



பாரத ஸ்டேட் பாங்கு
भारतीय स्टेट बैंक
STATE BANK OF INDIA

No.: SBI/SAMB/CHE/CLO-V/2023-24/462

Date: 05.10.2023

M/s.RK Associates Valuers & Techno Engineering Consultants Pvt. Ltd.
D-39, 2nd Floor
Sector-2
Near Red FM Building
Gautam Buddha Nagar
Noida 201 301
Uttar Pradesh

Dear Sir,

COASTAL ENERGEN PRIVATE LIMITED (CEPL)

APPOINTMENT FOR VALUATION OF FIXED ASSET & ENTERPRISE VALUATION (BUSINESS VALUATION)

We refer to our mail dated 30.09.2023 inviting bids for Fixed Asset and Enterprise Valuation of coal based Thermal Power Plant of 1200 MW capacity situated at Tuticorin, Tamil Nadu and land admeasuring approx. 500 acres located at Tuticorin belonging to Fossil Logistics Pvt Ltd [FLPL] (security provided to the exposure of CEPL) and your bid *vide* email dated 03.10.2023.

2) We are pleased to convey that your bid has been accepted and you are appointed to carry out valuation of Fixed Asset and Enterprise Valuation of CEPL and land admeasuring approximately 500 acres of FLPL. The broad terms and conditions for the assignment are as under.

3) **a) Scope of work:** The scope of work to be carried out by you is provided in Annexure-I.

b) Fees: The professional fee of Rs.3,50,000/- (Rupees Three lakh and fifty thousand only) excluding GST and OPE for carrying out the works stated above as per scope of work given in Annexure I shall be paid.

c) Confidential Information: All technical and commercial information relating to the Project that is disclosed to you, either orally or in writing, in the course of carrying out the scope of work shall remain confidential.

d) Conflict of Interest: While carrying out the scope of work relating to the Project you shall ensure that you have not been appointed by any other party on this Project and have no conflict of interest.

e) Liability: You shall exercise reasonable skill, care and diligence in relation to the Project as the Lenders shall rely on the valuation furnished by you.

Please note that your valuation may be used for various purposes, including recovery or sharing of the same with courts, law enforcement agencies or with any other party/agency. Therefore, we would like to state that in the event your valuation turns out to be incorrect causing loss to the Lenders, we may seek such clarifications as may be required to investigate the matter and fix responsibility. In the event it is established that there is gross negligence on your part causing damages/loss to the Lenders, we may recommend your name for including in the caution list being maintained by IBA for circulation amongst member banks.



bank.sbi

☎ 044-2888 1007

☎ 044-2888 1010

✉ sbi.04105@sbi.co.in

ஒடுக்கப்பட்ட சொத்து நிர்வாகக் கிளை
"ரெட் கிராஸ் வளாகம்"
32, ரெட் கிராஸ் ரோடு,
எழும்பூர், சென்னை - 600 008

तनावग्रस्त आस्ति प्रबंधन शाखा
रेड क्रॉस बिल्डिंग
32, रेड क्रॉस रोड,
एगमोर, चेन्नै - 600 008

Stressed Assets Management Branch
"Red Cross Building"
32, Red Cross Road,
Egmore, Chennai - 600 008

f) Assignment: You shall not assign your scope of work or any portion of it, without the prior written consent of the Lenders. The assignment has to be completed within 10 days from receipt of required documents from the Corporate Debtor.

g) Resolution of Disputes: Any dispute relating to the scope of work, fee, etc. shall be settled mutually.

h) Communication: Any communication under this appointment shall be made in writing to the address specified below:

Deputy General Manager
Address: State Bank of India, Stressed Asset Management Branch, 2nd Floor, Red Cross Building, Red Cross Road, Egmore, Chennai 600 008, Tamil Nadu.
Attention: Sri.B.Suresh, Asst. General Manager
Email: clo5samb.che@sbi.co.in

4) We request you to acknowledge and confirm your acceptance of the above within 3 days from the date of receipt of this letter by obtaining signature of the authorized person on both the copies of the letter and returning the duplicate copy to us.

Yours faithfully,



(B.Suresh)
Assistant General Manager
State Bank of India
Stressed Asset Management Branch, Chennai

Tel: +91 44 288 6006 | Mobile No.: +91 94458 60332 | email: clo5samb.che@sbi.co.in |

I acknowledge that I have read this letter and, on behalf of RK Associates and accept the appointment as valuer for **Coastal Energen Pvt. Ltd.** and **Fossil Logistics Pvt. Ltd.** to carry out the scope of work mentioned in the letter within the timelines specified.

Signed for and on behalf of RK Associates

Name: _____ Date: _____

Designation: _____

Tel: _____ | Mobile No. _____ | email: _____

(Sig. of auth. Signatory)

(Company Seal)



SCOPE OF WORK FOR VALUATION CONSULTANT

The valuation consultant shall carry out the **Asset Valuation, Business Valuation AND Liquidation Valuation** of a Company which is operating a coal based Thermal Power Plant. Scope of services is as under:

PART A: Asset Valuation

1. The valuation consultant shall carry out the specified tangible fixed asset valuation of the Company.
2. The Asset Valuation process shall broadly include the following:
 - Physical inspection of Land, Building, Plant & Machinery and confirmation of the inventory of fixed assets.
 - Collection of data/details for Land, Buildings, Plant & Machinery and Inventories.
 - Collection of information/technical specifications of assets.
 - Classification of fixed assets into core assets and surplus assets if any.
 - Review of maintenance records – Preventive & Breakdown.
 - Market Survey and collection of data/quotations pertaining to the Valuation exercise.
 - Analysis of the Technical Data and the support information received from the client/company.
 - Determination of valuation parameters, methods & key observations and assumptions.
 - Preparation of a report outlining the assessment, as well as the methodologies employed and assumptions utilized in the analyses.
 - Estimation of Fair Market Value, Realizable Value, Distress Value and Liquidation Value.
 - Preparation of the Draft Report.
 - Submission of Final Report.

PART B: Enterprise Valuation (Business Valuation)

1. The Business Valuation process shall broadly include the following:
 - Collection of data pertinent to the current business structure for valuation exercise including data provided by management, industry data provided by management, industry data and relevant economic and market information.
 - Discussion with senior management concerning the nature of business.
 - Analysis of the economic and competitive environments in which the business operates.
 - Review of current business plans and future financial projections along with potential for debt repayments in future.
 - Determination of valuation parameters and key assumptions.
 - The valuation exercise shall cover the future potential of the business, and the potential value that may be created subject to implementation of the management business plan.
 - Business valuation calculations using generally accepted valuation approaches (under DCF method, Historical Transaction method, Book Value Method and EV EBITDA method).
 - Preparation of a report outlining the recommendations of potential fair value of the Business, as well as the methodologies employed, and assumptions utilized in the analyses.

In addition to the above, the valuer shall provide valuation based on any changes/modifications as requested by the lenders or its advisor including arriving at a reserve price.

