

**REPORT FORMAT: V-L2 (Large with P&M - General) | Version: 12.0 Nov 2022**

**CASE NO.VIS (2024-25)-PL030-030-038**

**Dated: 17.06.2024**

# FIXED ASSETS VALUATION REPORT

OF

NATURE OF ASSETS	LAND & BUILDING, PLANT & MACHINERY & OTHER MISCELLANEOUS FIXED ASSET
CATEGORY OF ASSETS	INDUSTRIAL
TYPE OF ASSETS	HYDRO ELECTRIC POWER PROJECT

SITUATED AT

M/S. SHIGA ENERGY PVT. LTD., TASHIDING, HYDRO ELECTRIC PROJECT,  
KAGAYTHANG, P.O. YANGTAY, GEYZING, WEST SIKKIM- 737111

- Corporate Valuers
- Business/ Enterprise/ Equity Valuations
- Lender's Independent Engineers (LIE)
- Techno Economic Viability Consultants (TEV)
- Agency for Specialized Asset Monitoring (ASAM)
- Project Techno-Financial Advisors
- Chartered Engineers
- Industry/ Trade Rehabilitation Consultants
- NPA Management
- Panel Valuer & Techno Economic Consultants for PSU Banks

REPORT PREPARED FOR

IFCI LIMITED, IFCI TOWER, 61 NEHRU PLACE, NEW DELHI- 110019

*"Important - In case of any query/ issue or escalation you may please contact Incident Manager*

at [valuers@rkassociates.org](mailto:valuers@rkassociates.org). We will appreciate your feedback in order to improve our services.

*Note: As per IBA & Bank's Guidelines please provide your feedback on the report within 15 days of its submission after which report will be considered to be correct.*

*Valuation Terms of Services & Valuer's Important Remarks are available at [www.rkassociates.org](http://www.rkassociates.org) for reference.*

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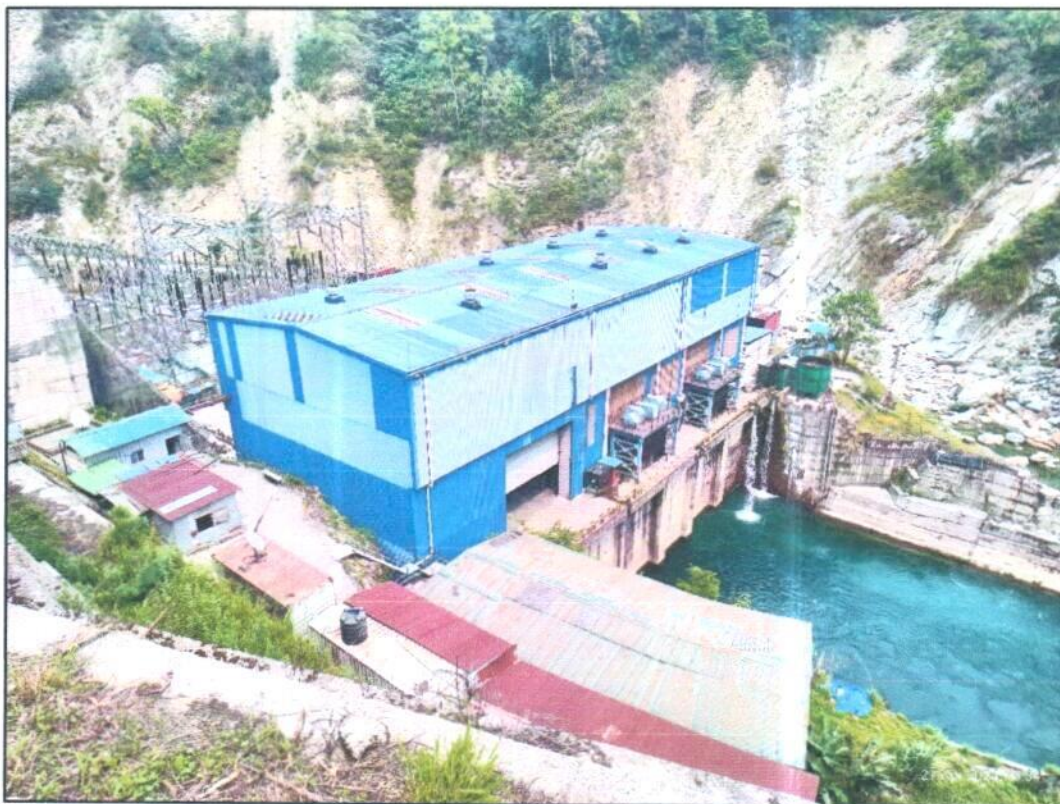
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**PART A**

**SNAPSHOT OF THE ASSET/ PROPERTY UNDER VALUATION**





**PART B**

**RKA FORMAT OF OPINION REPORT ON VALUATION**

<b>Name &amp; Address of Branch</b>	IFCI Limited, IFCI Tower, 61 Nehru Place, New Delhi
<b>Name of Customer (s)/ Borrower Unit</b>	M/s. Shiga Energy Private Limited
<b>Work Order No. &amp; Date</b>	Via letter no. IFCI/M&R/SEPL/2024-240410022 Dated 10 <sup>th</sup> April 2024

S.NO.	CONTENTS	DESCRIPTION						
<b>1.</b>	<b>INTRODUCTION</b>							
a.	Name of Property Owner	M/s. Shiga Energy Private Limited						
	Address & Phone Number of the Owner	Address: B-1/E-24, Mohan Cooperative Industrial Area, Mathura Road, Delhi-110044						
b.	Purpose of the Valuation	For Distress Sale of mortgaged assets under NPA a/c						
c.	Date of Inspection of the Property	27.04.2024						
	Property Shown By	<table> <tr> <th>Name</th><th>Relationship with Owner</th><th>Contact Number</th></tr> <tr> <td>Mr. Sanjeev Kumar</td><td>Plant Head</td><td>+91 75578 01564</td></tr> </table>	Name	Relationship with Owner	Contact Number	Mr. Sanjeev Kumar	Plant Head	+91 75578 01564
Name	Relationship with Owner	Contact Number						
Mr. Sanjeev Kumar	Plant Head	+91 75578 01564						
d.	Date of Valuation Report	01.06.2024						
e.	Name of the Developer of the Property	GE Power India Limited (formerly known as Alstom India Limited)						
	Type of Developer	EPC Contractor						

**2. PHYSICAL CHARACTERISTICS OF THE PROPERTY**

**About the Project:**

The project Tashiding HEP is run-of-the-river type hydro power plant with a total installed capacity of 97 MW involving 2 hydro turbines for electricity generation on Rathong Chu River in Geyzing District, Sikkim State of India. M/s. Shiga Energy Private Limited is having 35 years PPA with Haryana Power Purchase Centre (HPPC) and all the electricity generated from the Project is sold to the state electricity utility.

As per information received during site visit, the construction work of Hydro Plant was started back in year 2010. The scheduled COD of the Project was 01<sup>st</sup> April 2014 but has actually achieved on 06<sup>th</sup> November 2017. The Project got delayed due to multiple reasons, mainly because of the PIL filed before Honorable Supreme Court in 2012.

**Land Requirement:**

As per copy of lease deed dated 24<sup>th</sup> September 2015, between The Government of Sikkim and The Shiga Energy Private Limited for a period of 35 years from commercial operation date (COD). The total land parcel on which the plant is situated is spread in 04 nos. of blocks. Details of the same are as follows: -

S. No.	Blocks	Land Area	
		Hectare	Acre
1	Bhaluthang	2.84	7.01
2	Chumbung	6.49	16.02
3	Gerathang	2.16	5.34
4	Labing	6.38	15.75
5	Omlok	10.65	26.33
<b>Total</b>		<b>28.51</b>	<b>70.45</b>





### Building & Civil work:

As per the information shared during site visit, the construction work was started in year 2010. However, due to multiple external factors the project got delayed and the COD was achieved on 06<sup>th</sup> November 2017. Major civil work and structures associated with this project are Barrage, Diversion Tunnel, Headrace Tunnel, Surge Shaft, Penstock, Pressure Shaft Portal, Power House, Approach Road, Grid Sub-station and other related infrastructure work.

S. No	Particulars	Measurement	UOM
1	HRT Diameter	D Shaped 5.0	Meter
2	HRT Length	5.70	Km
3	Pressure Shaft Length	234	mtr
4	Pressure Shaft Diameter	3.80	Mtr
5	Penstock Length	282	mtr
6	Barrage Water Storage Capacity	1,80,000	M <sup>3</sup>
7	Power House Height (from Drainage Sump to top)	41.00	mtr

### Plant & Machinery Specifications:

Technical specification of major machinery installed in the plant area tabulated below:-

S. No	Particulars	Capacity	UOM
1	Vertical Francis Turbine	2 x 48.5	MW
2	Rated Net Head	197.97	Mtr
3	Discharge	26.71	m <sup>3</sup> s
4	Rated Speed	428.57	RPM
5	DG Set	500, 2x30 & 82.5	kVA
6	Lube Oil Purification Plant	600	LPH
7	EOT Crane	140	Ton

### Project Cost

The total project cost estimated during inception was Rs.650 crores. However, the final project cost increased to Rs.1111.85 crores at the time of COD. Total Capitalized cost of the Project in FAR is Rs. 1125.30 crores. Project cost increased due to 3 years delay and also changes in Design. Engineering during its implementation.

### Project Location:

The subject hydro plant is located in West part of Sikkim state. The subject location is 3055.80 Meter above sea level. The plant can be approached via road with nearest Bagdogara International Airport at distance of 142 km. the nearest railway station is Siliguri Railway Station at a distance of 130km. major town/city near to the subject location are Geyzing, Gangtok, Jorethnag, Namchi & Darjeeling.







**Barrage Location:** Doban, Lower Chumbong, Geyzing, West Sikkim, Sikkim-737111 (GPS Coordinates: 27°20'24.5"N 88°13'59.9"E)

**Power House Location:** Tashiding HEP, Kageethang, near Kabirthang, PO Yangtey, Geyzing, West Sikkim, Sikkim-737111 (GPS Coordinates: 27°18'47.8"N 88°16'50.2"E)

**Observation made during the site visit as on date:**

During the site visit conducted by our engineer Plant was found partially operational. Only 1 turbine was running due to low water storage in Barrage. Our team examined & verified the machines and utilities from the FAR provided to us by the company. Only major machinery & equipment have been verified. Photographs have also been taken of all the Machines and its accessories installed there. Site Survey has been carried out on the basis of the physical existence of the assets rather than their technical expediency. The valuation of the plant & machinery is done on the basis of the list of machines (FAR) provided to us by the client along with the capitalization date and purchase cost.

This report only contains general assessment & opinion on the Guideline Value and the indicative, estimated Market Value of the property of which Bank/ customer asked us to conduct the Valuation for the property found on as-is-where basis as shown on the site by the Bank/ customer of which photographs is also attached with the report. No legal aspects in terms of ownership or any other legal aspect is taken into consideration. Even if any such information is mentioned in the report it is only referred from the information provided for which we do not assume any responsibility. Due care has been given while doing valuation assessment, but it doesn't contain any due-diligence or audit or verification of any kind other than the valuation computation of the property shown to us on site. Information/ data/ documents given to us by Bank/ client have been relied upon in good faith. This report doesn't contain any other recommendations of any sort.

In case of discrepancy in the address/ property number mentioned in the property documents and the property shown to us at the site due to change in zoning or administrative level at the site or the client misled the valuer by providing the fabricated/ incorrect document or information, the valuation should be considered of the property shown to us at the site by the client of which the photographs are also attached. In case of any doubt, best would be to contact the concerned authority/ district administration/ tehsil level for the identification of the property if the property depicted in the photographs in this report is same with the documents pledged.





## VALUATION ASSESSMENT

M/S. SHIGA ENERGY PRIVATE LIMITED

<b>a. Location attribute of the property</b>			
i.	Nearby Landmark	Sakyong	
ii.	Postal Address of the Property	M/s. Shiga Energy Pvt. Ltd., Tashiding, Hydro Electric Project, Kagaythang, P.O. Yangtay, Geyzing, West Sikkim- 737111	
iii.	Type of Land	Rocky Land/ below road level	
iv.	Independent access/ approach to the property	Clear independent access is available	
v.	Google Map Location of the Property with a neighborhood layout map	Enclosed with the Report	
		Coordinates or URL: 27°18'46.3"N 88°16'49.9"E (Power House) 27°20'24.4"N 88°13'60.0"E (Barrage)	
vi.	Details of the roads abutting the property		
	(a) Main Road Name & Width	Pelling- Sakyong- Gyalshing road .	Approx. 15 ft. wide
	(b) Front Road Name & width	Approach road	Approx. 10 ft. wide
	(c) Type of Approach Road	Broken Pothole Metalled Road	
	(d) Distance from the Main Road	~10 km	
vii.	Description of adjoining property	No proper zoning regulations imposed. Mountain area, plant is situated on river tributary	
viii.	Plot No. / Survey No.	Various Gata Number. Please refer to the annexures	
ix.	Zone/ Block	Bhaluthang, Chumbung, Gerathang, Labing & Omlok	
x.	Sub registrar	Yangtay	
xi.	District	Geyzing	
xii.	Any other aspect	Valuation is done for the property found as per the information given in the copy of documents provided to us and/ or confirmed by the owner/ owner representative to us at site.  Getting cizra map or coordination with revenue officers for site identification is a separate activity and is not covered in this Valuation services.	
(a) List of documents produced for perusal (Documents has been referred only for reference purpose as provided. Authenticity to be ascertained by legal practitioner)		<b>Documents Requested</b>	<b>Documents Provided</b>
		Total 13 documents requested.	Total 13 documents provided
		Balance Sheet	Balance Sheet
		Copy of FAR	Copy of FAR
		COD Letter	COD Letter
		Consent to Operate	Consent to Operate
		Fire Safety Certificate	Fire Safety Certificate
		Maintenance Details	Maintenance Details
		Layout Plan	Layout Plan
		Pollution NoC	Pollution NoC
		Copy of PPA	Copy of PPA
		Copy of TIR	Copy of TIR
		Generation Data	Generation Data
		PLF & PAF Details	PLF & PAF Details
		Copy of Lease Deed	Copy of Lease Deed
(b) Documents provided by		<b>Owner's representative</b>	
		<b>Name</b>	<b>Relationship with Owner</b>
			<b>Contact Number</b>



## VALUATION ASSESSMENT

### M/S. SHIGA ENERGY PRIVATE LIMITED

	Mr. Sandeep Verma	Plant Head	+91 97179 89998
(c) Identification procedure followed of the property  (d) Type of Survey  (e) Is property clearly demarcated by permanent/ temporary boundary on site  (f) Is the property merged or colluded with any other property  (g) City Categorization  (h) Characteristics of the locality  (i) Property location classification  (j) Property Facing	✓	Identified by owner's representative	
	✓	Done from the name plate displayed on the property	
	Full survey (inside-out with approximate measurements & photographs).		
	Yes demarcated properly		
	No. It is an independent single bounded property		
	Block		Rural
	Good		Out of municipal limits, no civic infrastructure available
	Near to River		Normal location within locality
	North Facing		
<b>b. Area description of the Property</b> Also please refer to Part-B Area description of the property. Area measurements considered in the Valuation Report is adopted from relevant approved documents or actual site measurement whichever is less, unless otherwise mentioned. Verification of the area measurement of the property is done only based on sample random checking.	<b>Land</b>	<b>Construction</b>	
		<b>Built-up Area</b>	
	28.51 Hectare/ 70.45 Acres	Refer Building Valuation below	
<b>c. Boundaries schedule of the Property</b>			
i.	Are Boundaries matched No, boundaries are not mentioned in the documents.		
ii.	<b>Directions</b>	<b>As per Sale Deed/TIR</b>	<b>Actual found at Site (Power House)</b>
	East	---	Rathong Chu River
	West	---	Approach Road
	North	---	Rathong Chu River
	South	---	Rathong Chu River
<b>3. TOWN PLANNING/ ZONING PARAMETERS</b>			
a.	Master Plan provisions related to property in terms of Land use		Area not notified under Master Plan
	i. Any conversion of land use done		As per the documents provided to us and the information that came to our knowledge this land is not an agricultural land
	ii. Current activity done in the property		Used for Industrial purpose
	iii. Is property usage as per applicable zoning		It is a village area, no zoning regulations defined
	iv. Any notification on change of zoning regulation		No, No such information came in front of us and could be found on public domain.
	v. Street Notification		Mixed use
b.	Provision of Building by-laws as applicable		<b>PERMITTED</b>
			<b>CONSUMED</b>
	i. FAR/FSI	Please refer to area chart description	Please refer to area chart description
	ii. Ground coverage		
iii. Number of floors			





## VALUATION ASSESSMENT

### M/S. SHIGA ENERGY PRIVATE LIMITED

	iv. Height restrictions		
	v. Front/ Back/Side Setback		
	vi. Status of Completion/ Occupational certificate	Submitted COD letter to Power Finance Corporation Limited	
c.	Comment on unauthorized construction if any	No, as per Layout Map shared.	
d.	Comment on Transferability of developmental rights	Lease hold, Transferable subject to NOC	
e.	i. Planning Area/ Zone	Not within zoning area	
	ii. Master Plan Currently in Force	NA	
	iii. Municipal Limits	Gram Panchayat	
f.	Developmental controls/ Authority	NA	
g.	Zoning regulations	Rural	
h.	Comment on the surrounding land uses & adjoining properties in terms of uses	Rocky Mountainous Land	
i.	Comment of Demolition proceedings if any	No	
i.	Comment on Compounding/ Regularization proceedings	No	
j.	Any other aspect	---	
	i. Any information on encroachment	No	
	ii. Is the area part of unauthorized area/ colony	No (As per general information available)	
<b>4.</b>	<b>DOCUMENT DETAILS AND LEGAL ASPECTS OF THE PROPERTY</b>		
a.	Ownership documents provided	Lease Deed	
b.	Names of the Legal Owner/s	M/s. Shiga Energy Private Limited	
c.	Constitution of the Property	Lease hold, Transferable subject to NOC	
d.	Agreement of easement if any	Not required	
e.	Notice of acquisition if any and area under acquisition	No	
f.	Notification of road widening if any and area under acquisition	No such information came in front of us and could be found on public domain	
g.	Heritage restrictions, if any	No	
h.	Comment on Transferability of the property ownership	Lease hold, Transferable subject to NOC	
i.	Comment on existing mortgages/ charges/ encumbrances on the property, if any	Yes	IFCI Limited
j.	Comment on whether the owners of the property have issued any guarantee (personal or corporate) as the case may be	No	NA
k.	Building plan sanction:		
	i. Is Building Plan sanctioned	Signed but not stamped	
	ii. Authority approving the plan	Signed but not stamped	
	iii. Any violation from the approved Building Plan	No	
	iv. Details of alterations/ deviations/ illegal construction/ encroachment noticed in the structure from the original approved plan	<input type="checkbox"/> Permissible Alterations	
		<input type="checkbox"/> Not permitted alteration	
l.	Whether Property is Agricultural Land if yes, any conversion is contemplated	No not an agricultural property	
m.	Whether the property SARFAESI complaint	Yes	
		Property Tax	Details not shared





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M/S. SHIGA ENERGY PRIVATE LIMITED

n.	i. Information regarding municipal taxes (property tax, water tax, electricity bill)	Water Tax	Details not shared
		Electricity Bill	NA
	ii. Observation on Dispute or Dues if any in payment of bills/ taxes	No such information came to knowledge on site	
	iii. Is property tax been paid for this property	Not Applicable	
	iv. Property or Tax Id No.	Not Applicable	
o.	Whether entire piece of land on which the unit is set up / property is situated has been mortgaged or to be mortgaged	Yes, as informed by owner/ owner representative.	
p.	Qualification in TIR/Mitigation suggested if any	Legal opinion has to be given by Advocate/ legal expert.	
q.	Any other aspect	This is just an opinion report on Valuation based on the copy of the documents/ information provided to us by the client and has been relied upon in good faith of the property found as per the information given in the documents provided to us and/ or confirmed by the owner/ owner representative to us on site.  Legal aspects, Title verification, Verification of authenticity of documents from originals or cross checking from any Govt. deptt. of the property have to be taken care by legal expert/ Advocate.	
	i. Property presently occupied/ possessed by	Owner	

\*NOTE: Please see point 6 of Enclosure: VI – Valuer's Important Remarks

Value Added Services of Enrichment: V  
Value's Important Remarks

5.	ECONOMIC ASPECTS OF THE PROPERTY	
a.	Reasonable letting value/ Expected market monthly rental	NA
b.	Is property presently on rent	No
	i. Number of tenants	NA
	ii. Since how long lease is in place	NA
	iii. Status of tenancy right	NA
	iv. Amount of monthly rent received	NA
c.	Taxes and other outgoing	Not Applicable
d.	Property Insurance details	Details not shared
e.	Monthly maintenance charges payable	Not Applicable, as in-house maintenance is done.
f.	Security charges, etc.	Not Applicable since property is not on rent.
g.	Any other aspect	NA
6.	SOCIO - CULTURAL ASPECTS OF THE PROPERTY	
a.	Descriptive account of the location of the property in terms of Social structure of the area in terms of population, social stratification, regional origin, age groups, economic levels, location of slums/squatter settlements nearby, etc.	Low Income Group
b.	Whether property belongs to social infrastructure like hospital, school, old age homes etc.	No
7.	FUNCTIONAL AND UTILITARIAN SERVICES, FACILITIES & AMENITIES	
a.	Description of the functionality & utility of the property in terms of:	
	i. Space allocation	Yes
	ii. Storage spaces	Yes







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### M/S. SHIGA ENERGY PRIVATE LIMITED

	iii.	Utility of spaces provided within the building	Yes
	iv.	Car parking facilities	Yes
	v.	Balconies	No
<b>b. Any other aspect</b>			
	i.	Drainage arrangements	Yes
	ii.	Water Treatment Plant	No
	iii.	Power Supply arrangements	Permanent
		Auxiliary	Yes, D.G sets
	iv.	HVAC system	Yes
	v.	Security provisions	Yes/ Private security guards
	vi.	Lift/ Elevators	Yes
	vii.	Compound wall/ Main Gate	Yes
	viii.	Whether gated society	No
<b>Internal development</b>			
	<b>Garden/Park /Land scraping</b>		<b>Water bodies</b>
	<b>Internal roads</b>		<b>Pavements</b>
	<b>Boundary Wall</b>		
	Yes	No	No
			Yes
			Yes
<b>8. INFRASTRUCTURE AVAILABILITY</b>			
<b>a. Description of Aqua Infrastructure availability in terms of:</b>			
	i.	Water Supply	Yes
	ii.	Sewerage/ sanitation system	Underground
	iii.	Storm water drainage	No
<b>b. Description of other Physical Infrastructure facilities in terms of:</b>			
	i.	Solid waste management	No
	ii.	Electricity	Yes
	iii.	Road and Public Transport connectivity	Yes
	iv.	Availability of other public utilities nearby	Transport, Market, Hospital etc. available in close vicinity
<b>c. Proximity &amp; availability of civic amenities &amp; social infrastructure</b>			
	<b>School</b>	<b>Hospital</b>	<b>Market</b>
	<b>Bus Stop</b>	<b>Railway Station</b>	<b>Metro</b>
	<b>Airport</b>		
	~ 11 km	~ 14 Km	~ 11 Km
	~ 11 Km	~ 138 Km	---
	~ 142 Km		
	Availability of recreation facilities (parks, open spaces etc.)		No, This is a hilly remote area. No recreational facility is available nearby.
<b>9. MARKETABILITY ASPECTS OF THE PROPERTY</b>			
<b>a. Marketability of the property in terms of</b>			
	i.	Location attribute of the subject property	Good (in terms of Hydro Power Plant)
	ii.	Scarcity	Multiple Hydro Electric Plant are available with-in 50 km radius.
	iii.	Demand and supply of the kind of the subject property in the locality	Good demand of such properties in the market.
	iv.	Comparable Sale Prices in the locality	Please refer to Part D: Procedure of Valuation Assessment
<b>b.</b>	Any other aspect which has relevance on the value or marketability of the property		Please check Valuation section





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### M/S. SHIGA ENERGY PRIVATE LIMITED

	i. Any New Development in surrounding area	None	NA
	ii. Any negativity/ defect/ disadvantages in the property/ location	Demand is related to the current use of the property only and only limited to the selected type of buyers.	NA
<b>10. ENGINEERING AND TECHNOLOGY ASPECTS OF THE PROPERTY</b>			
a.	Type of construction	<b>Structure</b>	<b>Slab</b>
		RCC Framed structure & Steel frame structure	Reinforced Cement Concrete
b.	Material & Technology used	<b>Material Used</b>	<b>Technology used</b>
		Grade A material	RCC Framed structure & Steel frame structure
c.	Specifications		
	i. Roof	<b>Floors/ Blocks</b>	<b>Type of Roof</b>
		Please refer to the building sheet attached	GI Shed & RCC
	ii. Floor height	Power House Height 134.51 ft.	
	iii. Type of flooring	Vitrified tiles, PCC	
	iv. Doors/ Windows	None.	
	v. Class of construction/ Appearance/ Condition of structures	Internal - Class A construction (Very Good)	
		External - Class A construction (Very Good)	
	vi. Interior Finishing & Design	Ordinary regular architecture	
	vii. Exterior Finishing & Design	Ordinary regular architecture	
	viii. Interior decoration/ Special architectural or decorative feature	Simple plain looking Industrial structure.	
	ix. Class of electrical fittings	Internal / Normal quality fittings used	
	x. Class of sanitary & water supply fittings	Internal / Normal quality fittings used	
d.	Maintenance issues	No maintenance issue, structure are maintained properly	
e.	Age of building/ Year of construction	08 years	~ 2016
f.	Total life of the structure/ Remaining life expected	Approx. 35 Years	~27 years
g.	Extent of deterioration in the structure	No major deterioration came into notice, only normal wear & tear	
h.	Structural safety	Structure built on RCC technique so it can be assumed as structurally stable. However no structural stability certificate is available	
i.	Protection against natural disasters viz. earthquakes etc.	Since this is a RCC structure so should be able to withstand moderate intensity earthquakes. Comments are been made only based on visual observation and not any technical testing.	
j.	Visible damage in the building if any	No visible damages in the structure	
k.	System of air conditioning	HVAC System & Partially covered with window/ split ACs	
l.	Provision of firefighting	Fire Hydrant System	
m.	Copies of the plan and elevation of the building to be included	Enclosed with the report (Refer Annexure)	





## VALUATION ASSESSMENT

### M/S. SHIGA ENERGY PRIVATE LIMITED

<b>11. ENVIRONMENTAL FACTORS</b>		
a.	Use of environment friendly building materials like fly ash brick, other Green building techniques if any	No, regular building techniques of RCC structure
b.	Provision of rainwater harvesting	No
c.	Use of solar heating and lighting systems, etc.	No
d.	Presence of environmental pollution in the vicinity of the property in terms of industries, heavy traffic, etc. if any	No, not much
<b>12. ARCHITECTURAL AND AESTHETIC QUALITY OF THE PROPERTY</b>		
a.	Descriptive account on whether the building is modern, old fashioned, etc., plain looking or with decorative elements, heritage value if applicable, presence of landscape elements, etc.	Plain looking industrial structure
<b>13. VALUATION</b>		
a.	Methodology of Valuation – Procedures adopted for arriving at the Valuation	Please refer to <b>Part D: Procedure of Valuation Assessment</b> of the report.
b.	Prevailing Market Rate/ Price trend of the Property in the locality/ city from property search sites	Please refer to <b>Part D: Procedure of Valuation Assessment</b> of the report and the screenshot annexure in the report, if available.
c.	Guideline Rate obtained from Registrar's office/ State Govt. gazette/ Income Tax Notification	Please refer to <b>Point 3 of Part D: Procedure of Valuation Assessment</b> of the report and the screenshot annexure in the report, if available.
d.	<b>Summary of Valuation</b>	For detailed Valuation calculation please refer to <b>Part D: Procedure of Valuation Assessment</b> of the report.
	<b>i. Guideline Value</b>	---
	<b>1. Land</b>	<b>Rs. 1,13,41,666/-</b>
	<b>2. Building</b>	---
	<b>3. Plant &amp; Machinery</b>	---
	<b>ii. Indicative Prospective Estimated Fair Market Value</b>	<b>Rs. 857,00,00,000/-</b>
	<b>iii. Expected Estimated Realizable Value</b>	<b>Rs. 685,60,00,000/-</b>
	<b>iv. Expected Forced/ Distress Sale Value</b>	<b>Rs. 514,20,00,000/-</b>
	<b>v. Valuation of structure for Insurance purpose</b>	---
e.	<b>i.</b> Justification for more than 20% difference in Market & Circle Rate	Circle rates are determined by the District administration as per their own theoretical internal policy for fixing the minimum valuation of the property for property registration tax collection purpose and Market rates are adopted based on prevailing market dynamics found as per the discrete market enquiries which is explained clearly in Valuation assessment factors.
	<b>ii.</b> Details of last two transactions in the locality/ area to be provided, if available	No authentic last two transactions details could be known. However prospective transaction details as per information available on public domain and gathered during site survey is mentioned in <b>Part D: Procedure of Valuation Assessment</b> of the report and the screenshots of the references are annexed in the report for reference.



## VALUATION ASSESSMENT

### M/S. SHIGA ENERGY PRIVATE LIMITED

<b>14.</b>	<b>Declaration</b>	<p>a. The information provided by us is true and correct to the best of our knowledge and belief.</p> <p>b. The analysis and conclusions are limited by the reported assumptions, limiting conditions, remarks.</p> <p>c. Firm have read the Handbook on Policy, Standards and Procedures for Real Estate Valuation by Banks and HFIs in India, 2011 issued by IBA and NHB, fully understood the provisions of the same and followed the provisions of the same to the best of our ability and this report is based on the Standards of Reporting enshrined in the above Handbook as much as practically possible related to the asset in the limited time available.</p> <p>d. No employee or member of R.K Associates has any direct/ indirect interest in the property.</p> <p>e. Our authorized surveyor <b>Abhinav Chaturvedi</b> has visited the subject property on <b>27/4/2024</b> in the presence of the owner's representative with the permission of owner.</p> <p>f. Firm is an approved Valuer of the Bank having registered valuers under section 34AB of Wealth Tax Act, 1957, Category: L&amp;B, P&amp;M for valuing upto any size.</p> <p>g. Firm has not been depanelled or removed from any Bank/Financial Institution/Government Organization at any point of time in the past.</p> <p>h. We have submitted the Valuation Report directly to the Bank.</p> <p>Name &amp; Address of the Valuation Company: R.K Associates Valuers &amp; Techno Engg. Consultants (P) Ltd. D-39, Sector-2, Second Floor, Noida (U.P) – 201301</p> <p>Signature of the Authorized Person:</p> <p>Date: 17/6/2024</p> <p>Tel. No. 0120-4110117</p> <p>Mobile No.+91-9958632707</p> <p>Email: valuers@rkassociates.org</p>
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## VALUATION ASSESSMENT

### M/S. SHIGA ENERGY PRIVATE LIMITED

15. ENCLOSED DOCUMENTS		
a.	Layout plan sketch of the area in which the property is located with latitude and longitude	Google Map enclosed with coordinates
b.	Building Plan	Enclosed with the report
c.	Floor Plan	Enclosed with the report
d.	Photograph of the property (including geo-stamping with date) and owner (in case of housing loans, if borrower is available) including a 'Selfie' of the Valuer at the site	Enclosed with the report along with other property photographs
e.	Certified copy of the approved / sanctioned plan wherever applicable from the concerned office	Plant Layout attached
f.	Google Map location of the property	Enclosed with the Report
g.	Price trend of the property in the locality/city from property search sites viz Magickbricks.com, 99Acres.com, Makan.com etc.	Enclosed with the Report
h.	Any other relevant documents/extracts (All enclosures & annexures to remain integral part & parcel of the main report)	<i>i. Enclosure: I- Google Map</i> <i>ii. Enclosure: II- References on price trend of the similar related properties available on public domain, if available</i> <i>iii. Enclosure: III- Photographs of the property</i> <i>iv. Enclosure: IV- Copy of Circle Rate</i> <i>v. Enclosure: V- Important property documents exhibit</i> <i>vi. Enclosure: VI- Part E: Valuer's Important Remarks</i>
i.	<b>Total Number of Pages in the Report with enclosures</b>	<b>61</b>





## VALUATION ASSESSMENT

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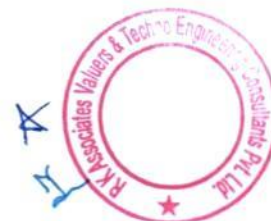
### PART C

### AREA DESCRIPTION OF THE PROPERTY

1.	Land Area considered for Valuation	28.51 Hectare/ 70.45 Acres	
	Area adopted on the basis of Remarks & observations, if any	Property Documents Land area for valuation is considered from area mentioned in the lease deed since area measurement was not possible.	
2.	Constructed Area considered for Valuation (As per IS 3861-1966)	Built-up Area	--
	Area adopted on the basis of Remarks & observations, if any	None We have used copy of FAR for building, barrage, HRT and other related infrastructure for valuation purpose.	

#### Note:

1. Area measurements considered in the Valuation Report pertaining to Land & Building is adopted from relevant approved documents or actual site measurement whichever is less. All area measurements are on approximate basis only.
2. Verification of the area measurement of the property is done based on sample random checking only.
3. Area of the large land parcels of more than 2500 sq.mtr or of uneven shape, is taken as per property documents verified with digital survey through google which has been relied upon.
4. Drawing Map, design & detailed estimation of the property/ building is out of scope of the Valuation services.





**PART D**

**PROJECT COST**

As per details provided by the company, The total project cost estimated during inception was Rs.650 crores. However, the final project cost increased to Rs.1111.85 crores at the time of COD. Total Capitalized cost of the Project in FAR is Rs. 1125.30 crores. Project cost increased due to 3 years delay and also changes in Design. Engineering during its implementation. Details of the same are as follows: -

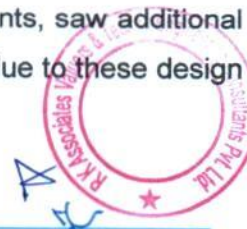
Heads	In Rs. Crore	
	Proposed cost	Final Cost
Civil and H&M Works	300.00	473.54
Electro Mechanical Equipment	115.51	164.26
Land	16.37	19.19
Transmission Lines	10.00	22.88
Preliminary & Pre-Operative Expenses, Advance Infrastructure & Vehicles	77.58	125.91
Working Capital Margin	6.63	
Financing Charges	10.11	313.29
Interest During Construction	91.25	
Contingency	22.55	
Infirm power		(7.22)
<b>Total</b>	<b>208.12</b>	<b>431.98</b>

**Major reasons for delay associated with the project as informed by the company: -**

- **PIL against Project:** Two writ petitions were filed against the development of Tashiding HEP on 21<sup>st</sup> March 2012. These petitions were transferred by the Supreme Court of India to the High Court of Sikkim on 8<sup>th</sup> May 2012. The High Court of Sikkim disposed of the petitions on 5<sup>th</sup> June 2014, directing the state to take action.

The legal case and subsequent funding slowdowns caused significant time and cost overruns for the project, originally scheduled for completion by 1<sup>st</sup> April 2014. The new Scheduled Commercial Operation Date (SCOD) is 1st April 2017. Cost overruns include IDC, preliminary and pre-operative expenses, financing charges, contract price increases, tax changes, and withdrawal of tax benefits.

- **Increase in Civil cost:** The increase in costs for Civil & HM works is due to contractor claims arising from variations between the DPR stage and detailed design stage. The contract, awarded based on DPR study with milestone-based payments, saw additional costs for excavation, concrete, and structural steel in civil structures due to these design variations.





## VALUATION ASSESSMENT M/S. SHIGA ENERGY PRIVATE LIMITED

- **Increase in cost due to Contractor's claim:** Due to financial constraints, SEPL couldn't pay the contractor on time. However, the contractor, at SEPL's request, continued limited work on-site. SEPL paid delay costs for the last two years for labor, machinery, and overheads as per Schedule-9 of the contract.
- **Increase in cost of Electro mechanical package due to delay in construction works:** The original project completion date was March 2014, but delays in civil work have pushed it to 1st April 2017. Consequently, costs have increased due to price adjustments over the two-year delay in supply, services, and transportation.





**PART E**

**PROCEDURE OF VALUATION ASSESSMENT**

1.		GENERAL INFORMATION			
i.	Important Dates	Date of Appointment	Date of Inspection of the Property	Date of Valuation Assessment	Date of Valuation Report
		10 April 2024	27 April 2024	1 June 2024	17 June 2024
ii.	Client	IFCI Limited, IFCI Tower, 61 Nehru Place, New Delhi			
iii.	Intended User	IFCI Limited, IFCI Tower, 61 Nehru Place, New Delhi			
iv.	Intended Use	To know the general idea on the market valuation trend of the property as per free market transaction. This report is not intended to cover any other internal mechanism, criteria, considerations of any organization as per their own need, use & purpose.			
v.	Purpose of Valuation	For Distress Sale of mortgaged assets under NPA a/c			
vi.	Scope of the Assessment	Non binding opinion on the assessment of Plain Physical Asset Valuation of the property identified to us by the owner or through his representative.			
vii.	Restrictions	This report should not be referred for any other purpose, by any other user and for any other date other then as specified above. This report is not a certification of ownership or survey number/ property number/ Khasra number which are merely referred from the copy of the documents provided to us.			
viii.	Manner in which the proper is identified	✓	Identified by owner's representative		
		✓	Done from the name plate displayed on the property		
ix.	Is property number/ survey number displayed on the property for proper identification?	Multiple Gata No.(Refer Annexure)			
x.	Type of Survey conducted	Full survey (inside-out with approximate measurements & photographs).			

2. ASSESSMENT FACTORS				
i.	Valuation Standards considered	Mix of standards such as IVS and others issued by Indian authorities & institutions and improvised by the RKA internal research team as and where it is felt necessary to derive at a reasonable, logical & scientific approach. In this regard proper basis, approach, working, definitions considered is defined below which may have certain departures to IVS.		
ii.	Nature of the Valuation	Fixed Assets Valuation		
iii.	Nature/ Category/ Type/ Classification of Asset under Valuation	Nature	Category	Type
		LAND & BUILDING, PLANT & MACHINERY & OTHER MISCELLANEOUS FIXED ASSET	INDUSTRIAL	HYDRO POWER PLANT
		Classification	Income/ Revenue Generating Asset	
iv.	Type of Valuation (Basis of Valuation as per IVS)	Primary Basis	Fair Market Value	
		Secondary Basis	On-going concern basis	
v.	Present market state of the Asset assumed (Premise of Value as per IVS)	Under Normal Marketable State		
		Reason: Asset under free market transaction state		
vi.	Property Use factor	Current/ Existing Use	Highest & Best Use (in consonance to surrounding use, zoning and statutory norms)	Considered for Valuation purpose
		Industrial	Industrial	Industrial
vii.	Legality Aspect Factor	Assumed to be fine as per copy of the documents & information produced to us.		





## VALUATION ASSESSMENT

### M/S. SHIGA ENERGY PRIVATE LIMITED

		However Legal aspects of the property of any nature are out-of-scope of the Valuation Services. In terms of the legality, we have only gone by the documents provided to us in good faith. Verification of authenticity of documents from originals or cross checking from any Govt. deptt. have to be taken care by Legal expert/ Advocate.			
viii.	Class/ Category of the locality	Lower Class (Poor)			
ix.	Property Physical Factors	<b>Shape</b>	<b>Size</b>	<b>Layout</b>	
		Irregular	Medium	Normal Layout	
x.	Property Location Category Factor	<b>City Categorization</b>	<b>Locality Characteristics</b>	<b>Property location characteristics</b>	<b>Floor Level</b>
		Block	Good	Near to River	Refer Building Valuation
		Rural	Rural Area	Not Applicable	
			Out of municipal limits, no civic infrastructure available	--	
		<b>Property Facing</b>			
		North Facing			
xi.	Physical Infrastructure availability factors of the locality	<b>Water Supply</b>	<b>Sewerage/ sanitation system</b>	<b>Electricity</b>	<b>Road and Public Transport connectivity</b>
		Available from River	Underground	Yes	Not easily available
		<b>Availability of other public utilities nearby</b>		<b>Availability of communication facilities</b>	
		Transport, Market, Hospital etc. are available in close vicinity		Major Telecommunication Service Provider & ISP connections are available	
xii.	Social structure of the area (in terms of population, social stratification, regional origin, age groups, economic levels, location of slums/ squatter settlements nearby, etc.)	Rural Income Group			
xiii.	Neighbourhood amenities	Average			
xiv.	Any New Development in surrounding area	None			
xv.	Any specific advantage in the property	No such specific observation regard to Hydro Power Plant came into consideration.			
xvi.	Any specific drawback in the property	Run of River Hydro power Plant operational depends upon river flow which is low for Rathong Chuu River.			
xvii.	Property overall usability/ utility Factor	Normal			
xviii.	Does property has any alternate use?	No			
xix.	Is property clearly demarcated by permanent/ temporary boundary on site	Demarcated with permanent boundary			
xx.	Is the property merged or colluded with any other property	No			
		Comments: --- It is an independent single bounded property comprising multiple Gata No.			
xxi.	Is independent access available to the property	Clear independent access is available			

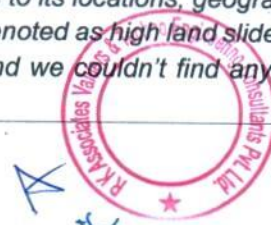




## VALUATION ASSESSMENT

### M/S. SHIGA ENERGY PRIVATE LIMITED

xxii.	Is property clearly possessable upon sale	Yes															
xxiii.	Best Sale procedure to realize maximum Value (in respect to Present market state or premise of the Asset as per point (iv) above)	Fair Market Value															
		Free market transaction at arm's length wherein the parties, after full market survey each acted knowledgeably, prudently and without any compulsion.															
xxiv.	Hypothetical Sale transaction method assumed for the computation of valuation	Fair Market Value															
		Free market transaction at arm's length wherein the parties, after full market survey each acted knowledgeably, prudently and without any compulsion.															
xxv.	Approach & Method of Valuation Used	Land	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%;">Approach of Valuation</th> <th style="width: 50%;">Method of Valuation</th> </tr> <tr> <td style="text-align: center;">Market Approach</td> <td style="text-align: center;">Government Guideline Valuation</td> </tr> </table>	Approach of Valuation	Method of Valuation	Market Approach	Government Guideline Valuation										
Approach of Valuation	Method of Valuation																
Market Approach	Government Guideline Valuation																
		Building	Depreciated Reproduction Cost Method														
		Plant & Machinery	Depreciated Reproduction Cost Method														
xxvi.	Type of Source of Information	Level 3 Input (Tertiary)															
xxvii.	Market Comparable																
	References on prevailing market Rate/ Price trend of the property and Details of the sources from where the information is gathered (from property search sites & local information)	1.	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Name:</td><td>----</td></tr> <tr><td>Contact No.:</td><td>----</td></tr> <tr><td>Nature of reference:</td><td>----</td></tr> <tr><td>Size of the Property:</td><td>----</td></tr> <tr><td>Location:</td><td>----</td></tr> <tr><td>Rates/ Price informed:</td><td>----</td></tr> <tr><td>Any other details/ Discussion held:</td><td>----</td></tr> </table>	Name:	----	Contact No.:	----	Nature of reference:	----	Size of the Property:	----	Location:	----	Rates/ Price informed:	----	Any other details/ Discussion held:	----
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Nature of reference:	----																
Size of the Property:	----																
Location:	----																
Rates/ Price informed:	----																
Any other details/ Discussion held:	----																
		NOTE: The given information above can be independently verified to know its authenticity.															
xxviii.	Adopted Rates Justification	<p>Observation made during site visit and information obtained from public domain are as follows: -</p> <ul style="list-style-type: none"> <li>Our engineering team which went for the site visit also conducted the market survey to gather information about the recent market sale purchase transaction of land nearby the Project land. As per the discussion with the local people, there is no demand of land for industrial purpose, as the location is extremely remote and no industry can be established over there except Hydro Power Projects.</li> <li>Demand of subject properties is very low due to its locations, geographical factors. In terms of geology, this location is denoted as high land slide area.</li> <li>Land procured is in a highly remote area and we couldn't find any sales transaction in this area.</li> </ul>															





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		<ul style="list-style-type: none"><li>• Our team couldn't gather any local information pertaining to the land rates in this area since the area is located on hilly terrain and highly remote location.</li><li>• Our team also researched on the public domains, but no such transaction is displayed on the public domain.</li><li>• As per our observation, if any one wishes to purchase this much land for any industrial purpose, then it could only be sold by Sikkim Government Intervention.</li><li>• Land marketability is only limited to hydro power Project since no other activity can be performed on this land.</li><li>• Company has capitalized only ~Rs.23 Lacs in Lease Hold Improvement and has not capitalized any amount as such for the Land procurement.</li><li>• As per Lease deed too, no premium is charged for the land allotment. Only annual lease rent is charged.</li><li>• However now since land is allotted after completing all the administrative and statutory formalities and Hydro Power Plant is operational on the said Land. This activity also requires efforts and time and can command some premium for the buyer who is getting a turnkey project established on this Land.</li><li>• Therefore, considering all the above points and in the absence of any sales instances, we came to a conclusion that it is more appropriate to adopt the Guideline Circle Rate to give a premium for this land as mentioned in the above point. Refer land valuation below for village-wise.</li></ul>				
xxix.	<b>Other Market Factors</b>					
	Current Market condition	Normal				
		Remarks: ---				
		Adjustments (-/+): 0%				
	Comment on Property Salability Outlook	Sellability of this Project is directly related to sector outlook.				
		Adjustments (-/+): 0%				
	Comment on Demand & Supply in the Market	<table><tr><th>Demand</th><th>Supply</th></tr><tr><td>Moderate</td><td>Moderate</td></tr></table>	Demand	Supply	Moderate	Moderate
Demand	Supply					
Moderate	Moderate					
		Remarks: Demand is related to the current use of the property only and only limited to the selected type of buyers				
		Adjustments (-/+): 0%				
xxx.	Any other special consideration	Reason: ----				
		Adjustments (-/+): 0%				
xxxi.	Any other aspect which has relevance on the value or marketability of the property	<p>Low PLF and NPA account.</p> <p>Valuation of the same asset/ property can fetch different values under different circumstances &amp; situations. For eg. Valuation of a running/ operational shop/ hotel/ factory will fetch better value and in case of closed shop/ hotel/ factory it will fetch considerably lower value. Similarly, an asset sold directly by an owner in the open market through free market arm's length transaction then it will fetch better value and if the same asset/ property is sold by any financier or court decree or Govt. enforcement agency due to any kind of encumbrance on it then it will fetch lower value. Hence before financing, Lender/ FI should take into consideration all such future risks while financing.</p> <p>This Valuation report is prepared based on the facts of the property &amp; market situation on the date of the survey. It is a well-known fact that the market value of any asset varies with time &amp; socio-economic conditions prevailing in the region/ country. In future property market may go down, property conditions may change or may go worse, property reputation may differ, property vicinity conditions may go down or become worse, property market may change due to impact of Govt. policies or effect of domestic/ world economy, usability</p>				



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		prospects of the property may change, etc. Hence before financing, Banker/ FI should take into consideration all such future risk while financing.
		<b>Adjustments (-/+): 0%</b>
xxxii.	<b>Final adjusted &amp; weighted Rates considered for the subject property</b>	<b>Please refer to attached sheet</b>
xxxiii.	<b>Considered Rates Justification</b>	As per the thorough property & market factors analysis as described above, the considered estimated market rates appears to be reasonable in our opinion.
xxxiv.	<b>Basis of computation &amp; working</b> <ul style="list-style-type: none"> <li>Valuation of the asset is done as found on as-is-where basis on the site as identified to us by client/ owner/ owner representative during site inspection by our engineer/s unless otherwise mentioned in the report.</li> <li>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 and based on the Standard Operating Procedures, Best Practices, Caveats, Limitations, Conditions, Remarks, Important Notes, Valuation TOR and definition of different nature of values.</li> <li>For knowing comparable market rates, significant discreet local enquiries have been made from our side based on the hypothetical/ virtual representation of ourselves as both buyer and seller for the similar type of properties in the subject location and thereafter based on this information and various factors of the property, rate has been judiciously taken considering the factors of the subject property, market scenario and weighted adjusted comparison with the comparable properties unless otherwise stated.</li> <li>References regarding the prevailing market rates and comparable are based on the verbal/ informal/ secondary/ tertiary information which are collected by our team from the local people/ property consultants/ recent deals/ demand-supply/ internet postings are relied upon as may be available or can be fetched within the limited time &amp; resources of the assignment during market survey in the subject location. No written record is generally available for such market information and analysis has to be derived mostly based on the verbal information which has to be relied upon.</li> <li>Market Rates are rationally adopted based on the facts of the property which came to our knowledge during the course of the assessment considering many factors like nature of the property, size, location, approach, market situation and trends and comparative analysis with the similar assets. During comparative analysis, valuation metrics is prepared and necessary adjustments are made on the subject asset.</li> <li>The indicative value has been suggested based on the prevailing market rates that came to our knowledge during secondary &amp; tertiary market research and is not split into formal &amp; informal payment arrangements. Most of the deals takes place which includes both formal &amp; informal payment components. Deals which takes place in complete formal payment component may realize relatively less actual transaction value due to inherent added tax, stamp registration liabilities on the buyer.</li> <li>Secondary/ Tertiary costs related to asset transaction like Stamp Duty, Registration charges, Brokerage, Commission, Bank interest, Selling cost, Marketing cost, etc. pertaining to the sale/ purchase of this property are not considered while assessing the indicative estimated Market Value.</li> <li>This report includes both, Govt. Guideline Value and Indicative Estimated Prospective Market Value as described above. As per the current market practice, in most of the cases, formal transaction takes place for an amount less than the actual transaction amount and rest of the payment is normally done informally.</li> <li>Area measurements considered in the Valuation Report pertaining to asset/ property is adopted from relevant approved documents or sample site measurement whichever is less unless otherwise mentioned. All area measurements are on approximate basis only.</li> <li>Verification of the area measurement of the property is done based on sample random checking only.</li> <li>Area of the large land parcels of more than 2500 sq.mtr or of uneven shape in which there can be practical difficulty in sample measurement, is taken as per property documents which has been relied upon unless otherwise stated.</li> <li>Drawing, Map, design &amp; detailed estimation of the property/ building is out of scope of the Valuation services.</li> <li>Construction rates are adopted based on the present market replacement cost of construction and calculating applicable depreciation &amp; deterioration factor as per its age, existing condition &amp; specifications based on visual observation only of the structure. No structural, physical tests have been carried out in respect of it. No responsibility is assumed for latent defects of any nature whatsoever, which may affect</li> </ul>	





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value, or for any expertise required to disclose such conditions.

- Construction rates are adopted based on the plinth area rates prevailing in the market for the structure as a whole and not based on item wise estimation or Bills of Quantity method unless otherwise stated.
- The condition assessment and the estimation of the residual economic life of the structure are only based on the visual observations and appearance found during the site survey. We have not carried out any structural design or stability study; nor carried out any physical tests to assess structural integrity & strength.
- Any kind of unpaid statutory, utilities, lease, interest or any other pecuniary dues on the asset or on its owners has not been factored in the Valuation.
- This Valuation is conducted based on the macro analysis of the asset/ property considering it in totality and not based on the micro, component or item wise analysis. Analysis done is a general assessment and is neither investigative in nature nor an audit activity.
- Valuation is done for the asset found on as-is-where basis which owner/ owner representative/ client/ bank has shown to us on site of which some reference has been taken from the information/ data given in the copy of documents provided to us which have been relied upon in good faith and we have assumed that it to be true and correct.

#### xxxv. ASSUMPTIONS

- Documents/ Information/ Data provided by the client/ property owner or his representative both written & verbally is true and correct without any fabrication and has been relied upon in good faith.
- Local verbal enquiries during micro market research came to our knowledge are assumed to be taken on record as true & factual.
- The assets and interests therein have been valued free and clear of any liens or encumbrances unless stated otherwise. No hidden or apparent conditions regarding the subject assets or their ownership are assumed to exist. No opinion of title is rendered in this report and a good title is assumed unless stated otherwise.
- It is assumed that the concerned Lender/ Financial Institution has asked for the valuation of that property after satisfying the authenticity of the documents given to us and for which the legal verification has been already taken and cleared by the competent Advocate before requesting for the Valuation report. I/ We assume no responsibility for the legal matters including, but not limited to, legal or title concerns.
- Payment condition during transaction in the Valuation has been considered on all cash bases which includes both formal & informal payment components as per market trend.
- Sale transaction method of the asset is assumed as Free market transaction without any compulsion unless otherwise mentioned while assessing Indicative & Estimated Fair Prospective Market Value of the asset unless otherwise stated.
- If this Valuation Report is prepared for the Flat/ dwelling unit situated in a Group Housing Society or Integrated Township then approvals, maps of the complete group housing society/ township is out of scope of this report. This valuation report is prepared for the specific unit based on the assumption that complete Group Housing Society/ Integrated Township is approved and complied with all relevant laws and the subject unit is also approved within the Group Housing Society/ Township.

#### xxxvi. SPECIAL ASSUMPTIONS

None

#### xxxvii. LIMITATIONS

None





3.

**VALUATION OF LAND**

As described in Section 2(xxviii) above, we are considering Guidelines land rate as the market value of the land.

Guidelines land rate of the revenue blocks are considered for valuation. The latest available Guidelines rates are as of 17-05-2024. Copy of the same is annexed with the report. Thus, the valuation is as follows: -

LAND VALUATION					
Revenue Block	Area			Guideline Rate (In Rs. /sqm)	Guideline/Market Value (In Rs.)
	Hectare	Acre	sq.m		
Omlok	10.65	26.33	1,06,539.40	36	38,35,419
Chumbung	6.49	16.02	64,849.64	46	29,83,083
Labing	6.38	15.75	63,749.64	49	31,23,733
Bhaluthang	2.84	7.01	28,379.84	28	7,94,636
Gerathang	2.16	5.34	21,599.88	28	6,04,797
<b>Total</b>	<b>28.51</b>	<b>70.45</b>	<b>2,85,118.40</b>		<b>1,13,41,666</b>





#### 4. VALUATION COMPUTATION OF BUILDING & CIVIL WORKS

**A. METHODOLOGY ADOPTED:** The fair market value of the building as on the date of valuation is its cost of reproduction on that date less the depreciation & other deterioration deductions from the date of completion of the buildings to the date of its valuation. Thus, for building valuation we have used **"Depreciated Reproduction Cost Method"** under **"Cost Approach"**.

As per our comparative analysis, in Hydro Power Plants, Building & Civil works including Dam, HRT, Tunnels, Hydro Mechanical Gates, etc. comprises of more than 50% of the Project cost which hovers upto 75% and in most cases ranges from 67% to 74%. Building & Civil works mainly depends upon the HRT length and diameter. In subject Plant case, Building & Civil works cost is around 72% of the total Project cost.

- Valuation assessment has been conducted of the building & civil works that has been capitalized in the books/ FAR of the company.
- The building & civil mentioned in the shared FAR comprises, Plant Building, Roads, Dam, Water Conductor System, HRT Work, Power House & Barrage Protection Walls etc.
- Dam, Water Conductor System, HRT Work, Power House & Barrage Protection Walls etc. is considered under Plant & Machinery head under FAR but since this is a pure civil work, therefore for the purpose of the valuation we have considered it in Building & Civil works.
- We have used Building Construction cost index data provided by the Sikkim Government. As per government data, the construction cost index is available till year 2022. The average increase in inflation is about 5% YoY. Thus, to calculate the index for year 2023 & 2024, we used 5% inflation subsequently. Details of the same are as follows: -

Year	2024-P	2023-P	2022	2021	2020	2019	2018	2017	2016	2015
Building Construction Cost Index	182.96	174.25	165.95	157.56	165.62	143.77	137.11	132.38	131.35	130.57

- The above arrived index is applied on gross capitalized cost of Plant Building, Roads, Dam, Water Conductor System, HRT Work, Power House & Barrage Protection Walls etc. to arrive Gross Current Replacement Cost.
- Further the replacement cost has been adjusted as per comparative analysis of the similar Plants where the average cost is coming out to be Rs.12.60 crore per MW to bring it in the market range. List can be referred in Hydro Power Plant Market Analysis.
- Further, for the major civil works such as Plant Building, Water Conductor System, HRT Work, Power House & economic life of 35 years is considered and for others such as Barrage





## VALUATION ASSESSMENT

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Protection Walls, land internal development works 10 years is considered with Nil Salvage Value.

- Summary of the estimated Depreciated Replacement Cost is as follows: -

Figures In ₹ Crore

As per SEPL dated 31-12-2023			As Per RKA dated 01-06-2024	
Particulars	Gross Block	Net Block	Gross Current Replacement Cost	Depreciated Replacement Cost
Hydraulic work, Dam, Water conductor system, Hydromechanical gates, tunnels etc.	634.01	428.13	697.87	515.79
Plant Building	153.80	126.86	189.14	125.11
Roads	17.18	13.88	21.17	-
Leasehold Improvement	0.41	0.18	0.44	0.26
<b>Total</b>	<b>805.40</b>		<b>888.75</b>	<b>641.16</b>



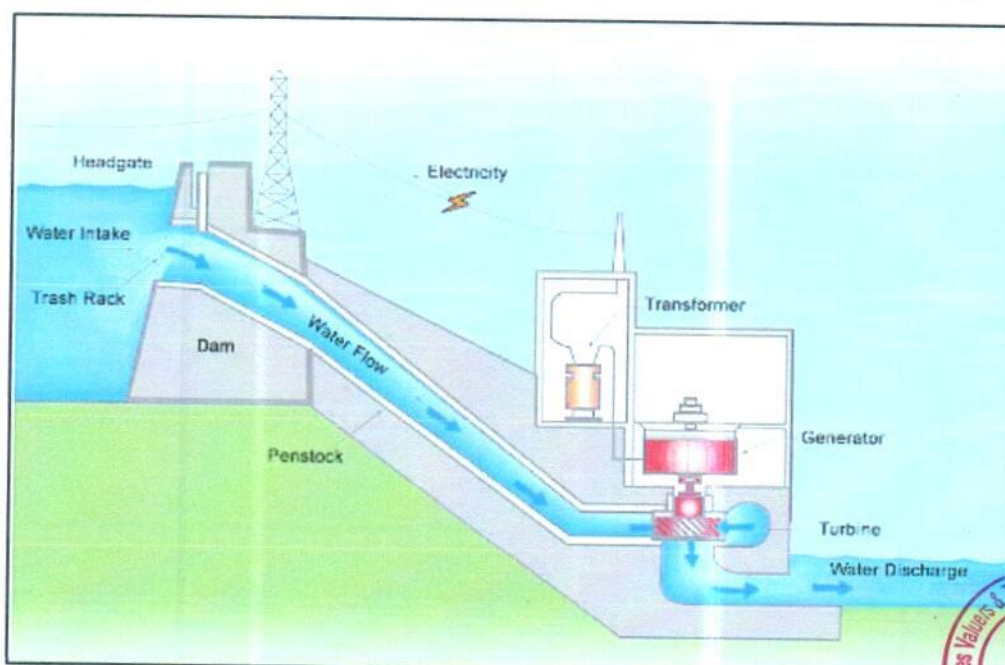


**PART F**

**CHARACTERISTICS DESCRIPTION OF PLANT/ MACHINERY**

S.NO.	CONTENTS	DESCRIPTION
<b>1.</b>	<b>TECHNICAL DESCRIPTION OF THE PLANT/ MACHINERY</b>	
a.	Nature of Plant & Machinery	Hydro Electric Power Plant
b.	Size of the Plant	Medium scale Plant
c.	Type of the Plant	Fully Automatic
d.	Year of Installation/ Commissioning/ COD (Commercial Operation Date)	06 <sup>th</sup> November 2017
e.	Production Capacity	2 x 48.5 MW
f.	Capacity at which Plant was running at the time of Survey	31.90 MW (Only Turbine-2 was operational)
g.	Number of Production Lines	2 nos. of Vertical Francis turbine
h.	Condition of Machines	Good.
i.	Status of the Plant	Partially operational - Only Turbine-2 was operational
j.	Products Manufactured in this Plant	Electricity
k.	Recent maintenance carried out on	2023 (As per information provided to us during site visit.)
l.	Recent upgradation, improvements if done any	As per information shared, plant had complete overhauling of both units in 2023.
m.	Total Gross Block & Net Block of Assets	<b>Gross Block</b>
		<b>Net Block</b>
		As on 31/12/2023
		Rs. 948,35,70,162/-
		Rs. 640,03,66,962/-
n.	Any other Details if any	As per observation made during site inspection, only unit-2 was operational due to low water level on dam as it is a run of river hydroelectric power plant. The total HRT length is 5.70km. The total barrage water storage capacity is 1,80,000 m <sup>3</sup> .

**2. MANUFACTURING PROCESS**





### 3. Generation Data

Details of generation data provided by the is as follows: -

Monthly Gross Generation (MUs)							
Month	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
April	-	13.9045	17.3800	11.3595	11.8652	17.8184	12.3106
May	-	25.3514	23.7430	26.1129	20.8082	20.9459	16.7997
June	-	48.3823	33.6580	58.6927	45.8620	62.7690	41.6065
July	-	75.1507	75.5060	81.8722	75.7568	75.5340	82.4135
August	-	70.6773	77.9960	58.3576	75.4751	78.5480	80.4899
September	-	76.8074	78.3570	61.2834	70.0892	78.0932	69.2272
October	-	43.9096	61.8650	29.3338	61.0307	61.5389	55.7050
November	-	23.2210	27.7960	02.8322	34.5418	18.0113	25.7604
December	18.0911	16.1188	14.8170	12.5838	21.4472	15.5375	17.0257
January	07.8488	12.4934	09.8667	11.8113	15.6344	09.8541	12.8819
February	10.5162	09.9119	08.3633	08.0677	11.6653	07.6790	10.4484
March	11.2030	11.2684	09.2602	10.5098	12.1317	03.2865	12.1559
<b>Total</b>	<b>47.6591</b>	<b>427.1967</b>	<b>438.6082</b>	<b>372.8170</b>	<b>456.3076</b>	<b>449.6158</b>	<b>436.8247</b>

Month	UOM	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Average
PLF	%	17.8%	23.5%	60.2%	115%	113%	100%	78%	37%	24%	18%	16%	17%	52%
PAF	%	99.9%	100.0%	100.0%	100%	100%	100%	100%	100%	100%	49%	100%	100%	96%

### 4. TECHNOLOGY TYPE/ GENERATION USED AND TECHNOLOGICAL COLLABORATIONS IF ANY

a.	Technology Type/ Generation Used in this Plant	Vertical Francis Turbine
b.	Technological Collaborations If Any	Alstom India Limited
c.	Current Technology used for this Industry in Market	Vertical Francis Turbine

### 5. RAW MATERIALS REQUIRED & AVAILABILITY

a.	Type of Raw Material	River Water
b.	Availability	Abundantly available

### 6. AVAILABILITY & STATUS OF UTILITIES

a.	Power/ Electricity	Itself a power plant
b.	Water	Yes
c.	Road/ Transport	Yes

### 7. COMMENT ON AVAILABILITY OF LABOUR

a.	Availability	Appears to be easily & adequately available and no labour issues came to our knowledge during site inspection.
b.	Number of Labour working in the Factory	30-35

### 8. SALES TRANSACTIONAL PROSPECTS OF SUCH PLANTS/ MACHINERY

a.	Strategic Sale as part of the ongoing concern company.
b.	<b>Reason:</b> This is a Large Scale Plant and can only be sold only as an Integrated Industry to preserve its value since complete process line & machines are special purpose machines and can't be used in any other Industry. So for fetching maximum value is through strategic sale to the players who are already into same or similar Industry who have plans for expansion or any large conglomerate who plans to enter into this new Industry

### 9. DEMAND OF SUCH PLANT & MACHINERY IN THE MARKET

a.	Demand is proportional to Power sector outlook which is currently positive.
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### 10. SURVEY DETAILS





## VALUATION ASSESSMENT

M/S. SHIGA ENERGY PRIVATE LIMITED

a.	Plant has been surveyed by our Engineering Team on dated 27/04/2024
b.	Site inspection was done in the presence of Company's Employee Mr. Sanjeev Kumar (Plant Head) who was available from the company to furnish any specific detail about the Plant & Machinery.
c.	Our team examined & verified the machines and utilities from the FAR provided by the Company. Only major machinery & equipment installed in the plant has been verified.
d.	Photographs have also been taken of all the Machines and its accessories installed there.
e.	Details have been cross checked as per the documents provided to us by the company and what was observed at the site.
f.	Condition of the machines is checked through visual observation only. No technical/ mechanical/ operational testing has been carried out to ascertain the condition and efficiency of machines.
g.	Site Survey has been carried out on the basis of the physical existence of the assets rather than their technical expediency.
h.	As on date of site visit, only unit-2 was operational due to low water level.
i.	As per the overall site visit summary, the Plant appeared to be in good condition.





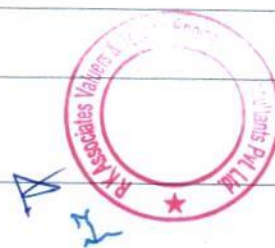
**PART G**

**PROCEDURE OF VALUATION ASSESMENT – PLANT & MACHINERY**

1.	GENERAL INFORMATION			
i.	Important Dates	<b>Date of Inspection of the Property</b> 10 April 2024	<b>Date of Valuation Assessment</b> 1 June 2024	<b>Date of Valuation Report</b> 17 June 2024
ii.	Client	IFCI Limited, IFCI Tower, 61 Nehru Place, New Delhi		
iii.	Intended User	IFCI Limited, IFCI Tower, 61 Nehru Place, New Delhi		
iv.	Intended Use	To know the general idea on the market valuation trend of the property as per free market transaction. This report is not intended to cover any other internal mechanism, criteria, and considerations of any organization as per their own need, use & purpose.		
v.	Purpose of Valuation	For Periodic Re-valuation of the mortgaged property		
vi.	Scope of the Assessment	Non binding opinion on the assessment of Plain Physical Asset Valuation of the property identified to us by the owner or through his representative.		
vii.	Restrictions	This report should not be referred for any other purpose, by any other user and for any other date other then as specified above.		
viii.	Identification of the Assets	<div>✓ Cross checked from the name of the machines mentioned in the FAR list name plate displayed on the machine</div> <div>✓ Identified by the company's representative</div> <div>✓ Due to large number of machines only major production lines &amp; machines have been checked</div>		
ix.	Type of Survey conducted	Full survey (inside-out with approximate sample random measurements verification & photographs).		

2.

ASSESSMENT FACTORS				
i.	Nature of the Valuation	Fixed Assets Valuation		
ii.	Nature/ Category/ Type/ Classification of Asset under Valuation	Nature		Category
		PLANT & MACHINERY		INDUSTRIAL
		Classification		Income/ Revenue Generating Asset
iii.	Type of Valuation (Basis of Valuation as per IVS)	Primary Basis	Fair Market Value	
		Secondary Basis	On-going concern basis	
iv.	Present market state of the Asset assumed (Premise of Value as per IVS)	Under Normal Marketable State		
		Reason: Asset under free market transaction state		
v.	Physical Infrastructure availability factors of the locality	Water Supply	Sewerage/ Sanitation system	Electricity
		Yes	Underground	Yes
		Availability of other public utilities nearby		Availability of communication facilities
		Transport, Market, Hospital etc. are available in close vicinity		Major Telecommunication Service Provider & ISP connections are available
vi.	Neighborhood amenities	Average		
vii.	Any New Development in surrounding area	None	NA	
iii.	Any specific advantage/ drawback in the plant and machines	No such specific drawback		





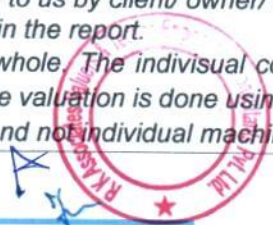
## VALUATION ASSESSMENT

### M/S. SHIGA ENERGY PRIVATE LIMITED

ix.	Machines overall usability/ utility Factor	Good
x.	Best Sale procedure to realize maximum Value (in respect to Present market state or premise of the Asset as per point (iv) above)	<b>Fair Market Value</b> Free market transaction at arm's length wherein the parties, after full market survey each acted knowledgeably, prudently and without any compulsion.
xi.	Hypothetical Sale transaction method assumed for the computation of valuation	<b>Fair Market Value</b> Free market transaction at arm's length wherein the parties, after full market survey each acted knowledgeably, prudently and without any compulsion.
xii.	Approach & Method of Valuation Used	<b>Approach of Valuation</b> Cost Approach
		<b>Method of Valuation</b> Depreciated Reproduction Cost Method
xiii.	Type of Source of Information	Level 3 Input (Tertiary)
xiv.	Any other aspect which has relevance on the value or marketability of the machines	The marketability for the machines depends upon the industry outlook, make, market condition, raw material, maintenance, raw material, usability, capacity. This Valuation report is prepared based on the facts of the assets & market situation on the date of the survey. It is a well-known fact that the market value of any asset varies with time & socio-economic conditions prevailing in the region/ country. In future assets market may go down, asset conditions may change or may go worse, plant vicinity conditions may go down or become worse, plant market may change due to impact of Govt. policies or effect of domestic/ world economy, usability prospects of the Plant may change, etc. Hence before financing, Banker/ FI should take into consideration all such future risk while financing.

#### Main Basis:

- We have conducted valuation of physical assets rather than business valuation. Thus, we have applied Cost and Market Approach for Valuation Purpose.
- Basic Methodology: For arriving at fair market value of P&M & other fixed assets our engineering team has rationally applied the mixture of 'sales comparison approach (market approach)' and the 'cost approach (depreciated replacement cost)'. The fair market value of Plant & Machinery on the date of valuation is its cost of reproduction & commissioning on that date less the depreciation from the date of commissioning of the machinery to the date of its valuation.
- Core P&M Asset Valuation is done keeping in mind various factors like technology used, machines availability, its condition, average age, maintenance & service and parts replacement availability of the machines and more importantly demand in the market.
- Main Machinery of this Plant are specific purpose machines i.e. Hydro Electric Power Generation.
- The main data point for the Valuation of Plant & Machinery is the Fixed Asset Register maintained by the company. Plant & Machinery FAR has been provided by the company which has been relied upon in good faith. Provided FAR included assets in different heads like Land, Building, Plant & Machinery, Electrical equipment's, Furniture & fittings, Office equipment, etc. Assets under different heads are segregated and are evaluated separately. From the Fixed Asset Register List two key inputs, Date of Capitalization and Cost of capitalization are taken which play vital role in evaluating used Plant & Machinery valuation.
- Provided Capitalization cost include soft cost incurred during the Project establishment like Pre-operative, IDC & Finance cost expenses also.
- For calculating Replacement Cost of the machines as on date, Whole Sale Price Index (WPI) is used issued by Department Economic Advisor, Govt. of India.
- For evaluating depreciation, Chart of Companies Act-2013, Central Electricity Commission Guidelines & Industry & institutional standards are used for ascertaining useful life of different types of machines are followed.
- Market & Industry scenario is also explored for demand of such Plants.
- Underline assumption for the evaluation of this Plant & Machinery is that it will be sold as an Integrated Plant and not as discrete/ piecemeal machinery basis.
- Valuation of the asset is done as found on as-is-where basis on the site as identified to us by client/ owner/ owner representative during site inspection by our engineer/s unless otherwise mentioned in the report.
- The valuation of the Plant/ Machinery has been done considering the plant as a whole. The individual cost for machines shown is for illustration purpose, and may vary from market rates since the valuation is done using cost approach method and finally cross verified from market approach as a whole plant and not individual machine.





m. Consolidated valuation sheet of Plant & Machinery and other asset items are mentioned below with depreciated current market value as per different category of the machines/assets cumulated together. Our engineering team has separated the Cost of Equipment's in the different sections of the plant. The cost of equipment considered from P&M List includes Pre-operative, Finance, and IDC Charges etc. The capitalized/ purchase cost of machinery considered from P&M List consists of final commissioning of machines which includes freight, taxes, insurance, etc.

**Other Basis:**

- n. 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 and based on the Standard Operating Procedures, Best Practices, Caveats, Limitations, Conditions, Remarks, Important Notes, Valuation TOR and definition of different nature of values.
- o. The indicative value has been suggested based on the prevailing market rates that came to our knowledge during secondary & tertiary market research and is not split into formal & informal payment arrangements. Most of the deals takes place which includes both formal & informal payment components. Deals which take place in complete formal payment component may realize relatively less actual transaction value due to inherent added tax, stamp registration liabilities on the buyer.
- p. Secondary/ Tertiary costs related to asset transaction like Installation, maintenance and Logistics costs pertaining to the sale/ purchase of the assets are not considered separately while assessing the indicative estimated Market Value and is assumed to be included in the Cost of capitalization provided by the client.
- q. The condition assessment and the estimation of the residual economic life of the machinery and assets are only based on the visual observations and appearance found during the site survey. We have not carried out any physical tests to assess the working and efficiency of the machines and assets.
- r. Any kind of unpaid statutory, utilities, lease, interest or any other pecuniary dues on the asset or on its owners has not been factored in the Valuation.
- s. Valuation is done for the asset found on as-is-where basis which owner/ owner representative/ client/ bank has shown to us on site of which some reference has been taken from the information/ data given in the copy of documents provided to us which have been relied upon in good faith and we have assumed that it to be true and correct.
- t. This is just the fixed asset valuation of the project based on the cost & market approach methodologies considering the utility of the asset for the business & the company as on-ongoing concern basis. This Valuation shall not be construed as the transactional value of the Project which may be determined through Enterprise/ Business Valuation based on Income approach methodologies.

xv. **ASSUMPTIONS**

- u. Documents/ Information/ Data provided by the client/ property owner or his representative both written & verbally is true and correct without any fabrication and has been relied upon in good faith.
- v. The assets and interests therein have been valued free and clear of any liens or encumbrances unless stated otherwise. No hidden or apparent conditions regarding the subject assets or their ownership are assumed to exist. No opinion of title is rendered in this report and a good title is assumed unless stated otherwise.
- w. It is assumed that the concerned Lender/ Financial Institution has asked for the valuation of that property after satisfying the authenticity of the documents given to us and for which the legal verification has been already taken and cleared by the competent Advocate before requesting for the Valuation report. I/ We assume no responsibility for the legal matters including, but not limited to, legal or title concerns.
- x. Payment condition during transaction in the Valuation has been considered on all cash basis which includes both formal & informal payment components as per market trend.
- y. Sale transaction method of the asset is assumed as Free market transaction without any compulsion unless otherwise mentioned while assessing Indicative & Estimated Fair Prospective Market Value of the asset unless otherwise stated.

xvi. **SPECIAL ASSUMPTIONS**

As per information shared by the company management during site survey, plant was operational normally without any breakdown. Thus, it is assumed that the overall condition of plant was good.

xvii. **LIMITATIONS**

Unavailability of the data & information in public domain pertaining to the subject location.





### 3. HYDRO POWER PLANT MARKET ANALYSIS

- **Overview of Indian Market Scenario:** - Hydro power projects come in two sizes: large and small. In India, small hydro projects are those with a capacity of 25 MW or less. Before 1989, the Ministry of Power managed hydro power, but then projects up to 3 MW were handed over to the Ministry of New and Renewable Energy (MNRE). Later, the MNRE took charge of projects up to 25 MW in 1999.

The hilly states like Sikkim, Arunachal Pradesh, Himachal Pradesh, Jammu & Kashmir, and Uttarakhand have about half of this potential. Other states with potential are Maharashtra, Chhattisgarh, Karnataka, and Kerala. The MNRE is focusing on these states to promote small hydro projects.

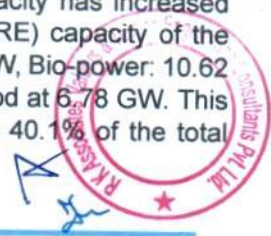
Hydroelectric power projects with aggregate capacity of 15 GW are under construction in the country. The hydro capacity is likely to increase from 42 GW to 67 GW by 2031-32, marking an increase of more than half of present capacity. Total Hydro generated Power capacity in India is 11.2% of the total Power generation.

The Indian Meteorological Department has predicted higher rainfall in the current financial year i.e. FY2024-25. Further, hydropower projects located in the Himalayan region get base flow from contribution of snowmelt, i.e., from surface runoff produced by melting snow; so, any rise in temperature will increase snowmelt contribution.

- **Fall in Hydro Power Generation in 2023-24:** - The fall in hydro power generation in 2023-24 as compared to 2022-23 cannot be attributed solely to less rainfall. In the southern region, which contributes approximately 22% of the total hydro energy generated, low rainfall has indeed played a role. However, the hydroelectric power projects in Northern and Eastern regions, comprising over 60% of total hydro energy generation, have been severely impacted by natural disasters in 2023-24. In July 2023, Himachal Pradesh experienced flash floods, disrupting the operation of many power stations in the area. Besides, flash floods in the Eastern region in October 2023 have further hindered the operation of several hydro power stations, thus affecting the generation severely.

Hydrology of any river basin is variable and follows some period of alternate wet and dry spells. Lower rainfall in the past does not mean that the same type of the rainfall will necessarily occur in the future as well.

- **Potential for Replenishment of Capacity in Water Reservoirs:** - While the lightest rainfall since 2018 resulted in reduced water levels in a few reservoirs, the government is reasonably optimistic about the future. The prediction by the IMD of good monsoon in FY 2024-25 suggests a potential reversal of the trend. This anticipated increase in rainfall could contribute to replenishment of reservoir capacities which were lost during the scarce rainfall in the previous year. Further, the current downturn may be temporary rather than indicative of a long-term decline.
- **Share of Hydro in Total Energy Mix and Pace of Addition of Hydro Capacity:** - The development of hydro power projects has been marred by various issues such as natural calamities, geological surprises and contractual disputes, which have resulted in slower hydro capacity addition in recent years. Nevertheless, aligning with the ambitious targets set forth by India in the Nationally Determined Contributions (NDC) under the COP Paris agreement, which are aimed at reducing emissions intensity of GDP by 45% from 2005 levels by the year 2030 and achieving 50% of installed electric power capacity from non-fossil-fuel sources by the year 2030, the government has adopted a proactive stance towards hydro power development, striving for accelerated progress.
- **Growth in India's Renewable Energy Capacity:** - India's renewable energy capacity has increased significantly in recent years. As on 30-11-2021, the installed Renewable Energy (RE) capacity of the country stood at 150.54 GW (solar: 48.55 GW, Wind: 40.03 GW, Small Hydro: 4.83 GW, Bio-power: 10.62 GW, Large Hydro: 46.51 GW). While its nuclear energy based installed capacity stood at 6.78 GW. This brings the total non-fossil-based installed energy capacity to 157.32 GW, which is 40.1% of the total





installed electricity capacity of 392.01 GW at the time. Thus, India has overachieved its commitment made at COP 21 Paris Summit by achieving more than 40% of its installed power capacity from non-fossil fuels, almost nine years ahead of its commitment.

**India is the only G20 country that has fulfilled all commitments it made in Paris on climate change.**

- **Status of Under Execution Hydro Electric Projects:** - As per market research & information gathered on public domain, there is often delay in execution of Hydro Electric Projects due to multiple reasons which results in increased project cost. Details of some the projects are as follows: -

Sr. No.	Name of Project Date of CEA clearance / Approval Capacity (MW)	Cost (original/latest) In Rs. Crores	State Comm. Sch. (original/ Now Ant.)	Remarks/ Critical issues
1	Parbati-II NHPC 11.09.2002 4x200 = 800 MW	Original: 3919.59 Latest: 9897.59	H.P. 2009-10 2024-25	<ul style="list-style-type: none"> <li>• Slow progress of HRT excavation due to geological constraints.</li> <li>• Heavy rainfall since Jul,2023 which has cut off the approach to working fronts in HRT.</li> </ul>
2	Tapovan Vishnugad NTPC 11.08.2004/Nov, 2006 4x130 = 520 MW	Original: 2978.48 Latest: 7700 (4 <sup>th</sup> qtr. 22)	Uttarakhand 2012-13 2025-26 (Subject to restart)	<ul style="list-style-type: none"> <li>• Work on the project stopped since 05.01.2023 by the district administration due to subsidence in Joshimath area. Hon'ble High Court allowed for some essential works vide order dated 23.05.2023</li> </ul>
3	Tehri PSS, THDC, 18.7.06 Nov-11 (Revised CCEA) 4x250=1000 MW	Original: 1657.60 Latest:6439.6 0	Uttarakhand 2010-11 2024-25 (Sept'24)	--
4	Lata Tapovan, NTPC Aug-2012 3x57= 171 MW	Original: 1527.00 Latest: 1801.07	Uttara khand 2017-18 2028-29 (Subject to re-start)	<ul style="list-style-type: none"> <li>• Construction work stopped vide Hon'ble Supreme Court order dated 7.5.14.</li> <li>• Clearance from Hon'ble Supreme Court for resumption of works.</li> </ul>
5	Vishnugad Pipakoti THDC 21.08. 2008 4x111= 444 MW	Original: 2491.58 Latest: 3860.35	Uttarakhand 2013-14 2026-27	<ul style="list-style-type: none"> <li>• Financial crunch with the civil contractor</li> <li>• Intermittent stoppage of works after the Joshimath subsidence issue Jan'23</li> </ul>
6	Subansiri Lower NHPC 09.09.2003 8x250= 2000 MW	Original: 6285.33 Latest: 19992.43	Arunachal Pradesh, Assam 2009-11 2023-26	<ul style="list-style-type: none"> <li>• Radial Gates erection and Diversion Tunnel plugging are critical activities.</li> </ul>
7	Teesta-VI NHPC 08.3.2019 4x125= 500 MW	Original: 3283.08 Latest: 5748.04	Sikkim 2012-13 2026-27	<ul style="list-style-type: none"> <li>• Poor geology in HRT.</li> </ul>
8	Rammam-III NTPC Hydro Ltd. 10.09.14 3x40 = 120 MW	Original: 1381.84 Latest: 1592.34	West Bengal 2019-20 2026-27 (Sep'26)	<ul style="list-style-type: none"> <li>• Signing of PPA/ATS: - Clearance for signing of PPA by West Bengal Govt. awaited.</li> <li>• Power Evacuation Line: Power Evacuation line/ ATS also not getting finalized due to pending decision for PPA.</li> <li>• Heavy flood hit the Barrage area on 18.06.2023 and upstream of Barrage and equipment including access road were washed away/damaged</li> <li>• Poor financial condition of existing vendors- Financial Assistance/ Support is being provided by NTPC</li> </ul>





## VALUATION ASSESSMENT

### M/S. SHIGA ENERGY PRIVATE LIMITED

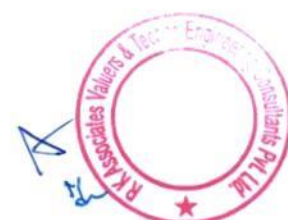
9	Pakal Dul CVPPL 03.10.2006 4x250 = 1000 MW	Original: 8112.12 Latest: 8112.12	J&K 2020-21 2026-27	<ul style="list-style-type: none"> <li>HRT &amp; Dam works are critical.</li> </ul>
10	Kiru CVPPL 13.06.2016 4x156=624 MW	Original: 4287.59 Latest: 4287.59	J&K 2023-24 2025-26	<ul style="list-style-type: none"> <li>The project is in initial stage of construction.</li> </ul>
11	Ratle Ratle Hydro Electric Project Pvt. Ltd. / NHPC 19.12.2012 4x205+1x30= 850 MW	Original: 5281.94 Latest: 5281.94	J&K 2017-18 2026-27 (May'26)	---
12	Rangit-IV Jal Power corp. Ltd. 06.07.2007 3x40= 120 MW	Original: 726.17	Sikkim 2011-12 2024-25	<ul style="list-style-type: none"> <li>Slow progress of works on account of Covid-19 associated lockdowns and restrictions.</li> <li>Poor geology in HRT.</li> <li>Methane in HRT</li> </ul>
13	Luhri Stage-1 SJVN Ltd. 2x80+2x25=210 MW	Original - 1810.56	Himachal Pradesh 2025-26	
14	Dhaulasidh Hydro Electric Project SJVN Ltd (2x33 MW = 66 MW)	Original: Rs. 687.97 Cr	Himachal Pradesh 2025-26	<ul style="list-style-type: none"> <li>Works hampered in monsoon due to flash flood.</li> </ul>
15	Kwar Hydro Electric Project, CVPPL (4x135 MW = 540 MW)	Original: Rs. 4526.12 Cr	UT of J&K 2026-27	<ul style="list-style-type: none"> <li>The works have recently been awarded.</li> </ul>
16	Sunni Dam SJVN 4x73+1x73+1x17=382 MW	Original: Rs. 2614.51 Cr.	Himachal Pradesh 2027-28	---
17	Dibang HEP, NHPC (12x240=2880MW)	Rs. 31876.39 Cr	Arunachal Pradesh 2031-32	-
18	<b>Shahpurkandi</b> Irrigation Deptt. & PSPCL 3x33+3x33+1x8=206 MW	Original: 1835.50 Latest 2368.55	Punjab 2015-16 2025-26	<ul style="list-style-type: none"> <li>Delay in E&amp;M works is critical for schedule commissioning</li> </ul>
19	<b>Uhl-III</b> Beas Valley Power Corporation Ltd. (HPSEB) 3x33.3 =100 MW	Original: 431.56 Latest: 1281.52	H.P. 2006-07 2024-25	<ul style="list-style-type: none"> <li>Penstock failure during trial run</li> </ul>
20	<b>Lower Kopli</b> APGCL 2x55+2x2.5+1x5= 120 MW	Original: 1115.91 Latest: 1795	Assam 2023-24 2024-25	---
21	<b>Tangnu Romai-I</b> M/s Tangnu Romai Power generation 2x22= 44 MW 30.11.2007 (TEC by HPSEB)	Original:255.0 0 Latest:641.89	H.P.  2014-15 2027-28	<ul style="list-style-type: none"> <li>Works are stalled since Jan, 2015 due to finance issues.</li> <li>Developer has earlier initiated the sale of project and in the process of negotiating with potential buyers to enable the project implementation.</li> <li>The company is presently engaged in discussion to complete the settlements with the Lenders consortium of Banks and after settlement the project activities are expected to start by March/April 2023</li> </ul>
22	<b>Tidong-I</b>	Original: 543.15	H.P.	<ul style="list-style-type: none"> <li>Pressure shaft &amp; Transmission Line critical.</li> </ul>



## VALUATION ASSESSMENT

### M/S. SHIGA ENERGY PRIVATE LIMITED

	<b>M/s Statkraft India Pvt. Ltd.</b> 3x50 = 150 MW 28.07.2006	Latest: 1850	2021-22 (New Developer) 2024-25	
23	<b>Kutehr</b> M/s JSW Energy (Kutehr) Ltd. 3x80 = 240 MW 31.08.2010	Original: 798.13 Latest: 2879	H.P. 2024-25 2025-26	
24	<b>Phata Byung</b> M/s Lanco 06.10.2008 2x38 MW = 76 MW	Original: 520.00 Latest: 1132	Uttarakhand 2012-13 2025-26 (Subject to re-start)	<ul style="list-style-type: none"> <li>• Works severely affected due to flash floods in June, 2013.</li> <li>• Works stalled since July, 2017 due to financial crunch with the contractor / developer. The company is undergoing a corporate insolvency resolution process initiated under IBC for resolution and revival of the project since June 2020. Under this process, the resolution professional appointed by the NCLT initiated the process for inviting prospective investors for the project. On 25.02.2022, the CoC approved the Final Statkraft IH Holding AS Resolution Plan by a majority of 100%. The Resolution Professional has filed for approval of the resolution Plan Application before the Hon'ble NCLT. The Allahabad bench of the National Company Law Tribunal approved the resolution. According to the resolution plan, Statkraft will pay a total of ₹180 crore including ₹149.61 crore to secured financial creditors within 90 days of approval of the resolution plan and ₹27.8 crore towards meeting the payment for costs of the corporate insolvency resolution proceedings.</li> <li>• Hon'ble NCLT bench has approved the Resolution plan of Statkraft IH Holding as on 23.03.2023.</li> </ul>
25	<b>Bhasmey</b> Gati Infrastructure 2x25.5= 51 MW	Original: 408.50 Latest: 746.01	Sikkim 2012-13 2027-28 (Subject to re-start)	<ul style="list-style-type: none"> <li>• Slow progress of works</li> <li>• Works stalled since Sept., 2016 due to paucity of funds.</li> <li>• No investor showing interest for executing the project.</li> </ul>
26	<b>Panan</b> Himagiri Hydro Energy Pvt. Ltd. 07.03.2011 4x75= 300 MW	Original: 1833.05 Latest: 2675.00	Sikkim 2018-19 2028-29 (Subject to re- start)	<ul style="list-style-type: none"> <li>• Works was stalled for want of NOC from State Govt. from NBWL angle and now it is received.</li> <li>• Construction of bridge on Mantham lake for accessibility of site is now being started. The works are likely to start soon after accessibility to Dam site is achieved.</li> <li>• Some of the infrastructure works developed earlier to be redone.</li> </ul>





## VALUATION ASSESSMENT M/S. SHIGA ENERGY PRIVATE LIMITED

The short summary of above-mentioned details are as follows: -

Capacity (In MW)	Project Cost (In Rs. Crore)		Commercial Operation Date		Project Cost (In Rs. Crore/MW)	
	Original	Revised	Scheduled	Revised	Original	Revised
800	3,919.59	9,897.59	2009-10	2024-25	4.90	12.37
520	2,978.48	7,700.00	2012-23	2025-26	5.73	14.81
171	1,527.00	1,801.07	2017-18	2028-29	8.93	10.53
2000	6,285.33	19,992.43	2009-11	2023-26	3.14	10.00
500	3,283.08	5,748.04	2012-13	2026-27	6.57	11.50
120	1,381.84	1,592.34	2019-20	2026-27	11.52	13.27
66	687.97	687.97	2025-26	2025-26	10.42	10.42
2880	31,876.39	31,876.39	2031-32	2031-32	11.07	11.07
206	1,835.50	2,368.55	2015-16	2025-26	8.91	11.50
100	431.56	1,281.52	2006-07	2024-25	4.32	12.82
120	1,115.91	1,795.00	2023-24	2024-25	9.30	14.96
44	255.00	641.89	2014-15	2027-28	5.80	14.59
150	543.15	1,850.00	2021-22	2024-25	3.62	12.33
240	798.13	2,879.00	2024-25	2025-26	3.33	12.00
76	520.00	1,132.00	2012-13	2025-26	6.84	14.89
51	408.50	746.01	2012-13	2027-28	8.01	14.63
Average Per MW in Rs. Crore					7.02	12.60

As per analysis mentioned above, the average original project cost is about **Rs. 7.02 Crore per MW** which significantly averagely increased to **Rs. 12.60 Crore per MW** due to multiple factors pertaining to Hydroelectric Projects.





# VALUATION ASSESSMENT

## M/S. SHIGA ENERGY PRIVATE LIMITED

Figures in ₹. Crore

PLANT & MACHINERY VALUATION SUMMARY					
S. No.	As per SEPL as on 31-12-2023			As per RKA as on 01-06-2024	
	Particular	Gross Block	Net Block	GCRC	Depreciated Replacement Cost
1	Hydraulic work, Dam, Water conductor system, Hydromechanical gates, tunnels etc.	Refer			
2	Generating plant & machinery	234.00	158.00	247.08	174.96
3	Plant & Machinery Transmission	38.04	25.68	37.09	19.98
4	Electrical Installation	37.19	25.11	37.51	19.95
5	Misc. Work	5.71	-	6.55	-
6	Communication Equipments	1.91	1.17	1.92	0.39
7	Plant & Machinery (others)	1.63	1.24	1.66	0.72
8	Vehicle	0.75	0.33	0.76	0.02
9	Computers	0.36	0.16	0.34	0.12
10	Office Equipment	0.21	0.11	0.21	0.05
11	Furniture & Fixtures	0.21	0.08	0.26	0.03
12	Computer Software	0.04	0.02	0.04	0.02
<b>Total</b>		<b>320.57</b>	<b>211.89</b>	<b>333.45</b>	<b>226.99</b>

**Note:**

- Asset items pertaining to M/s Shiga Energy Private Limited, Tashiding 97MW Plant only considered in this report.
- SEPL has provided us the Fixed Asset Register (FAR) for the purpose of Valuation. This FAR has the capitalization of the items based on the capex incurred under various heads and shown it in under various phases. Hence, for the purpose of Valuation, we have taken the FAR having capex incurred.
- On the provided capitalized FAR, for estimating Replacement Cost of the machines as on date, Whole Sale Price Index (WPI) is used issued by Department Economic Advisor, Govt. of India is applied as per type of machine/ equipment.
- Capitalized cost of the Plant is Rs. 11.60 per MW. Replacement cost after applying indexation arrives at Rs.14.08 per MW.
- Further the replacement cost has been adjusted as per comparative analysis of the similar Plants where the average cost is coming out to be Rs.12.60 crore per MW to bring it in the market range. List can be referred in Hydro Power Plant Market Analysis.
- For evaluating useful life for calculation of depreciation, Central Electricity Commission Guidelines, Chart of Companies Act-2013 and finally general practical trend of Hydro Plant are referred.
- Useful life of Primary machines of the Plant like Turbine, Coolong Tower, Transformers, Switchgear, Transmission lines etc. is taken as 10-35 years. For other auxiliary machinery & equipment average life varies from 5 – 10 years.
- For evaluating the Gross current replacement cost of the machines and equipment, we have adopted the benchmark cost from the same type of plant with the same technology established recently.
- During the site visit, the units of the plant was operational. Our engineering team visited all the sections and manually inspected the machines and equipment's on the basis of their physical existence not on the basis technical.





5. **CONSOLIDATED VALUATION ASSESSMENT OF THE ASSET**

In ₹ Crore					
Asset-wise Valuation Summary					
As per SEPL dated 31-12-2023				As per RKA dated 01-06-2024	
S. No.	Assets	Gross Block	Net Block	Adjusted GCRC	Fair Value
1.	Lease Hold improvement	0.41	0.18	0.44	0.26
2.	Plant Building including misc. work	159.35	126.86	175.84	125.86
3.	Roads	17.18	13.88	21.17	-
4.	<b>Plant &amp; Machinery</b>				
	Hydraulic work, Dam, Water conductor system, Hydromechanical gates, tunnels etc.	634.01	428.13	697.87	515.79
	Generating plant & machinery	234.00	158.00	247.08	174.96
	Plant & Machinery Transmission	38.04	25.68	37.09	19.97
	Electrical Installation	37.19	25.11	37.51	19.95
	Plant & Machinery (others)	1.63	1.24	1.66	0.72
5.	Communication Equipment	1.91	1.17	1.92	0.39
6.	Vehicles	0.75	0.33	0.77	0.02
7.	Computers	0.36	0.16	0.34	0.12
8.	Office Equipment	0.21	0.11	0.21	0.05
9.	Furniture & Fixtures	0.21	0.08	0.26	0.03
10.	Computer Software	0.04	0.02	0.04	0.02
11.	Land Value	-	-	-	1.13
<b>Total</b>		<b>1125.30</b>	<b>780.95</b>	<b>1222.20</b>	<b>859.28</b>
<b>Per MW Cost (In Rs. Crore)</b>		<b>11.60</b>	<b>8.05</b>	<b>12.60</b>	<b>8.86</b>
<b>Total Indicative &amp; Estimated Prospective Fair Market Value (Rounded Off)</b>					<b>860.00</b>
<b>Expected Realizable Value (@ ~20% less)</b>					<b>688.00</b>
<b>Expected Distress Sale Value (@ ~40% less)</b>					<b>516.00</b>

12. **Concluding Comments/ Disclosures if any**

- This is just core Asset Valuation and not an Enterprise Valuation. This report doesn't cover any prospective sale value of the Power Plant as a whole which is based on the cash flows of the business.
- Fragmented/ Individual component wise may fetch different values, however this Valuation is prepared based on the ongoing concern and the Values has been applied in totality/ group of assets.
- This is just a physical asset valuation and doesn't cover any kind of financial, operational, tax, utility liabilities or dues.
- The values have been suggested as on-going concern basis only.
- Since, it is a hydroelectric power plant and multiple obligations & risks are associated with it. Thus, higher Realizable Value (RV) & Distress Value (DV) has been considered 80% & 60% respectively of Fair Market value.
- As described above on page no. 32 hydroelectric projects generally gets delayed due to topography, environmental issues, natural calamities, financing, increase in DPR cost etc.
- The average replacement cost of these projects is in range of Rs. 10.00 Cr. to Rs. 14.50 Cr. per MW with average Rs.12.60 per MW depending upon project size, location, type of contractor, timeline of the project etc.







or may not follow market dynamics. But if the suggested value by the valuer is not within the prevailing Market range or is assessed for an asset is located in an un-established Market then the valuer will give reasonable justification & reasoning that for what reasons the value suggested by him doesn't follow the prevailing market dynamics.

**Fair Market Value** suggested by the competent Valuer is that prospective estimated amount in his expert & prudent opinion of the subject asset/ property without any prejudice in consonance to the Market dynamics after he has carefully & exhaustively evaluated the facts & information came in front of him or which he could reasonably collect during the course of assessment related to the subject asset on an as-is, where-is basis in its existing conditions, with all its existing advantages & disadvantages and its potential possibilities which is just & equitable at which the subject asset/ property should be exchanged between a willing buyer and willing seller at an arm's length transaction in an open & unrestricted market, in an orderly transaction after proper marketing, wherein the parties, each acted knowledgeably, prudently without any compulsion on the date of the Valuation. Here the words "in consonance to the established Market" means that the Valuer will give opinion within the realms & dynamics of the prevailing market rates after exhaustively doing the micro market research. However due to the element of "Fair" in it, valuer will always look for the factors if the value should be better than the market realms which is just & equitable backed by strong justification and reasoning.

**Market Value** suggested by the competent Valuer is that prospective estimated amount which is average price of the similar comparable assets prevailing in an open & established market during the near period of the date of valuation at which the subject asset/ property should be exchanged between a willing buyer and willing seller on an as-is, where-is basis in its existing conditions, with all its existing advantages & disadvantages and its potential possibilities at an arm's length transaction in an open, established & unrestricted market, in an orderly transaction, wherein the parties, each acted without any compulsion on the date of the Valuation. Using the term "Market Value" without "Fair" omits the elements of proper marketing, acting knowledgeably & prudently.

Market and market participants can be sentimental, inclined towards the transaction without the element of complete knowledge & prudence about facts or due diligence of the asset therefore "each acted knowledgeably, prudently" has been removed from the Market Value definition.

**Realizable Value** is that minimum prospective estimated value of the asset/ property which it may be able to fetch at the time of actual property transaction factoring in the element of discount due to the prospects of deep negotiations between the buyer & seller when the parties in-principally find Fair Market Value reasonable and sits together to close the deal and the transaction across the table. Discount percentage on the Fair Market Value due to negotiation will depend on the nature, size, various salability prospects of the subject asset, the needs of the buyer & the seller and kind of payment terms. In some of the cases Realizable and Fair Market Value may also be equal.

**Distress Sale Value\*** is that value when the property is attached with any process such as mortgaged financing, financial or operational dues which is under any stress condition or situation and the stakeholders are under process of finding resolution towards it to save the property from being attached to a formal recovery process. In this type of sale, minimum fetch value assessed will always be less than the estimated Fair Market Value where the discount of percentage will depend upon various circumstances and factors such as nature, size, salability prospects of the property and kind of encumbrance on the property. In this type of sale, negotiation power of the buyer is always more than the seller and eagerness & pressure of selling the property will be more on the seller than the buyer.

**Liquidation Value** is the amount that would be realized when an asset or group of assets are sold due to any compulsion or constraints such as in a recovery process guided by statute, law or legal process, clearance sale or any such condition or situation thereof where the pressure of selling the asset/ property is very high to realize whatever maximum amount can be from the sale of the assets in a limited time for clearance of dues or due to closure of business. In other words, this kind of value is also called as forced sale value.

**Difference between Cost, Price & Value:** Generally, these words are used and understood synonymously. However, in reality each of these has a completely different meaning, premise and also having different definitions in professional & legal terms. Therefore, 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 property/ asset and is a hypothetical or notional price that buyers and sellers are most likely to conclude for a good or service. Value is not a fact, but an estimate of the likely price to be paid for a good or service at a given time in accordance with a particular definition of value.

Therefore, in actual for the same asset/ property, cost, price & value remain different since these terms have different usage & meaning.





**2. Enclosures with the Report:**

Enclosure: I- Google Map  
 Enclosure: II- References on price trend of the similar related properties available on public domain, if available  
 Enclosure: III- Photographs of the property  
 Enclosure: IV- Copy of Circle Rate  
 Enclosure: V- Important property documents exhibit  
 Enclosure: VI- Part E: Valuer's Important Remarks

**IMPORTANT NOTES**

**DEFECT LIABILITY PERIOD** - In case of any query/ issue or escalation you may please contact Incident Manager by writing at [valuers@rkassociates.org](mailto:valuers@rkassociates.org). We try our level best to ensure maximum accuracy in the Calculations done, Rates adopted and various other data points & information mentioned in the report but still can't rule out typing, human errors, assessment or any other mistakes. In case you find any mistake, variation, discrepancy or inaccuracy in any data point mentioned in the report, please help us by bringing all such points into our notice in writing at [valuers@rkassociates.org](mailto:valuers@rkassociates.org) within 30 days of the report delivery, to get these rectified timely, failing which R.K Associates shouldn't be held responsible for any inaccuracy in any manner. Also, if we do not hear back anything from you within 30 days, we will assume that the report is correct in all respect and no further claim of any sort will be entertained thereafter. We would welcome and appreciate your feedback & suggestions in order to improve our services.

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.




**COPYRIGHT FORMAT** - This report is prepared on the copyright format of R.K Associates to serve our clients in the best possible way. Legally no one can copy or distribute this format without prior approval from R.K Associates. It is meant only for the organization as mentioned on the cover page of this report. Distribution or use of this format or any content of this report wholly or partially other than R.K Associates will be seen as unlawful act and necessary legal action can be taken against the defaulters.

**IF REPORT IS USED FOR BANK/ FIs**

**NOTE:** As per IBA Guidelines in case the valuation report submitted by the valuer is not in order, the banks / FIs shall bring the same to the notice of the valuer within 15 days of submission for rectification and resubmission. In case no such communication is received, it shall be presumed that the valuation report has been accepted.

At our end we have not verified the authenticity of any documents provided to us. Bank is advised to verify the genuineness of the property documents before taking any credit decision.

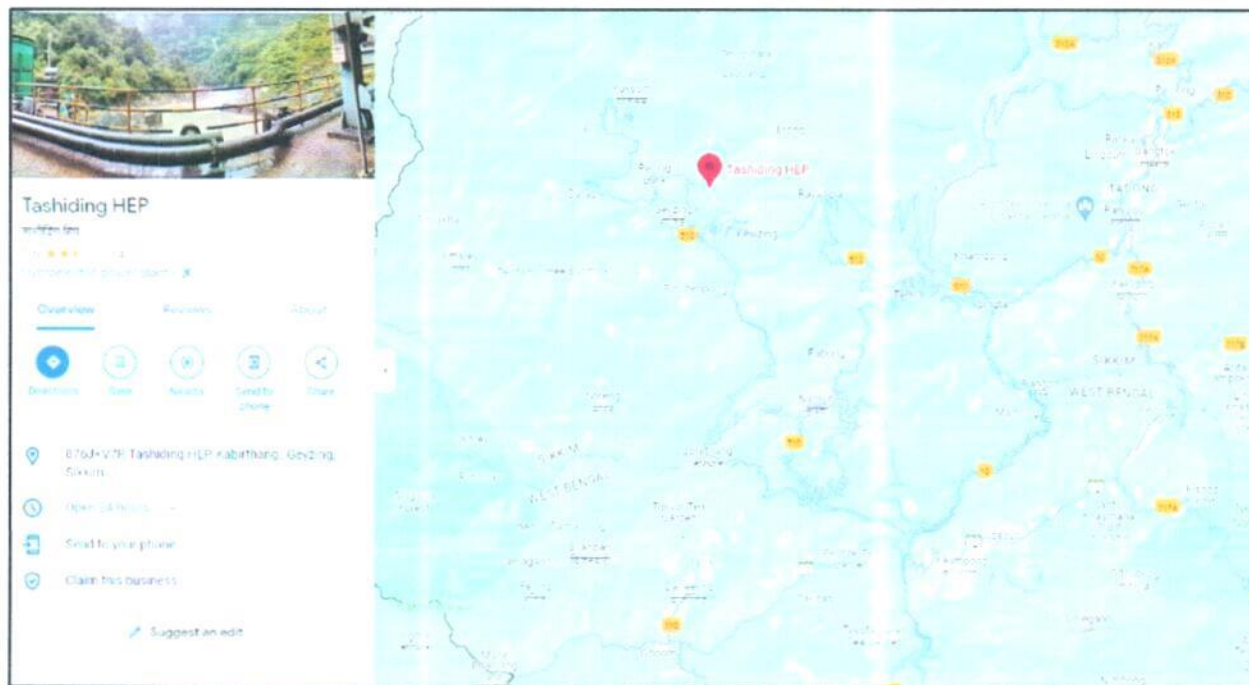
Valuation Terms of Services & Valuer's Important Remarks are available at [www.rkassociates.org](http://www.rkassociates.org) for reference.

SURVEY ANALYST	VALUATION ENGINEER	L1/ L2 REVIEWER
Abhinav Chaturvedi	Abhinav Chaturvedi	Sr. V.P. Projects
		





### ENCLOSURE: I – GOOGLE MAP LOCATION

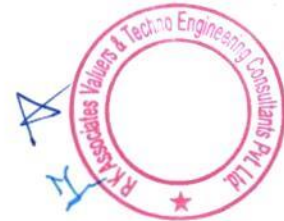




**ENCLOSURE: II - REFERENCES ON PRICE TREND OF THE SIMILAR RELATED  
PROPERTIES AVAILABLE ON PUBLIC DOMAIN**

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**NO PROPERTY REFERENCES OF SIMILAR PROPERTIES WERE FOUND ON  
PUBLIC DOMAIN**





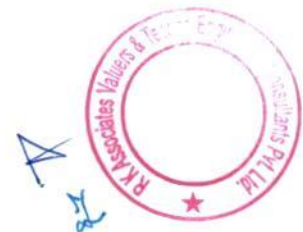
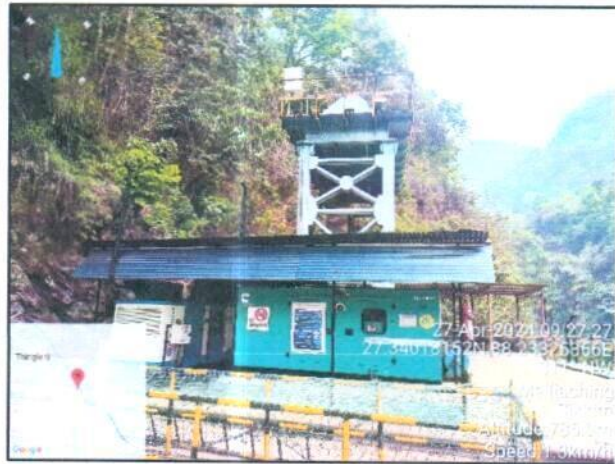
**ENCLOSURE: III – PHOTOGRAPHS OF THE PROPERTY**





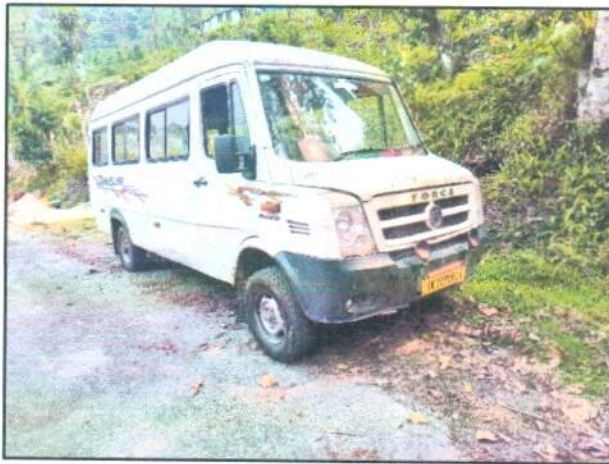
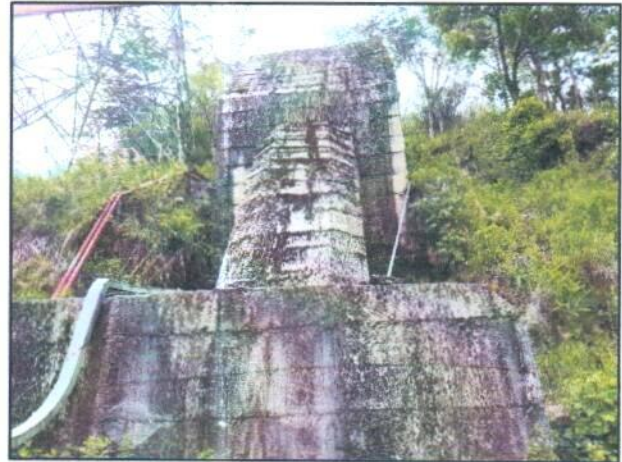
# VALUATION ASSESSMENT

## M/S. SHIGA ENERGY PRIVATE LIMITED





## VALUATION ASSESSMENT M/S. SHIGA ENERGY PRIVATE LIMITED



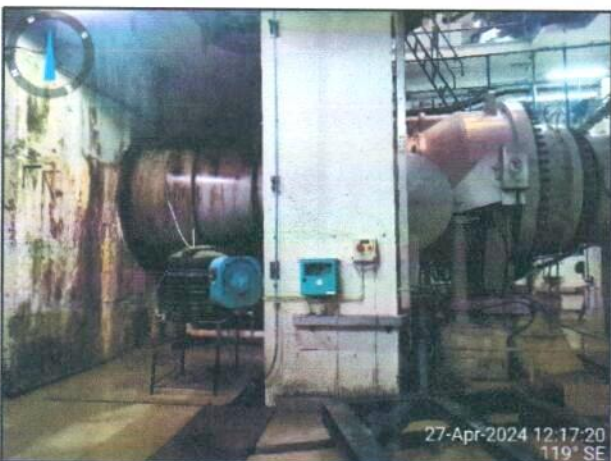
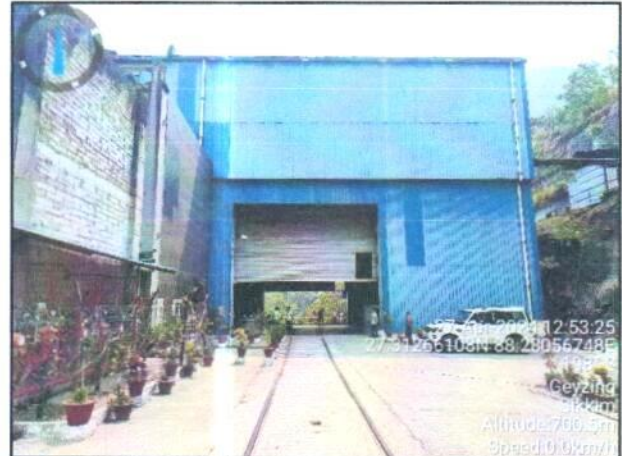






# VALUATION ASSESSMENT

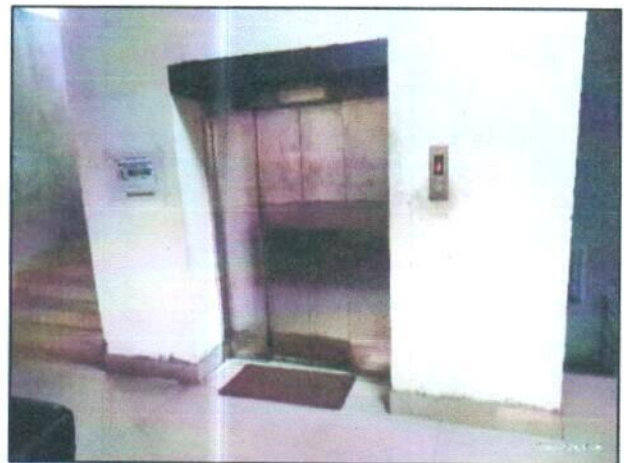
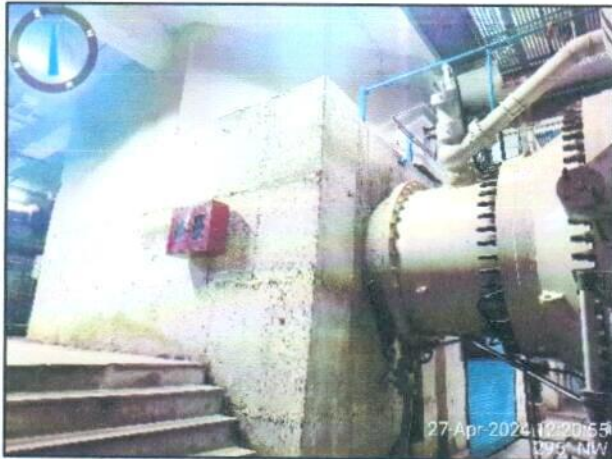
## M/S. SHIGA ENERGY PRIVATE LIMITED





## VALUATION ASSESSMENT

### M/S. SHIGA ENERGY PRIVATE LIMITED





**ENCLOSURE: IV – COPY OF CIRCLE RATE**

**ANNEXURE II**

**(1) WEST DISTRICT**

**(A) BLOCK RATES UNDER GYALSHING SUB-DIVISION**

SL NO.	REVENUE CIRCLE	REVENUE BLOCK	PROPOSED MARKET RATE PER SQ. FT (IN RS)
1	DARAP	SINGDRANGPONG	21
		NAMBU	13
		DARAP	31
		SINDRANG	31
		SINGYANG	31
		NAKU	46
		CHUMBONG	46
2	GYALSHING	YANGTEN	64
		UNGLOK	36
		BHALUTHANG	28
		GYALSHING	RURAL 178 GMC 474
		OMCHUNG	98
		KYONGSA	RURAL 57 GMC 213

**(B) BLOCK RATES UNDER YUKSOM SUB-DIVISION.**

SL NO.	REVENUE CIRCLE	REVENUE BLOCK	PROPOSED MARKET RATE PER SQ. FT (IN RS)
1	GERETHANG	ARITHANG	28
		CHONGRONG	28
		GERETHANG	28
		DUBDI	49
		LABING	49
2	TASHIDING	YUKSOM	49
		TASHIDING	44
		LASSO	44
		GANGYAP	44







**VALUATION ASSESSMENT**  
**M/S. SHIGA ENERGY PRIVATE LIMITED**

**ENCLOSURE V: IMPORTANT PROPERTY DOCUMENTS EXHIBIT**

**COD Letter**

	
<b>SHIGA ENERGY PRIVATE LIMITED</b>	
5th Floor, Building No. 8, Tower C, DLF Cyber City, Phase-II, Gurgaon (Haryana) 122 002 Tele : +91 - 124 4696300 Fax : +91 - 124-4696311	
6 <sup>th</sup> November, 2017	
To Shri G S Patra, Executive Director-Projects ( ER & NER) Power Finance Corporation Limited (PFC) Urja Nidhi, 1, Barakhamba Road, Connaught Place, New Delhi-110001	Shri Suneet Shukla, General Manager IFCI Limited (IFCI) IFCI Tower 61, Nehru Place, New Delhi-110019
<b>Subject : Achievement of Commercial Operation Date (COD) of our Tashiding Hydroelectric Power Project in Sikkim (Project)</b>	
<b>Refer : GE Power India Limited's (GEPIL) letter HIN / TSG / SEPL/ C 300 / 17 dated 5<sup>th</sup> November, 2017</b>	
Dear Sir,	
We are pleased to inform you that GEPIL vide its letter no. HIN / TSG / SEPL/ C 300 / 17 dated 5 <sup>th</sup> November, 2017 informed us that all the works related to wet commissioning of the Project has been completed, the performance and guarantee test for the Project has been completed on 4 <sup>th</sup> November, 2017 and the plant is fully ready for commercial operation (copy of letter is enclosed herewith). <b>Accordingly, the Company has declared the Commercial Operation Date of the Project from 00:00 hrs of 6<sup>th</sup> November, 2017.</b>	
We request you to take note of the same.	
Thanking You.	
Yours faithfully, For Shiga Energy Pvt. Ltd.	
 <b>Tadi Kamalla Nagendra Rao</b> <b>Managing Director</b> DIN: 00729696 E-702, The Villas, Akashneem Marg DLF-PH-2, Gurgaon-122002, Haryana	
Copy to: Mr Manish Kumar Sinha, General Manager (Hydro Power and WR) Lahmeyer International (India) Pvt. Ltd., Intec House, 37 Institutional Area, Sector-44, Gurgaon-122002	
<hr/>	
<b>Registered Office</b> 207, Chiranjeev Tower, 43 Nehru Place, New Delhi-110019 <b>Corporate Identity No.</b> U51909DL2005PTC143237	





**VALUATION ASSESSMENT**  
**M/S. SHIGA ENERGY PRIVATE LIMITED**

**Consent to Operate**



Email: spebsikkim@gmail.com

**STATE POLLUTION CONTROL BOARD-SIKKIM**  
**DEPARTMENT OF FOREST & ENVIRONMENT**  
**GOVERNMENT OF SIKKIM**  
**DEORALI - 737102**

Ref. No. JCH/SPCB

Dated: 11/11/2021

To,  
The Managing Director,  
M/s. Shiga Energy Private Limited.,  
97 MW Tashiding HEP,  
Kaberthang, Geyzing,  
West Sikkim.

**Sub: Renewed Consent to Operate under Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981**

In consideration of your application no. 196270 dated: 25.03.2021, the State Pollution Control Board - Sikkim, hereby grants you Renewed Consent to Operate 97 MW Tashiding Hydro- Electric Project at your project premises of Geyzing, West Sikkim, under the provision of **Section 25/26 of the Water (Prevention & Control of Pollution) Act, 1974 and Section 21 of the Air (Prevention & Control of Pollution) Act, 1981** subject to the following conditions:

1. That, this consent is meant for specific purpose only (97 MW Hydro Electric Project)
2. That, any alteration in the process and the generation capacity shall require the prior approval of the Board;
3. That, you shall have facilities to prevent and control air and water pollution in the project area;
4. That, you shall have facilities to treat the waste water generated by the Hydel project before releasing it to the immediate environment;
5. That, you shall carry out third party environmental monitoring from a registered NABL, accredited and MoEF & CC registered consultants and submit Report to SPCB-Sikkim;
6. That, you shall keep a financial assistance of Rs.2.0 lakhs (Rupees Two lakhs) only to SPCB-Sikkim, to carry out post environmental monitoring and evaluation of the project which shall be done by the SPCB Sikkim;
7. That, the data with regard e-flow meter installed as per the order of the Hon'ble NGI order of OA No. 498 of 2018 shall be maintained properly and connected to the SPCB server;
8. That, the solid waste from your project area should be collected and disposed off in scientific manner;
9. That, you shall ensure that there will be no dumping of solid waste near into any aquatic bodies;
10. That, you shall submit six monthly monitoring reports to the Ministry (PCB Regional Office and SPCB-Sikkim);
11. That, you shall submit Annual Returns for Hazardous Waste in prescribed format (Form 4) on or before 31<sup>st</sup> July, every year;
12. That, this consent is valid till 31<sup>st</sup> March 2023;
13. That, you shall apply for the renewal of consent one month before its expiry;
14. That, you shall develop green belt along the project area;
15. That, you shall abide by all the instructions given by the Board from time to time;
16. Rs. 5,00,000/- (Rupees five lakhs for two years i.e. 2021-2022, 2022-2023) only has been received as consent fee vide Bank receipt number 448681251, dated: 29/10/2021;
17. The consent is valid subject to obtaining other required permission/licenses/clearances wherever required;
18. That, the Board reserves the right to cancel the consent in the event of any environmental problems arising out of your project.



(Dr. Gopal Pradhan)  
Member Secretary,  
State Pollution Control Board-Sikkim.

Dr. Gopal Pradhan  
Member Secretary  
Pollution Control Board  
Env. & Mts. Mangt. Deptt.  
Jt. of Sikkim, Gangtok





**Fire Safety Certificate**



**HEADQUARTERS**  
**SIKKIM FIRE & EMERGENCY SERVICE**  
**GANGTOK**  
(27°33'21.36"N 88°61'42.01"E)

No. 545/POL/F&ES/2020/122

Dated:- 14/06/2022

**FIRE SAFETY CERTIFICATE FOR INDUSTRIAL PREMISES**

Certified that the building premises of **SHIGA Energy Pvt. Ltd.**, located at **Kabirthing, Gyalshing, West Sikkim** have complied with the fire prevention and fire safety requirements in accordance with the guidelines and norms of Sikkim Fire and Emergency Service and verified by the officers concerned of Fire Service on **06.06.2022** in the presence of Safety officer of the company and found that the building premises is fit for utilization for the purpose of **Hydroelectric Power Project** with effect from **09.06.2022** for a period of 01 years.

Subject to the following conditions:-

1. The life safety and escape means systems shall not be tempered and shall be kept in maintained and functional conditions.
  2. No loose or naked electric wirings shall be permitted in the premises.
  3. Electricity load shall not be more than sanctioned and approved load.
  4. No storage of highly flammable and combustible items shall be permitted in the premises.
  5. Fire Detection System shall be kept in maintained and functional condition.
  6. Fire Prevention System shall be kept in maintained condition and shall not be tempered.
  7. Installed Fire Fighting System as required shall be properly maintained/ updated and ready to use condition.
  8. Smoke Exhaust System shall be in maintained and working condition.
  9. Fire safety classes/trainings and fire drills shall be conducted periodically by all the employees.
  10. The premises shall always be open for safety inspection to the fire officers from SF & ES between sunrise and sunset.
- The NOC becomes void in the event of violation, removal or dilution of any of the above conditions.

Issued on **09.06.2022** at Gangtok.

B.R. No. ....dated.....

Valid upto: **08.06.2023**

Enclosure: Fire Safety Guidelines as per NBC 2016.

To

Mr./Mrs./Ms.

Sr. Manager  
SHIGA Energy Pvt.Ltd.  
Kabirthing, Gyalshing  
W/Sikkim



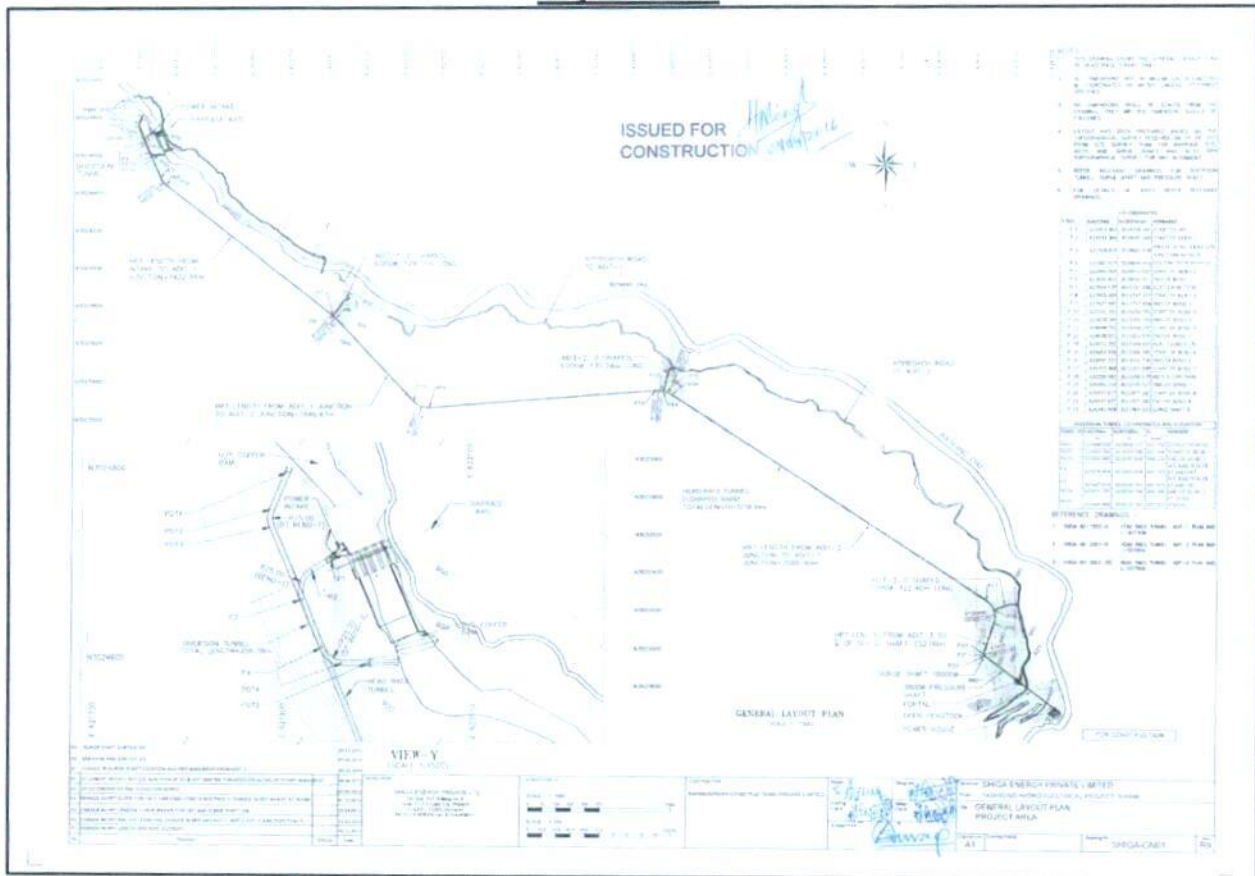
*[Signature]*  
Director  
Sikkim Fire & Emergency Service  
Gangtok.  
Director  
Fire & Emergency Service  
Government of Sikkim





# VALUATION ASSESSMENT M/S. SHIGA ENERGY PRIVATE LIMITED

## Layout Plan





**VALUATION ASSESSMENT**  
**M/S. SHIGA ENERGY PRIVATE LIMITED**

**Pollution NoC**



**STATE POLLUTION CONTROL BOARD-SIKKIM**  
**FOREST & ENVIRONMENT DEPARTMENT**  
**GOVERNMENT OF SIKKIM**  
DEORAIL - 737102

Ref. No. 94 /SPCB.

Date: 13/04/2022

To:

The General Manager,  
M/s Shiga Energy Pvt. Ltd.  
1<sup>st</sup> floor, Rabdenling, Annex II, Adjoining Royal Plaza,  
Upper Syari, Gangtok District, 737102

**Sub: Authorization for Generation, Collection, Storage & Transportation of Hazardous Wastes.**

1. Reference of application (No. and date): 269854 dated 23-03-2022.
2. M/s Shiga Energy Pvt. Ltd. is hereby granted authorization for Generation, Collection, Storage, Transportation, Disposal of hazardous wastes as stated below:

**Details of Authorization**

Sl. No.	Category of Hazardous Waste as per the Schedules I, II and III of these rules	Quantity per annum	Authorized mode of disposal or recycling or utilization or co-processing, etc.
1.	Category - 5.1 Used Spent oil	1 MT	Authorized recycling Facility

3. The authorization shall be valid for a period of 01<sup>st</sup> April, 2022 to 31<sup>st</sup> March 2023.
4. Three thousand rupees (Rs. 3,000/-) has been received as authorization fee for the year 2022-23 vide Bank id - 190 through Receipt No. 295303418 dated 31-03-2022.
5. The authorization is subject to the following General and Specific conditions:

**A. GENERAL CONDITIONS OF AUTHORIZATION:**

1. The authorized person shall comply with the provisions of the Environment (Protection) Act, 1986, and the rules made there under.
2. The authorization or its renewal shall be produced for inspection at the request of an officer authorized by the State Pollution Control Board.
3. The person authorized shall not rent, lend, sell, transfer or otherwise transport the hazardous and other wastes except what is permitted through this authorization.
4. Any unauthorized change in personnel, equipment or working conditions as mentioned in the application by the person authorized shall constitute a breach of this authorization.






**Copy of PPA**

Haryana( i.e. UHBVN and DHBVN), having its Head Office at Shakti Bhawan, Panchkula, Haryana – 134109 (hereinafter referred to as the "Purchaser", which expression shall unless repugnant to the context or meaning thereof shall be deemed to include its executors, administrator, successors and permitted assigns);

Each of the parties of first and second part individually be referred to as the "Party", and collectively referred to as "Parties"

**WHEREAS:**

- A. Company is engaged in the business of generation of power and has developed, owns and operates a 97 MW Tashiding Hydro Electric Project comprising of two Units of even capacity situated at Tashiding, West District, Sikkim (hereinafter referred to as the "**Project**").
- B. The Purchaser is the nodal agency for long term and short term power procurement and planning as single buyer model for the two distribution licensees of Haryana, UHBVN and DHBVN, as authorised by Government of Haryana vide notification dated 11.04.2008.
- C. Company has offered to sell to the Purchaser and the Purchaser has agreed to purchase the entire capacity and corresponding electricity at delivery point after deducting the auxiliary consumption, transformation losses and the free power to be supplied at the Project in State of Sikkim in terms of Implementation Agreement dated 03.09.2008 signed by the Company with Govt. of Sikkim for a period of thirty five (35) years from the COD of the Project.
- D. Company and Purchaser had earlier executed the Power Purchase Agreement dated 06th October, 2020 (hereinafter to be referred as 'PPA dated 06.10.2020' for purchase of 97 MW power from Tashiding Hydro Electric Project comprising of two Units of even capacity situated at Tashiding, South District, Sikkim.
- E. The Purchaser had invoked Clause 9.1.3 (ii)(a) on 26.05.2021 and had exit from the PPA dated 06.10.2020. The Purchaser had further sought approval of Commission to re-commence power supply from the Purchaser by withdrawing the decision to Exit from PPA dated 06.10.2020. The Commission vide Order dated 26.05.2022 in PRO-6 of 2021 had allowed the

  
CHIEF ENGINEER  
HARYANA POWER TRANSMISSION BOARD  
(A JOINT PUNJAB OF HARYANA & CHHATTISGARH)  
PANCHKULA





4





**Copy of TIR**

**Bhusan Nepal**

Advocate  
High Court of Sikkim  
Enrol. No. T-328/05



Office cum Residence  
Sharma Building, 1st Floor  
Opp. Krishi Bhawan  
Tadong, Gangtok, East Sikkim-737102  
Mob: 09733364034 03592-278053

Ref No. TSR/Shiga/03/2017

Date 26.12.2017

**Strictly Private & Confidential**

To

Dhir & Dhir Associates,  
Advocates and Solicitors,  
D-55, Defence Colony,  
New Delhi- 110024

**Subject: - Title Search Report pertaining to land in respect of  
97MW Tashiding H.E.P in West District, Sikkim.**

This has reference to 97 MW Tashiding Hydro Electric Project in the state of Sikkim by Shiga Energy Private Limited. I have been requested to furnish title search report vide email dated 27.11.2017, letter dated 30.11.2017 and subsequent discussion on the subject cited above on the Lands detailed in **schedule A** and **Schedule B** of this report.

**Searches in Various Offices**

Accordingly, I have verified the title to the Lands as detailed in Schedule A and Schedule B (collectively referred to as "Lands" and individually as "Land") of this report. This report is based on the records traced and verified by me in the Office of the District Collector, Land Revenue and Disaster Management Department, Government of Sikkim, Geyzing, West Sikkim.

Bhusan Nepal  
Advocate  
High Court of Sikkim  
F. 328/05  
pn. 9733364034

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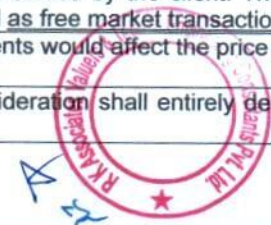




**PART H**

**ENCLOSURE: VI - VALUER'S IMPORTANT REMARKS**

1.	Valuation is done for the asset found on as-is-where basis which owner/ owner representative/ client/ bank has shown/ identified to us on the site unless otherwise mentioned in the report of which some reference has been taken from the information/ data given in the copy of documents provided to us and informed verbally or in writing out of the standard checklist of documents sought from the client & its customer which they could provide within the reasonable expected time out of the standard checklist of documents sought from them and further based on certain assumptions and limiting conditions. The information, facts, documents, data which has become primary basis of the report has been supplied by the client which has been relied upon in good faith and is not generated by the Valuer.
2.	The client/ owner and its management/ representatives warranted to us that the information they have supplied was complete, accurate and true and correct to the best of their knowledge. All such information provided to us either verbally, in writing or through documents has been relied upon in good faith and we have assumed that it is true & correct without any fabrication or misrepresentation. I/We shall not be held liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the owner, company, its directors, employee, representative or agents.
3.	Legal aspects for eg. Investigation of title, ownership rights, lien, charge, mortgage, lease, sanctioned maps, verification of documents provided to us such as title documents, Map, etc. from any concerned Govt. office etc. have to be taken care by legal expert/ Advocate and same is not done at our end. It is assumed that the concerned Lender/ Financial Institution has asked for the valuation of that property after satisfying the authenticity of the documents given to us for which the legal verification has been already taken and cleared by the competent Advocate before requesting for the Valuation report. I/ We assume no responsibility for the legal matters including, but not limited to, legal or title concerns.
4.	In the course of the valuation, we were provided with both written and verbal information. We have however, evaluated the information provided to us through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Our conclusions are based on the assumptions and other information provided to us by the client during the course of the assessment.
5.	Getting cizra map or coordination with revenue officers for site identification is a separate activity and is not part of the Valuation services and same has not been done in this report unless otherwise stated.
6.	Wherever any details are mentioned in the report in relation to any legal aspect of the property such as name of the owner, leases, etc. is only for illustration purpose and should not be construed as a professional opinion. Legal aspects are out of scope of this report. Details mentioned related to legal aspect are only based on the copy of the documents provided to us and whatever we can interpret as a non-legally trained person. This should be cross validated with a legal expert. We do not vouch any responsibility regarding the same.
7.	We have made certain assumptions in relation to facts, conditions & situations affecting the subject of, or approach to this exercise that has not been verified as part of the engagement rather, treated as "a supposition taken to be true". If any of these assumptions prove to be incorrect then our estimate on value will need to be reviewed.
8.	This is just an opinion report based on technical & market information having general assessment & opinion on the indicative, estimated Market Value of the property for which Bank has asked to conduct the Valuation. 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.
9.	We have relied on the data from third party, external sources & information available on public domain to conclude the valuation. 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 the data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data is extracted from authentic sources, however we still can't vouch its authenticity, correctness, or accuracy.
10.	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 and based on the Standard Operating Procedures, Best Practices, Caveats, Limitations, Conditions, Remarks, Important Notes, Valuation TOR and definition of different nature of values.
11.	Value varies with the Purpose/ Date/ Asset Condition & situation/ Market condition, demand & supply, asset utility prevailing on a particular date/ Mode of sale. The indicative & estimated prospective Value of the asset given in this report is restricted only for the purpose and other points mentioned above prevailing on a particular date as mentioned in the report. If any of these points are different from the one mentioned aforesaid in the Report then this report should not be referred.
12.	Our report is meant ONLY for the purpose mentioned in the report and should not be used for any other purpose. The Report should not be copied or reproduced for any purpose other than the purpose for which it is prepared for. I/we do not take any responsibility for the unauthorized use of this report.
13.	We owe responsibility only to the authority/client that has appointed us as per the scope of work mentioned in the report. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the client or companies, their directors, employees or agents.
14.	This report is having limited scope as per its fields & format to provide only the general basic idea of the value of the property prevailing in the market based on the site inspection and documents/ data/ information provided by the client. The suggested indicative prospective estimated value should be considered only if transaction is happened as free market transaction.
15.	The sale of the subject property is assumed to be on an all cash basis. Financial arrangements would affect the price at which the property may sell for if placed on the market.
16.	The actual realizable value that is likely to be fetched upon sale of the asset under consideration shall entirely depend on the demand and supply of the same in the market at the time of sale.





## VALUATION ASSESSMENT

### M/S. SHIGA ENERGY PRIVATE LIMITED

17.	While our work has involved an analysis & computation of valuation, it does not include detailed estimation, design/ technical/ engineering/ financial/ structural/ environmental/ architectural/ compliance survey/ safety audit & works in accordance with generally accepted standards of audit & other such works. The report in this work is not investigative in nature. It is mere an opinion on the likely estimated valuation based on the facts & details presented to us by the client and third party market information came in front of us within the limited time of this assignment, which may vary from situation to situation.
18.	Where a sketched plan is attached to this report, it does not purport to represent accurate architectural plans. Sketch plans and photographs are provided as general illustrations only.
19.	Documents, information, data including title deeds provided to us during the course of this assessment by the client is reviewed only upto the extent required in relation to the scope of the work. No document has been reviewed beyond the scope of the work. These are not reviewed in terms of legal rights for which we do not have expertise. Wherever any information mentioned in this report is mentioned from the documents like owners name, etc., it is only for illustration purpose and may not necessary represent accuracy.
20.	The report assumes that the borrower/company/business/asset complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies/business/assets is managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with relevant laws, and litigations and other contingent liabilities that are not recorded/reflected in the documents/ details/ information/ data provided to us.
21.	This valuation report is not a qualification for accuracy of land boundaries, schedule (in physical terms), dimensions & identification. For this land/ property survey report can be sought from a qualified private or Govt. surveyor.
22.	This Valuation report is prepared based on the facts of the property on the date of the survey. Due to possible changes in market forces, socio-economic conditions, property conditions and circumstances, this valuation report can only be regarded as relevant as at the valuation date. Hence before financing, Banker/ FI should take into consideration all such future risk and should loan conservatively to keep the advanced money safe in case of the downward trend of the property value.
23.	Valuation of the same asset/ property can fetch different values under different circumstances & situations. For eg. Valuation of a running/ operational shop/ hotel/ factory will fetch better value and in case of closed shop/ hotel/ factory it will have considerable lower value. Similarly, an asset sold directly by an owner in the open market through free market transaction then it will fetch better value and if the same asset/ property is sold by any financier due to encumbrance on it, will fetch lower value. Hence before financing, Lender/ FI should take into consideration all such future risks while financing and take decision accordingly.
24.	Valuation is done for the property identified to us by the owner/ owner representative. At our end we have just visually matched the land boundaries, schedule (in physical terms) & dimensions of the property with reference to the documents produced for perusal. Method by which identification of the property is carried out is also mentioned in the report clearly. Responsibility of identifying the correct property to the Valuer/ its authorized surveyor is solely of the client/ owner for which Valuation has to be carried out. It is requested from the Bank to cross check from their own records/ information if this is the same property for which Valuation has to be carried out to ensure that owner has not misled the Valuer company or misrepresented the property due to any vested interest. Where there is a doubt about the precision position of the boundaries, schedule, dimensions of site & structures, it is recommended that a Licensed Surveyor be contacted.
25.	In India more than 70% of the geographical area is lying under rural/ remote/ non municipal/ unplanned area where the subject property is surrounded by vacant lands having no physical demarcation or having any display of property survey or municipal number / name plate on the property clearly. Even in old locations of towns, small cities & districts where property number is either not assigned or not displayed on the properties clearly and also due to the presence of multiple/ parallel departments due to which ownership/ rights/ illegal possession/ encroachment issues are rampant across India and due to these limitations at many occasions it becomes tough to identify the property with 100% surety from the available documents, information & site whereabouts and thus chances of error, misrepresentation by the borrower and margin of chances of error always persists in such cases. To avoid any such chances of error it is advised to the Bank to engage municipal/ revenue department officials to get the confirmation of the property to ensure that the property shown to Valuer/ Banker is the same as for which documents are provided.
26.	If this Valuation Report is prepared for the Flat/ dwelling unit situated in a Group Housing Society or Integrated Township then approvals, maps of the complete group housing society/ township is out of scope of this report and this report will be made for the specific unit based on the assumption that complete Group Housing Society/ Integrated Township and the subject unit must be approved in all respect.
27.	Due to fragmented & frequent change in building/ urban planning laws/ guidelines from time to time, different laws/ guidelines between regions/ states and no strict enforceability of Building Bye-Laws in India specially in non-metro and scale b & c cities & Industrial areas, property owners many times extend or make changes in the covered area/ layout from the approved/ applicable limits. There are also situations where properties are decades old when there was no formal Building Bye-Laws applicable the time when the construction must have been done. Due to such discrete/ unplanned development in many regions sometimes it becomes tough for the Valuer to determine the exact lawful situation on ground. Unless otherwise mentioned in the report, the covered area present on the site as per site survey will be considered in the Valuation.
28.	Area of the large land parcels of more than 2500 sq.mtr or of uneven shape in which there can be practical difficulty in sample measurement, is taken as per property documents which has been relied upon unless otherwise stated.
29.	Drawing Map, design & detailed estimation of the property/ building is out of scope of the Valuation services.
30.	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 data point/ information/ factors/ assumption considered by the consultant which became the basis for the Valuation report before reaching to any conclusion.
31.	Although every scientific method has been employed in systematically arriving at the value, there is, therefore, no indisputable single value and the estimate of the value is normally expressed as falling within a likely range.
32.	Value analysis of any asset 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 separate judgment decisions, which have to be made. Therefore, there can be no standard formula 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, demand & supply prevailing in the market 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 take informed and wise decision about the Value of the asset and can help in facilitating the arm's length transaction.
33.	This Valuation is conducted based on the macro analysis of the asset/ property considering it in totality and not based on the micro, component, or item wise analysis. Analysis done is a general assessment and is not investigative in nature.
34.	This report is prepared on the RKA V-L1 (Basic) Valuation format as per the client requirement and scope of work. This report is having limited scope as per its fields & format to provide only the general estimated & indicative basic idea of the value of the property prevailing in the market based on the information provided by the client. No detailed analysis, audit or verification has been carried out of the subject property. There may be matters, other than those noted in this report, which might be relevant in the context of the transaction and which a wider scope might uncover.
35.	This is just an opinion report and doesn't hold any binding on anyone. It is requested from the concerned Client/ Bank/ Financial Institution which is using this report for mortgaging the property that they should consider all the different associated relevant & related factors & risks before taking any business decision based on the content of this report.
36.	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.
37.	As per IBA Guidelines & Bank Policy, in case the valuation report submitted by the valuer is not in order, the banks / FIs shall bring the same to the notice of the valuer within 15 days of submission for rectification and resubmission. In case no such communication is received, it shall be presumed that the valuation report has been accepted.
38.	<b>Defect Liability Period is 15 DAYS.</b> We request the concerned authorized reader of this report to check the contents, data, information, and calculations in the report within this period and intimate us in writing at <a href="mailto:valuers@rkassociates.org">valuers@rkassociates.org</a> within 15 days of report delivery, if any corrections are required or in case of any other concern with the contents or opinion mentioned in the report. If no intimation is received within 15 (Fifteen) days in writing from the date of issuance of the report, 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. After this period no concern/ complaint/ proceedings in connection with the Valuation Services will be entertained due to possible change in situation and condition of the property.
39.	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 upto their satisfaction & use and further to which R.K Associates shall not be held responsible in any manner.
40.	Our Data retention policy is of <b>ONE YEAR</b> . 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.
41.	This 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 we request the user of this report to immediately or at least within the defect liability period to bring all such act into notice of R.K Associates management so that corrective measures can be taken instantly.
42.	R.K Associates never releases any report doing alterations or modifications by pen. In case any information/ figure of this report is found altered with pen then this report will automatically become null & void.
43.	We are fully aware that based on the opinion of value expressed in this report, we may be required to give testimony or attend court / judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and my / our tendering evidence before such authority shall be under the applicable laws.
44.	The final copy of the report shall be considered valid only if it is in hard copy on the company's original letter head with proper stamp and sign on it of the authorized official upon payment of the agreed fees. User shall not use the content of the report for the purpose it is prepared for only on draft report, scanned copy, email copy of the report and without payment of the agreed fees. In such a case the report shall be considered as unauthorized and misused.

