also affect actual price achieved. Accordingly, our indicative analysis of value will not necessarily be the price at which any agreement proceeds. The final transaction price is something on which the parties themselves have to agree. However, our Valuation analysis can definitely help the stakeholders to make them informed and wise decision about the Value of the asset and can help in facilitating the arm's length transaction.
20. This report is prepared on the Enterprise Valuation format as per the client requirement. This report is having limited scope as per its fields to provide only the indicative Fair value of the company based on the current financial position, future prospects & current Industry trends. The Valuation assessed in this Valuation Report should hold well only if transaction is happened as per free market transaction. No detailed analysis or verification of the information is carried upon pertaining to the value of the shares of the subject companies. No claim for any extra information will be entertained whatsoever be the reason. For any extra work over and above the fields mentioned in the report will have an extra cost which has to be borne by the customer.



21. As per the scope of the report no site survey has been carried out by us and no thorough vetting of the documents/ information provided to us has been done at our end.
22. This is just an opinion report and doesn't hold any binding on anyone. It is requested from the concerned stakeholder which is using this report that they should consider all the different associated relevant & related factors also before taking any business decision based on the content of this report.
23. Though adequate care has been taken while preparing this report as per its scope, but still, we can't rule out typing, human errors, over sightedness of any information or any other mistakes. Therefore, the concerned organization is advised to satisfy themselves that the report is complete & satisfactory in all respect. Intimation regarding any discrepancy shall be brought into our notice immediately. If no intimation is received within 15 (Fifteen) days in writing from the date of issuance of the report, to rectify these timely, then it shall be considered that the report is complete in all respect and has been accepted by the client up to their satisfaction & use and further to which R.K Associates shall not be held responsible in any manner.
24. This Valuation report is prepared based on the facts of the companies provided to us during the course of the assignment. However, in future the assumptions taken may change or may go worse due to impact of Govt. policies or effect of World economy, Industry/ market scenario may change, etc. Hence before taking any business decision the user of this report should take into consideration all such future risk.
25. The documents, information, data provided to us during the course of this assessment by the client is reviewed only up to the extent required in relation to the scope of the work. No document has been reviewed beyond the scope of the work.
26. In case of any default in repayment of credit facility extended to the borrowing company, as estimated by us, R.K Associates shall not be held responsible for whatsoever reason may be and any request for seeking any explanation from the employee/s of R.K Associates will not be entertained at any instance or situation.
27. This report only contains general assessment & opinion as per the scope of work evaluated and based on technical & market information which came to knowledge during course of the assignment as per the information given in the copy of documents, information, data provided to us and/ and confirmed by the owner/ owner representative to us at site which has been relied upon in good faith. It doesn't contain any other recommendations of any sort including but not limited to express of any opinion on the suitability or otherwise of entering into any transaction with the borrower.



28. This Valuation is conducted based on the macro analysis of the asset/ property and operations of the companies and not based on the micro, component or item wise analysis. Analysis done is a general assessment and is not investigative in nature.
29. This report is prepared following our Standard Operating Procedures & Best Practices, Limitations, Conditions, Remarks, Important Notes, Valuation TOR.
30. Valuation is done based on the industry wide general accepted norms and based on the international standards & best practices for equity valuations.
31. Any kind of unpaid statutory, utilities, lease, interest or any other pecuniary dues on the asset has not been factored in the Valuation.
32. All Pages of the report including annexures are signed and stamped from our office. In case any paper in the report is without stamp & signature then this should not be considered a valid paper issued from this office.
33. Defect Liability Period is 15 DAYS. We request the concerned authorized reader of this report to check the contents, data and calculations in the report within this period and intimate us in writing if any corrections are required or in case of any other concern with the contents or opinion mentioned in the report. Corrections only related to typographical, calculation, spelling mistakes, incorrect data/ figures/ statement will be entertained within the defect liability period. Any new changes for any additional information in already approved report will be regarded as additional work for which additional fees may be charged. No request for any illegitimate change in regard to any facts & figures will be entertained.
34. R.K Associates encourages its customers to give feedback or inform concerns over its services through proper channel at valuers@rkassociates.org in writing within 15 days of report delivery. After this period no concern/ complaint/ proceedings in connection with the Financial Feasibility Study Services will be entertained due to possible change in situation and condition of the subject Project.
35. Our Data retention policy is of ONE YEAR. After this period, we remove all the concerned records related to the assignment from our repository. No clarification or query can be answered after this period due to unavailability of the data.
36. This Enterprise Valuation report is governed by our (1) Internal Policies, Processes & Standard Operating Procedures, (2) R.K Associates Quality Policy, (3) Valuation & Survey Best Practices Guidelines formulated by management of R.K Associates, (4) Information input given to us by the customer and (4) Information/ Data/ Facts given to us by our field/ office technical team. Management of R.K Associates never gives acceptance to any unethical or unprofessional



practice which may affect fair, correct & impartial assessment and which is against any prevailing law. In case of any indication of any negligence, default, incorrect, misleading, misrepresentation or distortion of facts in the report then it is the responsibility of the user of this report to immediately or at least within the defect liability period bring all such act into notice of R.K Associates management so that corrective measures can be taken instantly.

37. R.K Associates never releases any report doing alterations or modifications from pen. In case any information/ figure of this report is found altered with pen then this report will automatically become null & void.
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