

Ref: SEIT-LCS-SE-BM-005-25052024

May 25, 2024

The Listing Department

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051

Scrip ID/Symbol: SEITINVIT

ISIN: INEOR8O23017

Subject: Corrigendum to the submission of the Valuation Report and NAV made on May 24, 2024 vide letter bearing reference number SEIT-LCS-SE-BM-003-24052024

Dear Sir/Madam,

This is with reference to the submission of the Valuation Report for the period ended March 31, 2024 and NAV as on March 31, 2024, submitted to the Stock Exchange on May 24, 2024 vide letter bearing reference number SEIT-LCS-SE-BM-003-24052024.

There is an inadvertent typographical error in the cover letter of the aforementioned submission which mentions the date of the Valuation Report as March 23, 2024 instead of the correct date being May 23, 2024. Other contents including the annexure of the submission dated May 24, 2024, remain the same. For good governance, we hereby re-submit the Valuation Report dated May 23, 2024, for the period ended March 31, 2024, as prepared by Mr. S. Sundararaman, Independent Registered Valuer, having IBBI registration number IBBI/RV/06/2018/10238.

Further, pursuant to regulation 10 of SEBI (InvIT) Regulations, 2014, the NAV of the units of Sustainable Energy Infra Trust, computed based on the above-mentioned Valuation Report and Audited Consolidated Financial Information of the Trust for the period from July 20, 2023 to March 31, 2024, has been arrived at INR 115.60 per unit as on March 31, 2024.

Statement of Net Assets at Fair Value as at March 31, 2024:

Particulars	Details
A. Assets (INR in Million)	80,300.01
B. Liabilities (INR in Million)	42,846.72
C. Net Assets (INR in Million)	37,453.29
Outstanding units (Nos. in million)	324.00
NAV at fair value (INR per Unit)	115.60

Sustainable Energy Infra Investment Managers Private Limited

Investment Manager to Sustainable Energy Infra Trust

Corporate Office: Ground Floor, Winchester, Cowrks, Hiranandani Gardens, Powai, Mumbai – 400 076

Registered Office: Mahindra Towers, Pandurang Budhkar Marg, Near Doordarshan Kendra, Worli, Mumbai – 400 018

E: seit@seit.co.in W: www.seit.co.in T: +91 22 6209 7900 CIN: U66190MH2023FTC401685

The corrigendum shall also be available on the website of the Trust at: www.seit.co.in

You are requested to kindly take the same on record.

Thanking you,

For **Sustainable Energy Infra Investment Managers Private Limited**

(acting as an Investment Manager of Sustainable Energy Infra Trust)

Devjeet Ghosh
Compliance Officer

Place: Noida

Sustainable Energy Infra Investment Managers Private Limited

Investment Manager to Sustainable Energy Infra Trust

Corporate Office: Ground Floor, Winchester, Cowrks, Hiranandani Gardens, Powai, Mumbai – 400 076

Registered Office: Mahindra Towers, Pandurang Budhkar Marg, Near Doordarshan Kendra, Worli, Mumbai – 400 018

E: seit@seit.co.in W: www.seit.co.in T: +91 22 6209 7900 CIN: U66190MH2023FTC401685

Prepared for:

Sustainable Energy Infra Trust (“the Trust”)

**Sustainable Energy Infra Investment Managers Private Limited
 (“the Investment Manager”)**

**Valuation as per SEBI (Infrastructure Investment Trusts)
 Regulations, 2014 as amended**

Fair Enterprise Valuation

Valuation Date: 31st March 2024

Report Date: 23rd May 2024

Mr. S Sundararaman,
Registered Valuer,
IBBI Registration No - IBBI/RV/06/2018/10238

S. SUNDARARAMAN

Registered Valuer

Registration No - IBBI/RV/06/2018/10238

RV/SSR/R/2025/09

Date: 23rd May 2024

Sustainable Energy Infra Trust

(acting through Axis Trustee Services Limited [in its capacity as “the Trustee” of the Trust])

Mahindra Tower

Pandurang Budhkar Marg

Near Doordarshan Kendra

Mumbai – 400018

Sustainable Energy Infra Investment Managers Private Limited

(acting as the Investment Manager to Sustainable Energy Infra Trust)

Mahindra Tower

Pandurang Budhkar Marg

Near Doordarshan Kendra

Mumbai – 400018

Sub: Financial Valuation as per SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended (“the SEBI InvIT Regulations”)

Dear Sir(s)/Madam(s),

I, Mr. S. Sundararaman (“**Registered Valuer**” or “**RV**” or “**I**” or “**My**” or “**Me**”) bearing IBBI registration number IBBI/RV/06/2018/10238, have been appointed vide letter dated 11th April 2024 as an independent valuer, as defined under the SEBI InvIT Regulations, by Sustainable Energy Infra Investment Managers Private Limited (“**SIIMPL**” or “**the Investment Manager**”) acting as the investment manager for Sustainable Energy Infra Trust (“**the Trust**” or “**InvIT**”), an infrastructure investment trust, registered with the Securities Exchange Board of India (“**SEBI**”) and Axis Trustee Services Limited (“**the Trustee**”) acting as the trustee for the Trust, for the purpose of the financial valuation of the special purpose vehicles (defined hereinafter below) as per the requirements of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended (“**the SEBI InvIT Regulations**”).

Following special purpose vehicles are owned by the Trust:

Sr. No.	Name of the SPV	Project	Capacity (AC)	Term
1	Megasolis Renewables Private Limited	Rewa Project	250 MW	MRPL
		ISTS Project	250 MW	
2	Emergent Solren Private Limited	Goyalri Project	60 MW	ESPL
		SECI RJ Project	200 MW	
3	Mega Suryaurja Private Limited	MSUPL Project	250 MW	MSUPL
4	Astra Solren Private Limited	ASPL Project	65 MW	ASPL
5	Neo Solren Private Limited	NSPL Project	42 MW	NSPL
6	Brightsolar Renewable Energy Private Limited	BREPL Project	10 MW	BREPL

(Hereinafter all the six companies mentioned above are together referred to as “**the SPVs**” and all the eight projects mentioned above are together referred to as “**the Projects**”)

I understand that the InvIT, acting through the Trustee, has acquired the equity stake in the SPVs, mentioned in the above table, following which units of the Trust have been issued to its unitholders including the Sponsors by the Trust, which are listed on the National Stock Exchange (“**NSE**”) consequent to a private placement of the Trust.

These SPVs were acquired by the Trust and are to be valued as per Regulation 21(4) contained in the Chapter V of the SEBI InvIT Regulations.

In this regard, the Investment Manager and the Trustee intend to undertake the fair enterprise valuation of the SPVs as on 31st March 2024 as per the provisions of the SEBI InvIT Regulations. I am enclosing the Report providing my opinion on the fair enterprise value of the SPVs as defined hereinafter on a going concern basis as at 31st March 2024 (“**Valuation Date**”).

S. SUNDARARAMAN

Registered Valuer

Registration No - IBBI/RV/06/2018/10238

Enterprise Value ("EV") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities. The attached Report details the valuation methodologies used, calculations performed and the conclusion reached with respect to this valuation.

I was further requested by the Investment Manager to provide the adjusted enterprise value of the SPVs as at 31st March 2024, where the adjusted enterprise value ("Adjusted EV") is derived as the EV as defined above plus cash or cash equivalents of the SPVs as at 31st March 2024.

I have relied on explanations and information provided by the Investment Manager. Although, I have reviewed such data for consistency, those are not independently investigated or otherwise verified. My team and I have no present or planned future interest in the Trust, the SPVs or the Investment Manager except to the extent of this appointment as an independent valuer and the fee for this **Valuation Report ("Report")** which is not contingent upon the values reported herein. The valuation analysis should not be construed as investment advice, specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Trust.

The analysis must be considered as a whole. Selecting portions of any analysis or the factors that are considered in this Report, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

The information provided to me by the Investment Manager in relation to the SPVs included but not limited to historical financial statements, forecasts/projections, other statements and assumptions about future matters like forward-looking financial information prepared by the Investment Manager. The forecasts and projections as supplied to me are based upon assumptions about events and circumstances which are yet to occur. I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information, however, I have made sufficient enquiry to satisfy myself that such information has been prepared on a reasonable basis.

Notwithstanding anything above, I cannot provide any assurance that the forward looking financial information will be representative of the results which will actually be achieved during the cash flow forecast period.

The valuation provided by me and the valuation conclusion are included herein and the Report complies with the SEBI InvIT Regulations and guidelines, circular or notification issued by SEBI thereunder.

Please note that all comments in the Report must be read in conjunction with the caveats to the Report, which are contained in Section 10 of this Report. This letter, the Report and the summary of valuation included herein can be provided to the Trust's advisors and may be made available for the inspection to the public, SEBI, the stock exchanges and any other regulatory and supervisory authority, as may be required.

I draw your attention to the limitation of liability clauses in Section 10 of this Report.

This letter should be read in conjunction with the attached Report.

Yours faithfully,

SWAMINATHAN
SUNDARARAMAN

Digitally signed by
SWAMINATHAN
SUNDARARAMAN
Date: 2024.05.23 22:04:14
+05'30'

S. Sundararaman

Registered Valuer

IBBI Registration No.: IBBI/RV/06/2018/10238

Place: Chennai

UDIN: 24028423BKGAAW6563

Definition, abbreviation & glossary of terms

Abbreviations	Meaning
APSPDCL	Andhra Pradesh Southern Power Distribution Company Limited
ASPL	Astra Solren Private Limited
BREPL	Brightsolar Renewable Energy Private Limited
Capex	Capital Expenditure
CAD	Canadian Dollar
CER	Certified Emission Reduction
COD	Commercial Operation Date
DISCOM	Distribution Companies
DMRC	Delhi Metro Rail Corporation
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
ERP	Equity Risk Premium
ESPL	Emergent Solren Private Limited
EV	Enterprise Value
FCFF	Free Cash Flow to the Firm
FDI	Foreign Direct Investment
FY	Financial Year Ended 31 st March
GAAP	Generally Accepted Accounting Principles
GW	Giga Watts
Ind AS	Indian Accounting Standards
INR	Indian Rupee
Investment Manager/ SIIMPL	Sustainable Energy Infra Investment Managers Private Limited
IVS	ICAI Valuation Standards 2018
kWh	Kilo Watt Hour
Mn	Million
MPPMCL	MP Power Management Company Limited
MRPL	Megasolis Renewables Private Limited
MSUPL	Mega Suryaurja Private Limited
NAV	Net Asset Value Method
NCA	Net Current Assets, Excluding Cash and Bank Balances
NSPL	Neo Solren Private Limited
NTPC	National Thermal Power Corporation
O&M	Operation & Maintenance
PPP	Public Private Partnership
RV	Registered Valuer
SEBI	Securities and Exchange Board of India
SEBI InvIT Regulations	SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended
SECI	Solar Energy Corporation of India Limited
Sponsors	Mahindra Susten Private Limited and 2726522 Ontario Limited
SPV	Special Purpose Vehicle
the Trust or InvIT	Sustainable Energy Infra Trust
the Trustee	Axis Trustee Services Limited
TSNPDCL	Telangana State Northern Power Distribution Company Limited
WACC	Weighted Average Cost of Capital

Contents

Section	Particulars	Page No.
1	Executive Summary	6
2	Procedures adopted for current valuation exercise	11
3	Overview of the InvIT and the SPVs	12
4	Overview of the Industry	22
5	Valuation Methodology and Approach	30
6	Valuation of the SPVs	33
7	Valuation Conclusion	38
8	Additional procedures for compliance with InvIT Regulations	43
9	Sources of Information	46
10	Exclusion & Limitations	47
	Appendices	
11	Appendix 1 : Valuation of SPVs as on 31 st March 2024	50
12	Appendix 2 : Weighted Average Cost of Capital of the SPVs	59
13	Appendix 3 : Summary of Approvals and Licenses	61
14	Appendix 4 : Summary of Ongoing Litigations	75
15	Appendix 5 : Summary of Tax Notices	78

1. Executive Summary

1.1. Background

The Trust

- 1.1.1. Sustainable Energy Infra Trust (“the **Trust**”) was registered on 11th August 2023. The Trust is registered with Securities and Exchange Board of India (“SEBI”) pursuant to the SEBI (Infrastructure Investment Trust) Regulations, 2014 (“SEBI InvIT Regulations”) with effect from 11th August 2023, bearing registration number IN/INVIT/23-24/0027. The Trust has acquired the SPVs and would be responsible for holding the SPVs in trust and for the benefit of the unitholders, undertaking the activities and other duties specified as per the SEBI InvIT Regulations.
- 1.1.2. The objective and purpose of the InvIT is to carry on the activities of an infrastructure investment trust, as permissible under the InvIT Regulations, to raise funds through the InvIT, to make Investments in accordance with the InvIT Regulations and the Investment Strategy and to carry on the activities as may be required for operating the InvIT including incidental and ancillary matters thereto. It is established to own and operate renewable power generation assets in India. The units of the Trust are listed on the National Stock Exchange of India Limited (“**NSE**”) since 15th January 2024.
- 1.1.3. Axis Trustee Services Limited (“**the Trustee**”) has been appointed as the Trustee of the Sustainable Energy Infra Trust.
- 1.1.4. Unitholding of the trust as on 31st March 2024

Name of Unitholder	Nos. of Shares	Shareholding
Sponsor & Sponsor Group	199,000,000	61.42%
Non-institutional investors	125,000,000	38.58%
Total	324,000,000	100%

The Sponsors

- 1.1.5. Mahindra Susten Private Limited and 2726522 Ontario Limited (“**the Sponsors**”) have floated an infrastructure investment trust under the SEBI InvIT Regulations called Sustainable Energy Infra Trust (“**SEIT**” or “**the Trust**”).

Mahindra Susten Private Limited

- 1.1.6. Mahindra Susten Private Limited was incorporated on 19th September 2010 under Companies Act, 1956. Over the years, they have developed 1.5 GWp+ of IPP renewable assets and further developing 1.9 GWp+ of IPP projects contributing to India's RE targets. As the clean-tech arm of the Mahindra Group, they have also successfully executed 4.2 GWp+ of renewable projects as an EPC in India and across the globe. MSPL is backed by one of India's largest groups, Mahindra Group with a minority stake owned by OTPP (AUM of CAD 247.5 Bn as of 31st December 2023).
- 1.1.7. The Shareholding of MSPL on 31st March 2024 is as follows:

Name of Shareholder	Nos. of Shares	Shareholding
Mahindra Holdings Limited	234,593,167	60%
2452991 Ontario Limited	156,330,289	40%
Total	390,923,456	100%

2726522 Ontario Limited

- 1.1.8. 2726522 Ontario Limited was incorporated on 13th November 2021 under the laws of Canada.
- 1.1.9. It is a 100% subsidiary of Ontario Teachers' Pension Plan Board.
- 1.1.10. Ontario Teachers' Pension Plan Board (“OTPPB”), being an associate of the OTPP Sponsor, is the largest single-profession pension plan in Canada with net assets of CAD 247.5 Bn as at 31st December 2023. OTPPB invests in more than 50 countries in a broad array of assets including public and private equities, fixed income, credit, commodities, natural resources, infrastructure, real estate and venture growth to deliver retirement income for 340,000 working members and pensioners.

Investment Manager

- 1.1.11. Sustainable Energy Infra Investment Managers Private Limited ("**SIIMPL**" or "**the Investment Manager**") has been appointed as the Investment Manager to the Trust by the Trustee and will be responsible to carry out the duties of such person as mentioned under the SEBI InvIT Regulations.

Name of Shareholder	Nos. of Shares	Shareholding
Mahindra Sustainable Energy Private Limited	5,200,000	40%
2726522 Ontario Limited	7,800,000	60%
Total	13,000,000	100%

Project Manager

- 1.1.12. Green Energy Infra Project Managers Private Limited ("**GEIPMPL**" or "**the Project Manager**") has been appointed as the Project Manager to the Trust pursuant to a resolution passed by the Board of Directors of the Investment Manager and will be responsible to carry out the duties of such person as mentioned under the SEBI InvIT Regulations.

Name of Shareholder	Nos. of Shares	Shareholding
Mahindra Sustainable Energy Private Limited	4,000	40%
2726522 Ontario Limited	6,000	60%
Total	10,000	100%

1.1.13. Financial Assets to be Valued

The financial assets under consideration are valued at Enterprise Value and Adjusted Enterprise Value of the following the SPVs (Project-wise):

Sr. No.	Name of the SPV	Project	Term
1	Megasolis Renewables Private Limited	Rewa Project ISTS Project	MRPL
2	Emergent Solren Private Limited	Goyalri Project SECI RJ Project	ESPL
3	Mega Suryaurja Private Limited	MSUPL Project	MSUPL
4	Astra Solren Private Limited	ASPL Project	ASPL
5	Neo Solren Private Limited	NSPL Project	NSPL
6	Brightsolar Renewable Energy Private Limited	BREPL Project	BREPL

(Together referred to as "the **SPVs**" and "the **Projects**" respectively)

1.1.14. Purpose of Valuation

I understand that the InvIT, acting through the Trustee, has acquired the equity stake in the SPVs, mentioned in the above table, following which units of the Trust have been issued to its unitholders including the Sponsors by the Trust, which are listed on the National Stock Exchange ("**NSE**") consequent to a private placement of the Trust.

These SPVs were acquired by the Trust and are to be valued as per Regulation 21(4) contained in the Chapter V of the SEBI InvIT Regulations.

- 1.1.15. In this regard, the Investment Manager has appointed me, S. Sundararaman ("**Registered Valuer**" or "**RV**" or "**I**" or "**My**" or "**Me**") bearing IBBI registration number IBBI/RV/06/2018/10238 to undertake the fair valuation of the SPVs at the enterprise level as per the extant provisions of the SEBI InvIT Regulations issued by SEBI. Enterprise Value ("**EV**") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities.

- 1.1.16. I declare that:

- I am competent to undertake the financial valuation in terms of the SEBI InvIT Regulations;
- I am not an associate of the Sponsors(s) or investment manager or trustee and I have not less than five years of experience in valuation of infrastructure assets;

- iii. I am independent and have prepared the Report on a fair and unbiased basis;
 - iv. I have valued the SPVs based on the valuation standards as specified / applicable as per SEBI InvIT Regulations.
- 1.1.17. This Report covers all the disclosures required as per the SEBI InvIT Regulations and the Valuation of the SPVs is impartial, true and fair and in compliance with the SEBI InvIT Regulations.

1.2. **Scope of Valuation**

1.2.1. **Nature of the Asset to be Valued**

The RV has been mandated by the Investment Manager to arrive at the Enterprise Value of the SPVs at the Project Level. Enterprise Value is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities.

Further, on the request of the Investment Manager, I have calculated Adjusted Enterprise Value of the SPVs which is derived as the EV as defined above plus cash or cash equivalents of the SPVs as at the valuation date.

1.2.2. **Valuation Base**

Valuation Base means the indication of the type of value being used in an engagement. In the present case, I have determined the fair value of the SPVs at the enterprise level. Fair Value Bases defined as under:

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. It is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Fair value or Market value is usually synonymous to each other except in certain circumstances where characteristics of an asset translate into a special asset value for the party(ies) involved.

Valuation Date

Valuation Date is the specific date at which the value of the assets to be valued gets estimated or measured. Valuation is time specific and can change with the passage of time due to changes in the condition of the asset to be valued. Accordingly, valuation of an asset as at a particular date can be different from other date(s).

The Valuation Date considered for the fair enterprise valuation of the SPVs is 31st March 2024 ("**Valuation Date**"). The RV is not aware of any other events having occurred since 31st March 2024 till date of this Report which he deems to be significant for his valuation analysis.

1.2.3. **Premise of Value**

Premise of Value refers to the conditions and circumstances how an asset is deployed. In the present case, RV has determined the fair enterprise value of the SPVs on a Going Concern Value defined as under:

Going Concern Value

Going Concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained work force, an operational plant, necessary licenses, systems, and procedures in place etc. For current valuation exercise, we have determined the fair enterprise value of the SPVs on a Going Concern Value, till the end of the tenure of their respective PPAs.

1.3. Summary of Valuation

I have assessed the fair enterprise value of each of the SPVs on a stand-alone basis by using the Discounted Cash Flow (“DCF”) method under the income approach. Following table summarizes my explanation on the usage or non usage of different valuation methods:

Valuation Approach	Valuation Methodology	Used	Explanation
Cost Approach	Net Asset Value	No	NAV does not capture the future earning potential of the business. Hence, NAV method has been considered for background reference only.
Income Approach	Discounted Cash Flow	Yes	All the SPVs are generating income based on pre-determined power purchase agreements. Hence, the growth potential of the SPVs and the true worth of its business would be reflected in its future earnings potential and therefore, DCF Method under the income approach has been considered as an appropriate method for the present valuation exercise.
Market Approach	Market Price	No	The equity shares of the SPVs are not listed on any recognized stock exchange in India. Hence, I was unable to apply the market price method.
	Comparable Companies	No	In the absence of any exactly comparable listed companies with characteristics and parameters similar to that of the SPVs, I am unable to consider this method for the current valuation.
	Comparable Transactions	No	In the absence of adequate details about the Comparable Transactions, I was unable to apply the CTM method.

Under the DCF Method, the Free Cash Flow to Firm (“FCFF”) has been used for the purpose of valuation of each of the SPVs. In order to arrive at the fair EV of the individual SPVs under the DCF Method, I have relied on the audited financial statements as at 31st March 2024 prepared in accordance with the Indian Accounting Standards (Ind AS) and the financial projections of the respective SPVs prepared by the Investment Manager as at the Valuation Date based on their best judgement.

The discount rate considered for the respective SPVs for the purpose of this valuation exercise is based on the Weighted Average Cost of Capital (“WACC”) for each of the SPVs.

The term of the PPA is 25 years from COD for all of the SPVs. The ownership of the underlying assets (tangible assets) except the leasehold land in Rewa and ASPL, shall remain with the SPVs even after the expiry of PPA term. As the cash flows beyond the end of PPA term are relatively uncertain on account of factors like degradation of panels, technology factor, tariff rate, extension of licenses (wherever required), determination of tariff rate, etc., the terminal period value (i.e. value on account of cash flows to be generated after the expiry of PPA period) has been considered based only on the salvage value of the plant & machinery, sale of freehold land and realisation of working capital at the end of their respective PPA term.

Further the SPVs generate cash flows from the sale of CER units which are earned based on the unit generated through out the life of the PPA. Since these cash flows are relatively uncertain, on account of factors such as uncertainty of selling rate, demand for the units etc, I have considered a different discount rate for arriving at the value of cash flows from such CER units.

The sum of the discounted value of the above free cash flows is the enterprise value of the SPVs.

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Based on the methodology and assumptions discussed further, RV has arrived at the fair enterprise value of the SPVs (Project-wise) as on the Valuation Date:

Sr. No.	SPVs	Projects	~Projection Period (Balance Project Period)	Capacity (AC)	Fair EV* (INR Mn)	Adjusted Fair EV** (INR Mn)
1	MRPL	Rewa	~ 20 Years 9 Months	250 MW	13,937	14,816
		ISTS	~ 22 Years 7 Months	250 MW	14,917	15,839
2	ESPL	Goyalri	~ 18 Years 0 Months	60 MW	3,858	4,793
		SECI RJ	~ 22 Years 8 Months	200 MW	11,172	11,473
3	MSUPL	MSUPL	~ 23 Years 3 Months	250 MW	15,389	16,052
4	ASPL	ASPL	~ 18 Years 2 Months	65 MW	4,154	4,309
5	NSPL	NSPL	~ 18 Years 7 Months	42 MW	2,756	2,885
6	BREPL	BREPL	~ 16 Years 9 Months	10 MW	870	930
Total				1,127 MW	67,053	71,098

* Enterprise Value ("EV") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities.

** Further, on the request of the Investment Manager, I have calculated Adjusted Enterprise Value of the SPVs as the EV (derived as above) plus cash or cash equivalents of the SPVs as at the Valuation Date.

(Refer Appendix 1 & 2 for the detailed workings)

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2. Procedures adopted for current valuation exercise

- 2.1. I have performed the valuation analysis, to the extent applicable, in accordance with ICAI Valuation Standards 2018 ("IVS") issued by the Institute of Chartered Accountants of India.
- 2.2. In connection with this analysis, I have adopted the following procedures to carry out the valuation analysis:
- 2.2.1. Requested and received financial and qualitative information relating to the SPVs;
 - 2.2.2. Obtained and analyzed data available in public domain, as considered relevant by me;
 - 2.2.3. Discussions with the Investment Manager on:
 - Understanding of the business of the SPVs – business and fundamental factors that affect its earning-generating capacity including strengths, weaknesses, opportunities and threats analysis and historical and expected financial performance;
 - 2.2.4. Undertook industry analysis:
 - Research publicly available market data including economic factors and industry trends that may impact the valuation;
 - Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any, using proprietary databases subscribed by me;
 - 2.2.5. Analysis of other publicly available information;
 - 2.2.6. Selection of valuation approach and valuation methodology/(ies), in accordance with IVS, as considered appropriate and relevant by me;
 - 2.2.7. Conducted physical site visit of the Projects of all the SPVs;
 - 2.2.8. Determination of fair value of the EV and Adjusted EV of the SPVs on a going concern basis at the Valuation Date;

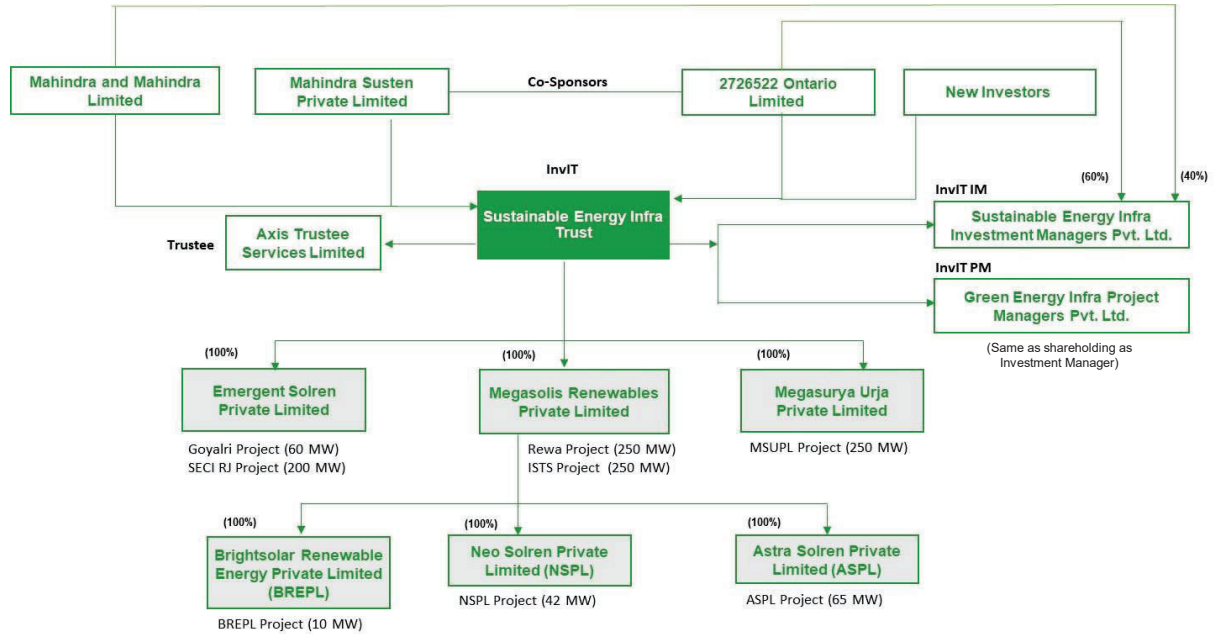
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3. Overview of the InvIT and SPVs

3.1. The Trust

3.1.1. Sustainable Energy Infra Trust (“the **Trust**”) is Sponsored by Mahindra Susten Private Limited and 2726522 Ontario Limited. The Trust is registered with the SEBI as an InvIT with effect from 11th August 2023.

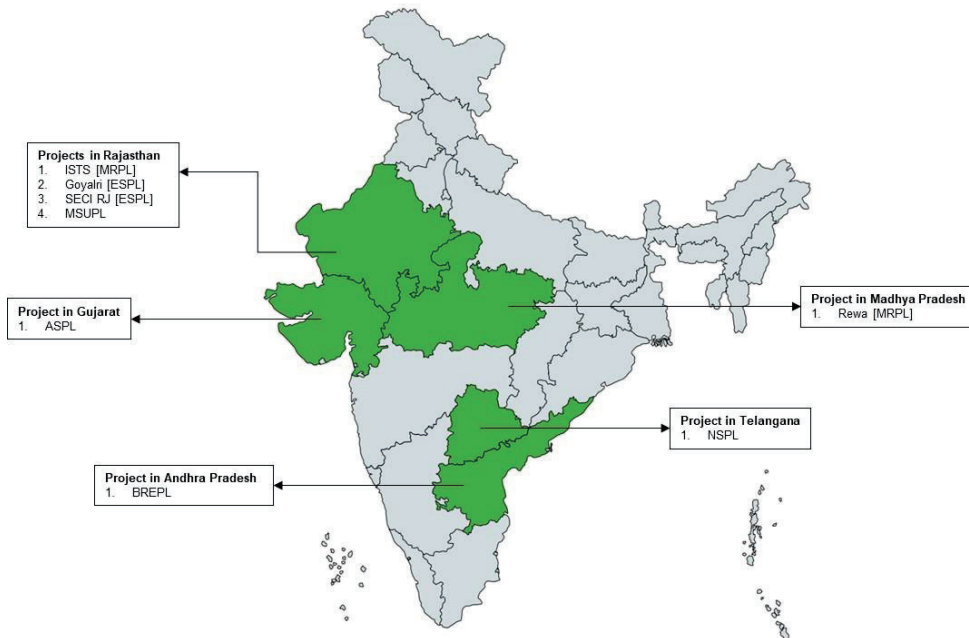
3.1.2. Group Structure of the Trust:



Source: Investment Manager

*The 40% shareholding of the IM and PM is held by Mahindra and Mahindra Limited through a 100% subsidiary-Mahindra Sustainable Energy Private Limited

3.1.3. Following is a map of India showing the locations of the projects held by SPVs of the Trust:



Source: Investment Manager

- 3.1.4. The Trust has acquired 100% control of the equity shares in the SPVs during the month of January 2024 in lieu of units of the Trust issued to the shareholders at the below mentioned value:

INR Mn	
SPVs Name	100% Equity Value
MRPL	11,260
ESPL	4,900
MSUPL	2,590
Total	18,750

Purchase price of MRPL includes two projects namely Rewa and ISTS Projects along with its subsidiaries namely ASPL, NSPL and BREPL. Purchase price of ESPL includes projects of Goyalri and SECI RJ.

- 3.1.5. The Enterprise Values of the SPVs as on 31st March 2023 and 30th September 2023 are as follows:-

Previous Fair EV	INR Mn	
	31-Mar-23	30-Sep-23
Rewa	14,203	13,973
ISTS	14,513	14,635
Goyalri	4,199	4,012
SECI RJ	11,381	11,423
MSUPL	15,197	15,260
ASPL	4,355	4,233
NSPL	2,965	2,779
BREPL	970	935
Total	67,782	67,249

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Background of the SPVs

3.2. Megasolis Renewables Private Limited (“MRPL”):

MRPL is mainly engaged in the business as a producer and distributor of solar power by using solar cells, photo voltaic solar modules, photo voltaic solar system/subsystem, tracker or fixed tilt, concentrated solar power and to provide related services. Currently MRPL has mainly two major projects, Rewa Project and ISTS Project. Summary of both the projects are as follows:

Rewa Project

Parameters	Details
Installed Capacity (AC)	250.00 MW
Installed Capacity (DC)	336.30 MWp
Plant Location	Rewa, Madhya Pradesh
Actual COD	3 rd January 2020
Land Area	1,256 Acres
O&M Contractor	Mahindra Teqo Private Limited
PPA Counterparty	MPPMCL and DMRC
PPA Date	13 th April 2017
PPA Term	25 years from Actual COD
PPA Tariff	2.98 INR/KWh*
CER Registry	Verra Registry
CER Registration Status	Registered
Proposed Trust's stake	100% economic ownership

**Tariff of Rewa is subject to escalation as per the terms of the PPA*

Source: Investment Manager

Rewa Project is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located in Rewa Ultra Mega Solar Park at Rewa, Madhya Pradesh. Rewa Project had entered into a PPA with MPPMCL and DMRC on 13th April 2017 for implementation of a 336.3 MWp Solar Photovoltaic Power Generation Unit in the State of Madhya Pradesh, under which it has a commitment to sell electricity for a period of 25 years.

My team had conducted physical site visit of the Rewa Project on 16th June 2023. Following are the pictures of the plant site:

Rewa Solar Plant, Rewa, Madhya Pradesh.



ISTS Project

Parameters	Details
Installed Capacity (AC)	250.00 MW
Installed Capacity (DC)	362.00 MWp
Plant Location	Baap, Rajasthan
Actual COD	29 th October 2021
Land Area	1,345 Acres
O&M Contractor	Mahindra Teqo Private Limited
PPA Counterparty	SECI
PPA Date	25 th October 2018
PPA Term	25 Years
PPA Tariff	2.53 INR/KWh
CER Registry	Gold Standard Registry
CER Registration Status	Registered
Proposed Trust's stake	100% economic ownership

Source: Investment Manager

ISTS Project is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Baap, Rajasthan. ISTS Project had entered into a PPA with SECI on 25th October 2018 for implementation of a 362 MWp Solar Photovoltaic Power Generation Unit in the State of Rajasthan, under which it has a commitment to sell electricity for a period of 25 years.

My team had conducted physical site visit of ISTS Project on 11th June 2023. Following are the pictures of the plant site:

ISTS Solar Plant, Baap, Rajasthan.



3.3. Emergent Solren Private Limited (“ESPL”):

ESPL is mainly engaged in the business of production and sale of solar power. The Honourable National Company Law Tribunal, Mumbai Bench by virtue of its order dated 11th August 2023 has approved the Scheme of Arrangement for the demerger of the Solar Power Business (defined as the two solar projects i.e. Goyalri Project and SECI RJ Project) of the demerged company (MSPL) to ESPL under Sections 230 to 232 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 (“the Scheme”). Accordingly, all the assets and liabilities pertaining to the Solar Power Business Undertaking, as defined in the Scheme, stand transferred and vested into ESPL from its Effective Date as the Appointed Date i.e. 1st September 2023 as represented to us by the Investment Manager. Pursuant to the said demerger, an addendum to the PPA or a revised PPA is planned to be executed with the customer i.e. NTPC. This PPA is in final stages of drafting. The Company is also currently in process of transferring the title deed in respect of the land from MSPL to ESPL as represented by the Investment Manager.

Summary of both the projects are as follows:

Goyalri Project:

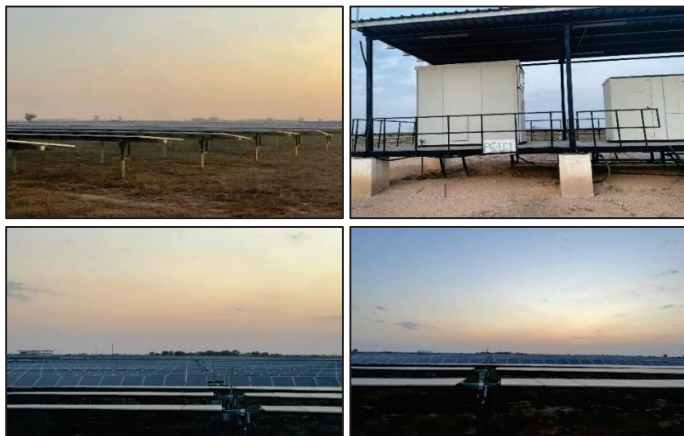
Parameters	Details
Installed Capacity (AC)	60.00 MW
Installed Capacity (DC)	78.00 MWp
Plant Location	Goyalri, Rajasthan
Actual COD	31 st March 2017
Land Area	436 Acres
O&M Contractor	Mahindra Teqo Private Limited
PPA Counterparty	NTPC
PPA Date	29 th August 2016
PPA Term	25 Years
PPA Tariff	4.35 INR/KWh
CER Registry	Verra Registry
CER Registration Status	Registered
Proposed Trust's stake	100% economic ownership

Source: Investment Manager

Goyalri Project is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Goyalri, Rajasthan (78 MWp). The Project had entered into 6 PPAs with NTPC on 29th August 2016 for implementation of a 78(6*13=78) MWp Solar Photovoltaic Power Generation Unit in the State of Rajasthan, under which it has a commitment to sell electricity for a period of 25 years.

For Goyalri solar project, physical site visit was carried out by my team on 26th April 2024. Following are the pictures of the plant site:

Goyalri Solar Plant, Goyalri, Rajasthan



SECI RJ:

Parameters	Details
Installed Capacity (AC)	200.00 MW
Installed Capacity (DC)	280.00 MWp
Plant Location	Kolayat, Rajasthan
Actual COD	1 st December 2021
Land Area	858 Acres
O&M Contractor	Mahindra Teqo Private Limited
PPA Counterparty	SECI
PPA Date	16 th October 2014
PPA Term	25 years from Actual COD
PPA Tariff	2.50 INR/KWh
CER Registry	Gold Standard Registry
CER Registration Status	Registered
Proposed Trust's stake	100% economic ownership

Source: Investment Manager

SECI RJ Project is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Kolayat (280 MWp) in Rajasthan. The Project had entered into a PPA with SECI on 16th October 2014 for implementation of a 280 MWp Solar Photovoltaic Power Generation Unit in the State of Rajasthan, under which it has a commitment to sell electricity for a period of 25 years.

My team had conducted physical site visit of SECI RJ Project on 26th April 2024. Following are the pictures of the plant site:

SECI RJ Solar Plant, Kolayat, Rajasthan



3.4. Mega Suryaaurja Private Limited (“MSUPL”)

Summary of project details of MSUPL are as follows:

Parameters	Details
Installed Capacity (AC)	250.00 MW
Installed Capacity (DC)	335.00 MWp
Plant Location	Kolayat, Rajasthan
Actual COD	30 th June 2022
Land Area	970 Acres
O&M Contractor	Mahindra Teqo
PPA Counterparty	SECI
PPA Date	31 st May 2020
PPA Term	25 Years
PPA Tariff	2.54 INR/KWh
CER Registry	Gold Standard Registry
CER Registration Status	Registered
Proposed Trust's stake	100% economic ownership

Source: Investment Manager

MSUPL is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Sami, Kolayat, Rajasthan. The Company had entered into a PPA with SECI on 31th May 2020 for implementation of a 335.00 MWp Solar Photovoltaic Power Generation Unit in the State of Rajasthan, under which it has a commitment to sell electricity for a period of 25 years.

My team had conducted physical site visit of MSUPL on 12nd June 2023. Following are the pictures of the Plant site:

MSUPL Solar Plant, Kolayat, Rajasthan.



3.5. Astra Solren Private Limited (“ASPL”)

ASPL is a wholly owned subsidiary of MRPL. Summary of project details of ASPL are as follows:

Parameters	Details
Installed Capacity (AC)	65.00 MW
Installed Capacity (DC)	84.50 MWp
Plant Location	Charanka, Gujarat
Actual COD	24 th May 2017
Land Area	Plant-1: 174 Acres; Plant-2: 113 Acres
O&M Contractor	Mahindra Teqo
PPA Counterparty	SECI
PPA Date	28 th August 2016
PPA Term	25 Years
PPA Tariff	4.43 INR/KWh
CER Registry	Verra Registry
CER Registration Status	Registered
Proposed Trust's stake	100% economic ownership

Source: Investment Manager

ASPL is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants(32.5 MWp & 52MWp) located at Charanka in Gujarat. It had entered into a Power Purchase Agreement (“PPA”) with Solar Energy Corporation of India Ltd. (“SECI”) on 4th August 2016 for 52 MWp and 28th August 2016 for 32.5 MWp for implementation of a 82.50 MWp Solar Photovoltaic Power Generation Unit in the State of Gujarat, under which it has a commitment to sell electricity for a period of 25 years.

My team had conducted physical site visit of ASPL on 22nd June 2023. Following are the pictures of the Plant site:

ASPL Solar Plant, Charanka, Gujarat



3.6. Neo Solren Private Limited (“NSPL”)

NSPL is a wholly owned subsidiary of MRPL. Summary of project details of NSPL are as follows:

Parameters	Details
Installed Capacity (AC)	42.00 MW
Installed Capacity (DC)	49.68 MWp
Plant Location	Waddekothapally, Telangana
Actual COD	6 th November 2017
Land Area	317.5 Acres
O&M Contractor	Mahindra Teqo
PPA Counterparty	TSNPDCL
PPA Date	24 th February 2016
PPA Term	25 Years
PPA Tariff	5.59 INR/KWh
CER Registration Status	Not Registered
Proposed Trust's stake	100% economic ownership

Source: Investment Manager

NSPL is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Waddekothapally, Telangana. The Company had entered into a PPA with TSNPDCL on 24th February 2016 for implementation of a 49.68 MWp Solar Photovoltaic Power Generation Unit in the State of Telangana, under which it has a commitment to sell electricity for a period of 25 years.

My team had conducted physical site visit of NSPL on 1st May 2024. Following are the pictures of the Plant site:

NSPL Solar Plant, Waddekothapally, Telangana



3.7. Brightsolar Renewable Energy Private Limited (“BREPL”)

BREPL is a wholly owned subsidiary of MRPL. Summary of project details of BREPL are as follows:

Parameters	Details
Installed Capacity (AC)	10.00 MW
Installed Capacity (DC)	12.50 MWp
Plant Location	Jammalabanda, Andhra Pradesh
Actual COD	5 th January 2016
Land Area	46.2 Acres
O&M Contractor	Mahindra Teqo
PPA Counterparty	APSPDCL
PPA Date	4 th December 2014
PPA Term	25 years
PPA Tariff	5.99 INR/KWh*
CER Registration Status	Not Registered
Proposed Trust's stake	100% economic ownership

*Tariff of Rewa is subject to escalation as per the terms of the PPA

Source: Investment Manager

BREPL Solar Private is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Jammalabanda, Andhra Pradesh. The Company had entered into a PPA with APSPDCL on 4th December 2014 for implementation of a 12.50 MWp Solar Photovoltaic Power Generation Unit in the State of Andhra Pradesh, under which it has a commitment to sell electricity for a period of 25 years

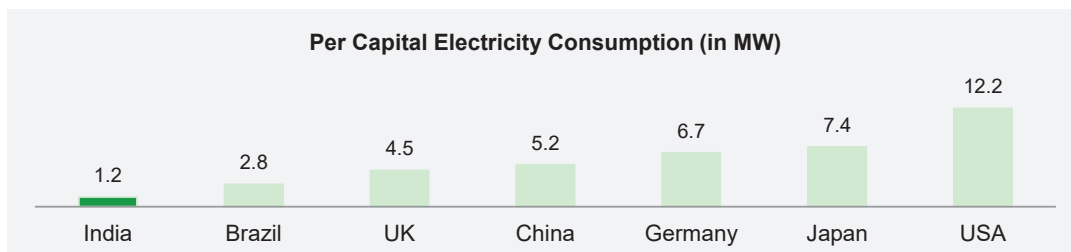
My team had conducted physical site visit of BREPL on 30th April 2024. Following are the pictures of the Plant site:

BREPL Solar Plant, Jammalabanda, Andhra Pradesh



4. Overview of the Industry

- 4.1 India is the most populous democracy in the world with a population of more than 1.4 billion. India's GDP grew 8.4% in the third quarter of Financial Year 2024. An efficient, resilient, and financially robust power sector is essential for the growth of the Indian economy. A series of reforms in the 1990s and the Electricity Act 2003 as amended from time to time have moved the Indian power sector towards being a competitive market with multiple buyers and sellers supported by regulatory and oversight bodies.



- 4.2 India is the 3rd largest energy consuming country in the world. It stands 4th globally in renewable energy installed capacity, 4th wind power capacity and in 5th solar Power capacity (as per REN21 Renewables 2023 Global Status Report). The country has set an enhanced target at the COP26 of 500 GW of non-fossil fuel-based energy by 2030. This has been a key pledge under the Panchamrit Scheme. This is the world's largest expansion plan in renewable energy.
- 4.3 India's installed non-fossil fuel capacity has increased 396% in the last 8.5 years and stands at more than 186.46 Giga Watts (including large Hydro and nuclear), about 44% of the country's total capacity (as of October 2023). In addition, 114.08 GW of capacity is under implementation and 55.13 GW capacity is under tendering. The installed solar energy capacity has increased by 24.4 times in the last 9 years and stands at 73.32 GW as of December 2023. The installed Renewable energy capacity (including large hydro) has increased by around 128 % since 2014.
- 4.4 Electricity security has improved through the creation of one national power system and major investments in clean energy. India is now working on integrating higher shares of variable renewable energy into the energy mix.
- 4.5 The Central Electricity Authority (CEA) estimates India's power requirement to grow to reach 817 GW by 2030. As the economy grows, the electricity consumption is projected to reach 15,280 TWh in 2040 from 4,926 TWh in 2012. Most of the demand will come from the real estate and transport sectors.

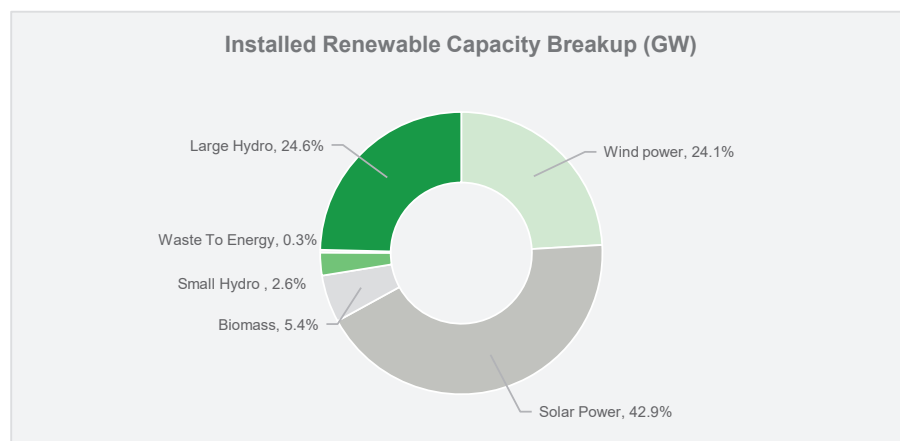
A. Global Renewable Energy Outlook

- 4.6 Energy is at the heart of development. Energy makes possible the investments, innovations, and new industries that drive jobs, inclusive growth, and shared prosperity on a more livable planet. Scaling up renewables and energy efficiency, and investing in electrification at scale, while phasing-down fossil fuels, is critical for providing clean energy.
- 4.7 The amount of renewable energy capacity added to energy systems around the world grew by 50% in 2023, reaching almost 510 gigawatts (GW), with solar PV accounting for three-quarters of additions worldwide, according to Renewables 2023, the latest edition of the IEA's annual market report on the sector. The largest growth took place in China, which commissioned as much solar PV in 2023 as the entire world did in 2022, while China's wind power additions rose by 66% year-on-year. The increases in renewable energy capacity in Europe, the United States and Brazil also hit all-time highs.
- 4.8 Under existing policies and market conditions, global renewable capacity is forecast to reach 7,300 GW by 2028. This growth trajectory would see global capacity increase to 2.5 times its current level by 2030, falling short of the tripling goal.
- 4.9 The driving forces behind growth in renewable energy capacity includes robust policy support, energy security priorities and improved competitiveness against fossil fuels, outweighing challenges like higher costs and supply chain issues.

- 4.10 Escalating electricity prices from the energy crisis prompted policymakers, particularly in Europe, to prioritize energy security and seek alternatives to imported fossil fuels. This shift favors solar PV, especially for quick installation of residential and commercial systems to meet surging requirement for renewable energy.
- 4.11 According to IEA's Renewable 2023 Report, over the coming five years several renewable energy milestones are expected to be achieved:
- In 2024, wind and solar PV together generate more electricity than hydropower.
 - In 2025, renewables surpass coal to become the largest source of electricity generation.
 - Wind and solar PV each surpass nuclear electricity generation in 2025 and 2026 respectively.
 - In 2028, renewable energy sources account for over 42% of global electricity generation, with the share of wind and solar PV doubling to 25%.
- 4.12 The renewable energy sector is expected to focus on various areas, including advanced solar photovoltaic (PV) technology, robotics, artificial intelligence (AI), large-scale data analysis (big data), decentralized energy storage systems, integration with power grids, blockchain technology, the production of green hydrogen, bioenergy, hydropower and wind power

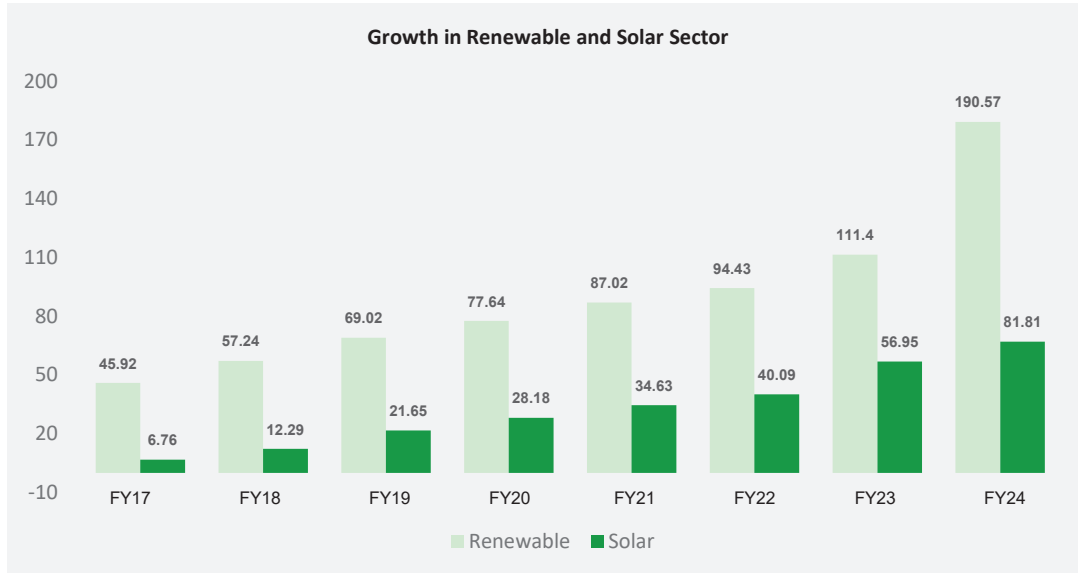
Indian Renewable Energy Outlook

- 4.13 Renewable energy sources have a combined installed capacity of 143+ GW. As of March 2024, Renewable energy sources, including large hydropower, have a combined installed capacity of 190.57 GW. The following is the installed capacity for Renewables:



Source: PIB

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Source:PIB

- 4.14 India has set a target to reduce the carbon intensity of the nation's economy by less than 45% by the end of the decade, achieve 50 percent cumulative electric power installed by 2030 from renewables, and achieve net-zero carbon emissions by 2070. India aims for 500 GW of renewable energy installed capacity by 2030.
- 4.15 As on 31-12-2023, 51 Solar Parks with an aggregate capacity of 37,740 MW have been sanctioned in 12 States in the country since launch of the Scheme i.e. December 2014. An aggregate capacity of 10,504 MW of solar projects have been commissioned in 20 Solar Parks, so far.

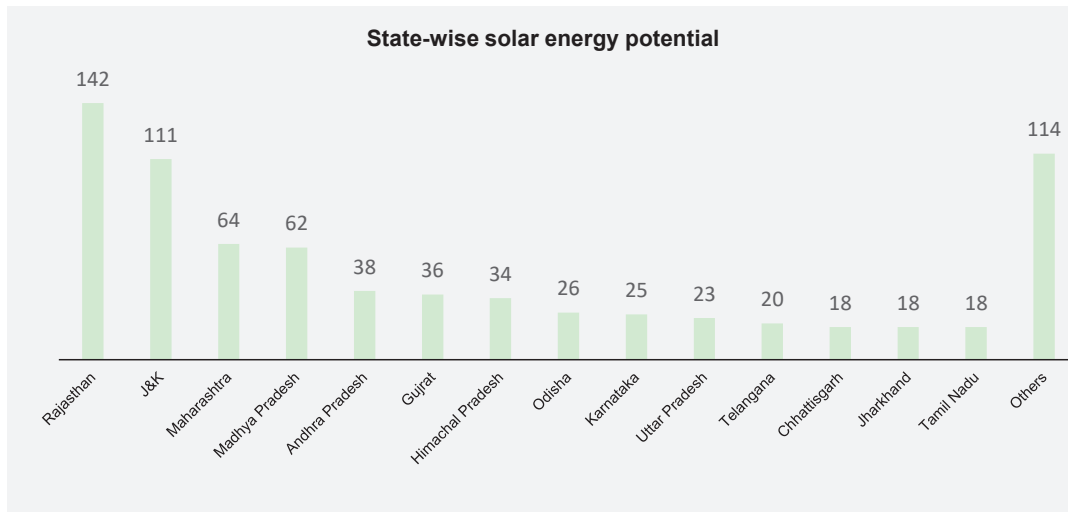
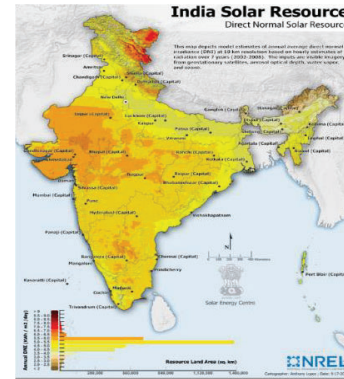
Budget Overview: Renewable Energy Sector

- 4.16 The 2024-25 Interim Budget provided for a budgetary allocation of Rs 10,000 Cr to solar power grid projects in FY2025 BE, which is massive 110% increase from Rs 4,557 Cr allocated in FY2024 Revised Estimates.
- 4.17 Through rooftop solarization, one crore households will be enabled to obtain up to 300 units free electricity every month. Each household is expected to save Rs.15000 to Rs.18000 annually.
- 4.18 Viability gap funding will be provided for harnessing offshore wind energy potential for initial capacity of one giga-watt
- 4.19 Coal gasification and liquefaction capacity of 100 MT will be set up by 2030. This will also help in reducing imports of natural gas, methanol, and ammonia.
- 4.20 Phased mandatory blending of compressed biogas (CBG) in compressed natural gas (CNG) for transport and piped natural gas (PNG) for domestic purposes will be mandated.
- 4.21 Financial assistance will be provided for procurement of biomass aggregation machinery to support collection.

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B. Indian Solar Industry Outlook

4.22 India is endowed with vast solar energy potential. About 5,000 trillion kWh per year energy is incident over India's land area with most parts receiving 4-7 kWh per sq. m per day. Solar photovoltaic power can effectively be harnessed providing huge scalability in India. Solar also provides the ability to generate power on a distributed basis and enables rapid capacity addition with short lead times. Off-grid decentralized and low-temperature applications will be advantageous from a rural application perspective and meeting other energy needs for power, heating and cooling in both rural and urban areas. From an energy security perspective, solar is the most secure of all sources, since it is abundantly available. Theoretically, a small fraction of the total incident solar energy (if captured effectively) can meet the entire country's power requirements.



Source: PIB

4.23 National Institute of Solar Energy has assessed the Country's solar potential of about 748 GW assuming 3% of the waste land area to be covered by Solar PV modules. Solar energy has taken a central place in India's National Action Plan on Climate Change with National Solar Mission as one of the key Missions. National Solar Mission (NSM) was launched on 11th January, 2010. NSM is a major initiative of the Government of India with active participation from States to promote ecological sustainable growth while addressing India's energy security challenges. It will also constitute a major contribution by India to the global effort to meet the challenges of climate change. The Mission's objective is to establish India as a global leader in solar energy by creating the policy conditions for solar technology diffusion across the country as quickly as possible. The Mission targets installing 100 GW grid-connected solar power plants by the year 2022. This is in line with India's Intended Nationally Determined Contributions (INDCs) target to achieve about 40 percent cumulative electric power installed capacity from non-fossil fuel based energy resources and to reduce the emission intensity of its GDP by 33 to 35 percent from 2005 level by 2030.

4.24 Recently, India stands 4th in solar PV deployment across the globe as on end of 2023. Solar power installed capacity has reached around 82 GW as on 31st March, 2024. Presently, solar tariff in India is very competitive and has achieved grid parity.

4.25 As per the Central Electricity Authority (CEA) estimates, by 2029-30, the share of renewable energy generation would increase from 18% to 44%, while that of thermal is expected to reduce from 78% to 52%. The share of solar energy of overall RE installed capacity has increased from 7.5% in 2014 to around 39.7% in 2020, growing at a CAGR of 53.7%.

C. Understanding key terms used in the solar industry

4.26 Plant Load Factor (PLF)

- The Central Electricity Regulatory Commission defines Plant Load Factor as a percentage of energy sent out by the power plant corresponding to installed capacity in that period. In the context of solar power plants, it reflects how efficiently the plant is utilizing its installed solar panel capacity to generate electricity over a specific period, often a year. In India, the Ministry of Power has, since the early 90s, used the Plant Load Factor as a metric to check the efficiency of a plant. A PLF norm has been set, and incentives are being given to those producers who produce power in excess of the norm.

$$PLF = \frac{\text{Actual Energy Output}}{\text{Installed Capacity} \times \text{Total Time}} \times 100$$

Where,

Actual Energy Output: The total amount of energy generated by the solar power plant over the chosen time period.

Installed Capacity: The maximum power output the solar panels are designed to produce under ideal conditions (rated capacity).

Total Time: The duration for which the plant has been operating (usually measured in hours).

- A low PLF is bad for the power plant as it indicates that the plant is not being used to its optimal capacity. This will increase the per-unit cost of the power thus produced, making it unattractive for purchase by DISCOMs. A higher PLF, on the other hand, will generate a greater total output which will reduce the cost per unit of energy generated. The higher the output, the lesser will be cost per unit. The additional energy produced would also result in an increase in revenue of the plant.
- The average Plant Load Factor (PLF) for solar power plants can vary significantly depending on factors such as location, technology, weather conditions, maintenance practices, and the design of the solar plant. Generally, PLF for solar power plants is influenced by the availability of sunlight, which can vary based on the geographical location and weather patterns.
- On average, well-designed and efficiently operated solar power plants can achieve PLFs in the range of 15% to 25%. However, some high-performing solar installations can achieve even higher PLFs, exceeding 25%.
- The trend in PLF in the solar industry has been improving over the years due to advancements in solar technology, improved design practices, better site selection, and increased experience in operation and maintenance. As technology has progressed, solar panels have become more efficient at converting sunlight into electricity, and better forecasting and monitoring systems have allowed operators to optimize their plants' performance. Additionally, the growth of solar power capacity in regions with abundant sunlight has contributed to better overall PLF figures.

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4.27 **Solar Irradiation**

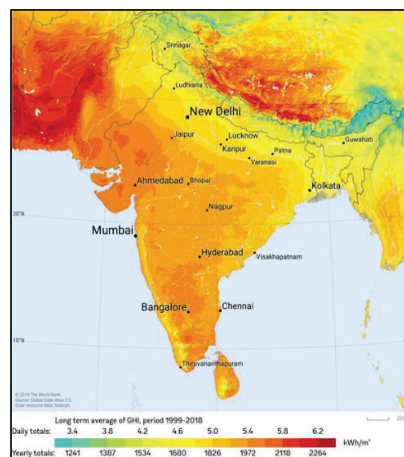
- Solar irradiance is the output of light energy from the sun that reaches the earth. It is measured in terms of the amount of sunlight that hits a square meter of a surface in one second.
- Solar irradiance is a key factor in determining the energy output of solar power plants. By understanding the local solar irradiance conditions, engineers can design solar installations to capture the maximum amount of available sunlight. It also plays a crucial role in sizing solar panels, predicting energy production, and optimizing the orientation and tilt angles of panels to achieve higher energy yields.
- In conclusion, solar irradiance is the foundation of solar energy generation. It's the primary resource that solar panels capture and convert into electricity. Understanding local irradiance patterns is crucial for effective solar power plant design, operation, and energy yield optimization.
- Solar irradiance is influenced by various factors, including:

Time of Day: Irradiance is highest when the sun is directly overhead (solar noon) and decreases in the morning and evening.

Season: Irradiance varies with the sun's angle in the sky, which changes with the seasons.

Geographical Location: Solar irradiance is generally higher near the equator and lower toward the poles.

Weather Conditions: Cloud cover, air pollution, and atmospheric conditions can attenuate or scatter sunlight, affecting irradiance levels.



4.28 **Degradation**

Solar panels convert solar radiation into electrical energy. The ability to do so declines steadily and irreversibly over time. The degradation may be in a cell or parts of a module or both. The ability to accurately predict power delivery over time is vital to assess the credit risk profile of a project. The thumb rule in the industry is 0.50% system degradation per annum. Anything higher is considered a risk to cash generating ability and, by extension, to debt servicing ability. Degradation depends on many factors such as technology, panel quality and maintenance

4.29 **GHI**

Global Horizontal Irradiance (GHI) is the amount of terrestrial irradiance falling on a surface horizontal to the surface of the earth. GHI can be measured with a variety of instruments. The most common instrument used to measure GHI is called a pyranometer which has a hemispherical (180°) view angle.

4.30 **Performance Ratio (PR)**

The performance ratio (PR) is a metric used in the PV industry to measure the relationship between a plant's actual and theoretical energy outputs. It's calculated by dividing the energy generated by the plant (kWh), by the irradiance (kWh/m²), then multiplying by the active area of the PV module (m²), and finally multiplying by the PV module efficiency. The PR is stated as a percentage and is independent of location.

4.31 **PAF**

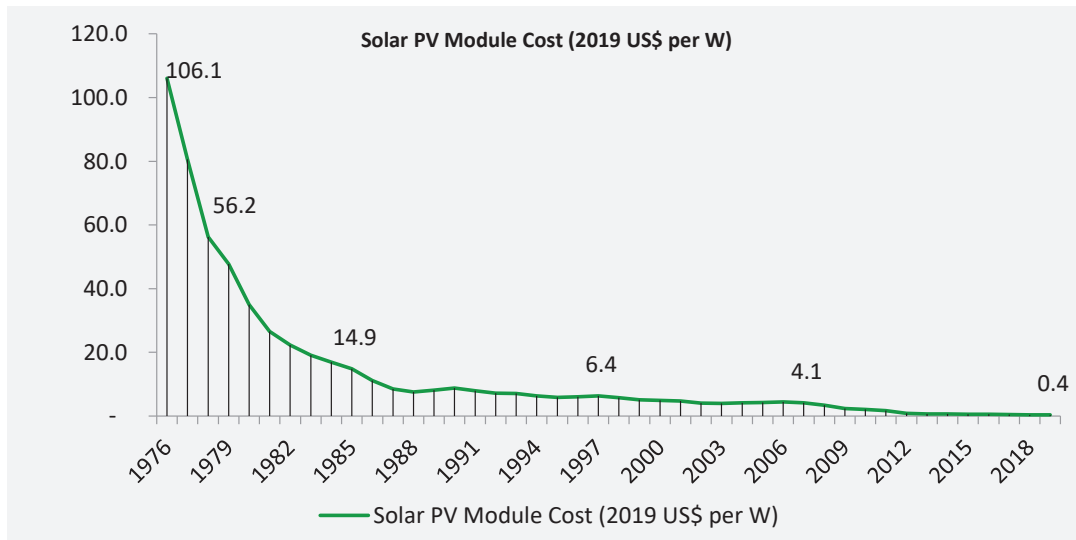
Plant Availability Factor (PAF) is the ratio of a power plant's actual operating hours to its scheduled operating hours during a given period. In a solar PV power plant, PAF is an important factor that depends on the functioning of its components and grid regulation. A high PAF indicates that the plant is operating efficiently and reliably, while a low PAF can lead to higher downtime and revenue loss.

4.32 **DSM Charges**

Any demand-supply imbalance of electricity leads to a fluctuation in the grid frequency from the standard value, which is set at 50 Hertz (Hz) in India. A significant drop or rise in frequency could lead to a power system blackout. Therefore, the Indian Electricity Grid Code (IEGC) 2010 restricts the operational frequency between 49.90 to 50.05 Hz. To maintain the frequency within the band, the power distribution companies must predict demand accurately and schedule supply accordingly.

Deviation Settlement Mechanism (DSM) is a regulatory mechanism by which grid stability is achieved by imposing penalty and incentives for over drawl/injection or under drawl/injection from the schedule. DSM is a frequency linked mechanism. It is not related to any market conditions.

4.33 India's solar power tariffs are expected to touch ₹2.6-2.7 per unit due to the increase in the goods and services tax (GST) on renewable energy equipment and a proposed customs duty on imported solar modules, according to Crisil Ratings. According to a recent research report released by India Ratings, the decline in solar tariffs is being driven by (a) Advancement in panel designs enabling a higher capacity utilisation factor (CUF); (b) Lower financing costs due to declining interest rates and (c) Lower capital cost/MW of around ₹ 40 million/MW due to declining Panel costs as can be seen in the below chart:



Source: ourworldindata.org

4.34 **Challenges**

- There are several challenges to overcome, including regulatory and policy inconsistencies, changes in duties, and payment delays by distribution companies (DISCOMs), among others.
- Payment disputes by DISCOMs were also rampant, slowing down any progress made by developers. The government's introduction of credit mechanisms and amendments to policies has done little in the way of negating these issues.
- A 25% Safeguard Duty (SGD) was announced on solar cell and module imports from China and Malaysia between July 30, 2018, and July 29, 2019. The duty was set at 25% for the first year, followed by a phased down approach for the second year, with the rate set to be lowered by 5% every six months until July 2020.
- Manufacturers of solar modules, ancillary products, system integrators, and raw material suppliers in the solar photovoltaic space complained that the government's protectionist policies were increasing costs for smaller local manufacturers and had loopholes.
- Tender cancellations, tariff re-negotiations by a few states had increased the uncertainty of some of the large-scale projects and hence delayed their executions.

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5. Valuation Methodology and Approach

- 5.1. The present valuation exercise is being undertaken in order to derive the fair EV of the SPVs.
- 5.2. The valuation exercise involves selecting a method suitable for the purpose of valuation, by exercise of judgment by the valuers, based on the facts and circumstances as applicable to the business of the company to be valued.
- 5.3. There are three generally accepted approaches to valuation:
 - (a) "Cost" approach
 - (b) "Market" approach
 - (c) "Income" approach

5.4. Cost Approach

The cost approach values the underlying assets of the business to determine the business value. This valuation method carries more weight with respect to holding companies than operating companies. Also, cost value approaches are more relevant to the extent that a significant portion of the assets are of a nature that could be liquidated readily if so desired.

Net Asset Value ("NAV") Method

The NAV Method under Cost Approach considers the assets and liabilities, including intangible assets and contingent liabilities. The Net Assets, after reducing the dues to the preference shareholders, if any, represent the value of a company.

The NAV Method is appropriate in a case where the main strength of the business is its asset backing rather than its capacity or potential to earn profits. This valuation approach is also used in cases where the firm is to be liquidated, i.e. it does not meet the "Going Concern" criteria.

As an indicator of the total value of the entity, the NAV method has the disadvantage of only considering the status of the business at one point in time.

Additionally, NAV does not properly take into account the earning capacity of the business or any intangible assets that have no historical cost. In many aspects, NAV represents the minimum benchmark value of an operating business.

5.5. Market Approach

Under the Market approach, the valuation is based on the market value of the company in case of listed companies, and comparable companies' trading or transaction multiples for unlisted companies. The Market approach generally reflects the investors' perception about the true worth of the company.

Comparable Companies Multiples ("CCM") Method

The value is determined on the basis of multiples derived from valuations of comparable companies, as manifest in the stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Comparable Transactions Multiples ("CTM") Method

Under the CTM Method, the value is determined on the basis of multiples derived from valuations of similar transactions in the industry. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. Few of such multiples are EV/Earnings before Interest, Taxes, Depreciation & Amortization ("EBITDA") multiple and EV/Revenue multiple.

Market Price Method

Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company.

5.6. **Income Approach**

The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.

DCF Method

Under DCF Method value of a company can be assessed using the Free Cash Flow to Firm Method ("FCFF") or Free Cash Flow to Equity Method ("FCFE"). Under the DCF method, the business is valued by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows represent the cash available for distribution to both, the owners and creditors of the business. The free cash flows in the explicit period and those in perpetuity are discounted by the WACC. The WACC, based on an optimal vis-à-vis actual capital structure, is an appropriate rate of discount to calculate the present value of future cash flows as it considers equity-debt risk by incorporating debt-equity ratio of the firm.

The perpetuity (terminal) value is calculated based on the business' potential for further growth beyond the explicit forecast period. The "Constant Growth Model" is applied, which implies an expected constant level of growth for perpetuity in cash flows over the last year of forecast period.

The discounting factor (rate of discounting the future cash flows) reflects not only the time value of money, but also the risk associated with the business' future operations. The EV (aggregate of the present value of explicit period and terminal period cash flows) so derived, is further reduced by the value of debt, if any, (net of cash and cash equivalents) to arrive at value to the owners of the business.

5.7. **Conclusion on Valuation Approach**

It is pertinent to note that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond my control. In performing my analysis, I have made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the SPVs. In addition, this valuation will fluctuate with changes in prevailing market conditions, and prospects, financial and otherwise, of the SPVs, and other factors which generally influence the valuation of companies and their assets.

The goal in selection of valuation approaches and methods for any business is to find out the most appropriate method under particular circumstances on the basis of available information. No one method is suitable in every possible situation. Before selecting the appropriate valuation approach and method, I have considered various factors, inter-alia, the basis and premise of current valuation exercise, purpose of valuation exercise, respective strengths and weaknesses of the possible valuation approach and methods, availability of adequate inputs or information and its reliability and valuation approach and methods considered by the market participants.

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Conclusion on Cost Approach

The existing book value of the SPVs (Project-wise) comprising of the value of its Net fixed assets, Net intangible assets and working capital based on the provisional standalone financial statements as at 31st March 2024 prepared as per Indian Accounting Standards (Ind AS) are as under:

SPV	Project	Book EV* (In INR Mn)	Adjusted Book EV** (In INR Mn)
MRPL	Rewa	10,084	10,963
	ISTS	10,878	11,800
ESPL	Goyalri	2,192	3,127
	SECI RJ	6,923	7,224
MSUPL	MSUPL	12,551	13,214
ASPL	ASPL	3,061	3,217
NSPL	NSPL	2,462	2,591
BREPL	BREPL	701	761
Total		48,852	52,897

* Enterprise Value (“EV”) is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities.

** Adjusted Enterprise Value of the SPVs is calculated as EV (derived as above) plus cash or cash equivalents of the SPVs as at the Valuation Date.

In the present case, the future earnings of SPVs are represented by the PPA signed by the SPVs with their respective PPA counterparties. Further, on account of such signed PPA, there are regulatory or legal restrictions to create assets of substantially the same level of utility. In such scenario, the true worth of the business is reflected in its future earning capacity rather than the historical cost of the project. Accordingly, since the NAV does not capture the future earning potential of the business, I have not considered the cost approach for the current valuation exercise.

Conclusion on Market Approach

The present valuation exercise is to arrive at the fair EV of the SPVs engaged in the solar power generation business for a specific tenure. Further, the tariff revenue & expenses are very specific to the SPVs depending on the nature of their geographical location & stage of project.

For renewable energy projects, the challenge will likely be and is, that each solar project is unique and the added financial value of any financial or technical parameter may differ substantially. Due to the rapidly changing tariff rates and technology, two projects on two almost identical sites, with identical output, built within a month of each other but under different tariff regimes or different technology or both, could have significantly different values. Further, the analysis of the market based transactions is depended on unique factors specific to the project under consideration which is relatively unknown. Accordingly, on account of limitation on the data availability, I am unable to consider the CCM Method. In the absence of adequate details about the Comparable Transactions, I was unable to apply the CTM method. Currently, the equity shares of the SPVs are not listed on any recognized stock exchange of India. Hence, I was unable to apply market price method.

Conclusion on Income Approach

Currently, each of the SPVs are completed and are revenue generating SPVs. Majority of cash flows of the SPVs for the projected period are driven by the contracts entered by the SPVs as on date like the PPA, O&M Agreements, etc. Apart from this, revenue is also generated from sale of CER Units which are earned on generation of renewable energy. Accordingly, since all the SPVs are generating income and since the Investment Manager has provided me with the financial projections of the SPVs for the balance tenor of such PPA, DCF Method under the income approach has been considered as the appropriate method for the present valuation exercise.

6. Valuation of the SPVs

6.1. I have estimated the fair EV of the SPVs using the DCF Method. While carrying out this engagement, I have relied extensively on the information made available to me by the Investment Manager. I have considered projected financial statements of the SPVs as provided by the Investment Manager.

6.2.

Valuation

6.3. The key assumptions of the projections provided to us by the Investment Manager are divided into two parts:

- A. Key Assumptions for cash flows dependent on the terms of the respective PPAs of the SPVs
- B. Key Assumptions for cash flows pertaining to Certified Emission Reduction ("CER") Units.

A. Key Assumptions for Cash Flows dependent on the terms of PPA:

Cash Flows falling under this category are mainly driven by the revenue and operations required as per the terms of the respective SPVs PPAs, O&M Agreements, etc

6.4. **Revenue from Sale of electricity units:**

The revenues generated by the SPVs are correlated to the amount of electricity generated, which in turn is dependent upon available irradiance and weather conditions generally. Irradiance and weather conditions have natural variations from season to season and from year to year and may also change permanently because of climate change or other factors. The total kilowatt hour units expected to be generated annually during the tenure of PPA are estimated using budgeted plant load factors based on inter-alia the forecasted irradiance and weather conditions.

The contractual tariff rates are applied to this annual estimate to determine the total estimated revenue over the term of the PPA. The Plant Load Factor ("PLF") is the ratio of the actual output of a solar power plant over the reporting period to their potential output if it were possible for them to operate at full rated capacity.

The PLF is not the same as the availability factor. The availability factor of a power plant is the amount of time that it is able to produce electricity over a certain period, divided by the amount of the time in the period. The availability of a power plant varies greatly depending on the type of fuel, the design of the plant and how the plant is operated. The variability in the PLF is a result of seasonality, cloud covers, air pollution, and daily rotation of the earth, equipment efficiency losses, breakdown of transmission system and grid availability. Another factor that affects the PLF is the performance ratio of the plant. The performance ratio is a measure of the quality of a PV plant that is independent of location and it therefore often described as a quality factor. The performance ratio (PR) describes the relationship between the actual and theoretical energy outputs of the PV plant. The plant load factor is effective in measuring the performance of the power plants. Higher plant load factor at a plant indicates increased electricity generation. Monitoring plant load factor on real time allows the Investment Manager to respond rapidly to potential generation anomalies. Projections of solar resources depend on assumptions about weather patterns, shading and irradiance, which are inherently uncertain and may not be consistent with actual conditions at the site. In the present valuation, the technical team of the Investment Manager has prepared the PLF estimates for the projected period after considering the variance on account of seasonal factors. I have relied on the projections provided by the Investment Manager for the projected PLF of the SPVs. I have corroborated the assumptions made by the Investment Manager in relation to the projected PLF of the SPVs with an independent technical report.

6.5. **Revenue in relation to the SGD Claim in case of Rewa Project, ISTS Project and SECI RJ Project:**

As informed by the Investment Manager, Rewa Project, ISTS Project and SECI RJ Project are expected to receive SGD Revenue for increase in the capital expenditure for their respective projects due to the introduction of Safeguard Duty on import of solar panels.

In relation to Rewa Project and ISTS Project, the SPVs have received the order dated 24th January 2021 and 16th October 2023 respectively, from CERC. The Investment Manager has considered cash flows based on this order wherein monthly annuity payments are to be received over a period of 13 years for Rewa Project and 15 years for ISTS Project in lieu of the claims approved.

In relation to SECI RJ Project, the SPV has filed an appeal with the Appellate Tribunal of Electricity(New Delhi) on 20th May 2022. Taking precedence of the Rewa Project and ISTS Project and considering that the case is

pending before Appellate Tribunal, I have relied on the information provided by the Investment Manager wherein it has been assumed that the cash flows will start accruing from FY 26.

6.6. **Revenue in relation to the GST Annuity Claim in case of MSUPL Project**

As informed by the Investment Manager, MSUPL Project shall receive GST Annuities from its customers i.e. SECI for increase in the rate of GST on solar power-based devices in case of MSUPL Project which are claimed as Change in Law in terms of the respective PPA(s).

The claim has been filed with CERC on 13th April 2023. CERC, vide order dated 19th May 2024, has ruled that MSUPL is entitled to relief for the same. Since, reconciliation of additional expenditure on account of change in law events is currently pending between the contracting parties, I have relied on the information provided by the Investment Manager wherein it has been assumed that the cash flows will start accruing from FY 26.

6.7. **Expenses:**

I have relied on the projections provided by the Investment Manager for expenses and have checked the reasonableness of the same, by analyzing the past trend in expenses and the expenses projected by the SPVs.

Operations & Maintenance (“O&M”): O&M expenditure is estimated by the Investment Manager for the projected period on the basis of the O&M Agreements and other cleaning charges estimated for each of the SPVs.

Solar Park Charges/ Annual Lease Payments: I understand from the Investment Manager that currently two Projects, i.e., ASPL Project and Rewa Project are located in Gujarat Solar Park and Rewa Ultra Mega Solar Park respectively. Accordingly, these projects incur costs in the form of solar park charges and lease rent which are payable based on agreement with such Solar Parks.

Insurance Expenses: I understand from the Investment Manager that the insurance expenses of the SPVs are not reasonably expected to inflate for the projected period. I have relied on the projections provided by the Investment Manager on insurance expenses for the projected period, which are based on the existing insurance costs of the SPVs.

Other Expenses: Other Expenses represented by the Investment Manager includes Waterless Robotic Cleaning Expenses, Inverter Maintenance Charges/ Replacements costs, Statutory Charges, Legal and Professional Expenses, Import Charges (wherever applicable), other Operating Expenses, etc. I have relied on the estimate of these expenses as provided by the Investment Manager.

6.8. **Capital Expenditure (“Capex”):** I understand that the SPVs have sourced majority of its components such as solar panels and inverters directly from multiple manufacturers with industry standard warranty and guarantee terms. I understand that the SPVs are not expected to incur any major Capex in the projected period for the SPVs.

6.9. **Taxes and Tax Incentive:** As per the discussions with the Investment Manager, the old provisions of Income Tax Act have been considered for ASPL, NSPL and BREPL till the same is beneficial in the form of reduced tax out flow on account of benefits of MAT under section 115JB. After the MAT credit is exhausted, wherever found appropriate by the management, these SPVs would shift to the new tax regime under section 115BAA (with a base rate of tax of 22%, surcharge of 10%). As per the discussions with the Investment Manager, the new provisions of Income Tax Act under section 115BAA have been considered for MRPL, ESPL and MSUPL.

6.10. **Working Capital:** The Investment Manager has represented the working capital requirement of the SPVs for the projected period in terms of trade payables days and trade receivables (Debtors & Unbilled revenue) days. The operating working capital assumptions for the projections as provided by the Investment Manager comprises of trade payables and trade receivables related to the operating revenue and expenses. The trade payables days are 0 days (of annual expenses), and trade receivables days vary between 60-180 days (of annual revenue), based on the PPA counterparty and the historical collection trends. In case of BREPL, it is assumed that past accumulated receivables will be paid back at the end of the PPA term in the absence of any specific information.

- 6.11. **Terminal Value:** Terminal value represents the present value at the end of explicit forecast period of all subsequent cash flows till the end of the life of the asset or into perpetuity if the asset has an indefinite life. The term of the PPA is 25 years for all the SPVs. The ownership of the underlying assets (tangible assets) shall remain with the SPVs even after the expiry of PPA term. As the cash flows beyond 25 years are relatively uncertain on account of factors like degradation of panels, technology factor, tariff rate, extension of land lease (wherever applicable), etc., the terminal period value (i.e. value on account of cash flows to be generated after the expiry of PPA period) has been considered based on the salvage value of the plant & machinery, sale of freehold land and realisation of working capital at the end of their respective PPA term of 25 years.
- 6.12. **Impact of Ongoing Material Litigation on Valuation**
As on 31st March 2024, there are ongoing litigations as shown in Appendix 4. Further, Investment Manager has informed us that majority of the cases are low to medium risk and accordingly no material outflow is expected against the litigations.

B. Key Assumptions for Cash Flows pertaining to Certified Emission Reduction (“CER”):

The SPVs are also engaged in selling CER units to carbon credit traders/ end users. I understand from the Investment Manager that the SPVs other than BREPL and NSPL have received the necessary registrations / certifications. Hence revenue generated from this activity has been estimated by the Investment Manager during the projected period for all the SPVs except BREPL and NSPL. The Cash Flows under this category are driven by market forces of demand and supply.

- 6.13. **Revenue on Sale of Certified Emission Reduction (“CER”) units:** The Investment Manager has estimated the revenue from sale of CER units based on projected units generated by the SPVs from their respective Solar Plant(s), whereas the estimated selling price of CER is based on a market study provided to us by the Investment Manager. I have relied on the projections of the Investment Manager for arriving at the revenue from sale of CER.
- 6.14. **Expenses / Capital Expenditure:** I have been informed by the Investment Manager that no separate expenses or capital expenditure is expected to be incurred by the SPVs for selling the CER units earning. The general admin expenses are already considered while projecting the expenses in Para 6.6 above.
- 6.15. **Taxes and Tax Incentive:** As per the discussions with the Investment Manager, Income generated from Sale of Carbon Credit are taxable under section 115BBG of the Income Tax Act at a beneficial rate of 10% (base rate of tax).
- 6.16. **Working Capital:** The Investment Manager has represented the working capital requirement of the SPVs will be negligible. Based on the past trend, the Investment Manager has represented that income generated from the sale of CER units is typically received concurrent with the sales themselves. Therefore, for the forecasted period concerning CER Income, the Investment Manager has projected a trade receivable period of 0 days.

Calculation of Weighted Average Cost of Capital

- 6.17. **Cost of Equity:**
Cost of Equity (CoE) is a discounting factor to calculate the returns expected by the equity holders depending on the perceived level of risk associated with the business and the industry in which the business operates.
For this purpose, I have used the Capital Asset Pricing Model (CAPM), which is a commonly used model to determine the appropriate cost of equity for the SPVs.
$$K(e) = R_f + (ERP * \text{Beta}) + \text{CSRP}$$

Wherein:
K(e) = cost of equity
Rf = risk free rate
ERP = Equity Risk Premium
Beta = a measure of the sensitivity of assets to returns of the overall market
CSRP = Company Specific Risk Premium (In general, an additional company-specific risk premium will be added to the cost of equity calculated pursuant to CAPM).
For the valuation exercise, I have arrived at adjusted cost of equity of the SPVs based on the above calculation (Refer Appendix 2).

6.18. **Risk Free Rate:**

I have applied a risk free rate of return of 6.97% on the basis of the zero coupon yield curve as on 31st March 2024 for government securities having a maturity period of 10 years, as quoted on the website of Clearing Corporation of India Limited (“CCIL”).

6.19. **Equity Risk Premium (“ERP”):**

Equity Risk Premium is a measure of premium that investors require for investing in equity markets rather than bond or debt markets. The equity risk premium is estimated based on consideration of historical realised returns on equity investments over a risk-free rate as represented by 10 year government bonds. Based on the aforementioned, a 7% equity risk premium for India is considered appropriate.

6.20. **Beta:**

Beta is a measure of the sensitivity of a company’s stock price to the movements of the overall market index. In the present case, I find it appropriate to consider the beta of companies in similar business/ industry to that of the SPVs.

Beta for cash flows dependent on the terms of PPA:

For the valuation of the SPVs, I find it appropriate to consider the beta of NTPC Limited, NLCC and Tata Power Limited for an appropriate period.

I have further unlevered the beta of such companies based on market debt-equity of the respective company using the following formula:

$$\text{Unlevered Beta} = \text{Levered Beta} / [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Further I have re-levered it based on debt-equity at 70:30 based on the industry Debt: Equity ratio using the following formula:

$$\text{Re-levered Beta} = \text{Unlevered Beta} * [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Accordingly, as per above, I have arrived at re-levered betas of the SPVs. (Refer Appendix 2)

Beta for cash flows pertaining to Certified Emission Reduction (“CER”):

For the purpose of determination of Ke for discounting CER Cash Flows, I find it appropriate to consider the beta of one (1) considering the risk in the absence of any comparable companies for this business activity. I have considered debt-equity at 0:100 for the cash flows pertaining to CER. Accordingly, the re-levered beta of 1 has been considered for all the SPVs for the cash flows pertaining to CER.

6.21. **Company Specific Risk Premium (“CSRP”):**

Discount Rate is the return expected by a market participant from a particular investment and shall reflect not only the time value of money but also the risk inherent in the asset being valued as well as the risk inherent in achieving the future cash flows. In the present case, I find it appropriate to consider 0% CSRP.

6.22. **Cost of Debt:**

The calculation of Cost of Debt post-tax can be defined as follows:

$$K(d) = K(d) \text{ pre-tax} * (1 - T)$$

Wherein:

K(d) = Cost of debt

T = tax rate as applicable

For the current valuation exercise, pre-tax cost of debt has been considered as 8.09%, as represented by the Investment Manager.

6.23. **Weighted Average Cost of Capital (WACC):**

WACC for cash flows dependent on the terms of PPA:

The discount rate, or the WACC, is the weighted average of the expected return on equity and the cost of debt. The weight of each factor is determined based on the company's optimal capital structure.

Formula for calculation of WACC:

$$\text{WACC} = [K(d) * \text{Debt} / (\text{Debt} + \text{Equity})] + [K(e) * (1 - \text{Debt} / (\text{Debt} + \text{Equity}))]$$

Accordingly, as per above, I have arrived at the WACC for the explicit period of the SPVs.

(Refer Appendix 2 for detailed workings).

WACC for cash flows pertaining to CER:

For the purpose of determination of WACC for discounting CER Cash Flows, I find it appropriate to consider a debt-equity of 0:100. Hence in this case WACC will be equal to the Cost of Equity calculated above.

Accordingly, as per above, I have arrived the WACC for discounting the cash flows pertaining to CER income.

(Refer Appendix 2 for detailed workings).

6.24. **Cash Accrual Factor (CAF) and Discounting Factor**

Discounted cash flow requires to forecast cash flows in future and discount them to the present in order to arrive at present value of the asset as on Valuation Date. To discount back the projections we take in use cash accrual factor. The Cash Accrual Factor refers to the duration between the Valuation date and the point at which each cash flow is expected to accrue. Since the cash inflows and outflows occur continuously year-round, it could be inaccurate to assume that the cash proceeds are all received at the end of each year. As a compromise, mid-year discounting is integrated into DCF models to assume that FCFs are received in the middle of the annual period.

Accordingly, the cash flows during each year of the projected period are discounted back from the mid-year to Valuation Date.

Discounted cash flow is equal to sum of the cash flow in each period divided by discounting factor, where the discounting factor is determined by raising one plus discount rate (WACC) to the power of the CAF.

$$\text{DCF} = [\text{CF}_1 / (1+r)^{\text{CAF}1}] + [\text{CF}_2 / (1+r)^{\text{CAF}2}] + \dots + [\text{CF}_n / (1+r)^{\text{CAF}n}]$$

Where,

CF = Cash Flows,

CAF = Cash accrual factor for particular period

R = Discount Rate (i.e. WACC)

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7. Valuation Conclusion

- 7.1. The current valuation has been carried out based on the discussed valuation methodology explained herein earlier. Further, various qualitative factors, the business dynamics and growth potential of the business, having regard to information base, management perceptions, key underlying assumptions and limitations were given due consideration.
- 7.2. I have been represented by the Investment Manager that there is no potential devolvement on account of the contingent liability as of valuation date; hence no impact has been factored in to arrive at fair EV of the SPVs.
- 7.3. Based on the above analysis, the fair EV and fair adjusted EV as on the Valuation Date of the SPVs (Project-wise) is as mentioned below:

Sr. No.	SPVs	Projects	~Projection Period (Balance Project Period)	Capacity (AC)	Fair EV* (INR Mn)	Adjusted Fair EV** (INR Mn)
1	MRPL	Rewa	~ 20 Years 9 Months	250 MW	13,937	14,816
		ISTS	~ 22 Years 7 Months	250 MW	14,917	15,839
2	ESPL	Goyalri	~ 18 Years 0 Months	60 MW	3,858	4,793
		SECI RJ	~ 22 Years 8 Months	200 MW	11,172	11,473
3	MSUPL	MSUPL	~ 23 Years 3 Months	250 MW	15,389	16,052
4	ASPL	ASPL	~ 18 Years 2 Months	65 MW	4,154	4,309
5	NSPL	NSPL	~ 18 Years 7 Months	42 MW	2,756	2,885
6	BREPL	BREPL	~ 16 Years 9 Months	10 MW	870	930
Total				1127 MW	67,053	71,098

* Enterprise Value ("EV") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities.

** Further, on the request of the Investment Manager, I have calculated Adjusted Enterprise Value of the SPVs as the EV (derived as above) plus cash or cash equivalents of the SPVs as at the Valuation Date.

(Refer Appendix 1 & 2 for the detailed workings)

- 7.4. The fair EV of the SPVs is estimated using DCF method. The valuation requires Investment Manager to make certain assumptions about the model inputs including forecast cash flows, discount rate, and credit risk.
- 7.5. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.
- 7.6. Accordingly, I have conducted sensitivity analysis on certain model inputs, the results of which are as indicated below:
1. Weighted Average Cost of Capital (WACC) by increasing / decreasing it by 0.5%
 2. WACC by increasing / decreasing it by 1.0%
 3. PLF by increasing / decreasing it by 0.5%
 4. PLF by increasing / decreasing it by 1.0%
 5. Operating Expenses by increasing / decreasing it by 20%

Sensitivity Analysis of Enterprise Value

1. Fair Enterprise Valuation Range based on WACC parameter (0.5%)

Sr. No.	SPVs	Project	WACC +0.5%*	EV	INR Mn			
					Base WACC*	EV	WACC -0.5%*	EV
1	MRPL	Rewa	9.13%	13,506	8.63%	13,937	8.13%	14,393
		ISTS	9.13%	14,452	8.63%	14,917	8.13%	15,410
2	ESPL	Goyalri	8.84%	3,744	8.34%	3,858	7.84%	3,978
		SECI RJ	8.84%	10,798	8.34%	11,172	7.84%	11,569
3	MSUPL	MSUPL	9.28%	14,885	8.78%	15,389	8.28%	15,924
4	ASPL	ASPL	8.76%	4,033	8.26%	4,154	7.76%	4,282
5	NSPL	NSPL	8.94%	2,670	8.44%	2,756	7.94%	2,846
6	BREPL	BREPL	8.87%	843	8.37%	870	7.87%	898
Total				64,932		67,053		69,300

*CER is discounted at a base WACC of 13.97% and similar sensitivity run is performed to the CER value which is included in total EV value shown above. Accordingly CER is discounted at 14.47% and 13.47% when WACC is increased and decreased by 0.5% respectively.

2. Fair Enterprise Valuation Range based on WACC parameter (1.0%)

Sr. No.	SPVs	Project	WACC +1.0%*	EV	INR Mn			
					Base WACC*	EV	WACC -1.0%*	EV
1	MRPL	Rewa	9.63%	13,099	8.63%	13,937	7.63%	14,876
		ISTS	9.63%	14,013	8.63%	14,917	7.63%	15,934
2	ESPL	Goyalri	9.34%	3,637	8.34%	3,858	7.34%	4,105
		SECI RJ	9.34%	10,446	8.34%	11,172	7.34%	11,991
3	MSUPL	MSUPL	9.78%	14,410	8.78%	15,389	7.78%	16,492
4	ASPL	ASPL	9.26%	3,917	8.26%	4,154	7.26%	4,416
5	NSPL	NSPL	9.44%	2,589	8.44%	2,756	7.44%	2,942
6	BREPL	BREPL	9.37%	818	8.37%	870	7.37%	928
Total				62,930		67,053		71,684

*CER is discounted at a base WACC of 13.97% and similar sensitivity run is performed to the CER value which is included in total EV value shown above. Accordingly CER is discounted at 14.97% and 12.97% when WACC is increased and decreased by 1.0% respectively.

3. Fair Enterprise Valuation Range based on Plant Load Factor (PLF) parameter (0.5%)

Sr. No.	SPVs	Project	INR Mn		
			EV at PLF -0.5%	EV at Base PLF	EV at PLF +0.5%
1	MRPL	Rewa	13,518	13,937	14,355
		ISTS	14,583	14,917	15,231
2	ESPL	Goyalri	3,668	3,858	4,024
		SECI RJ	10,908	11,172	11,414
3	MSUPL	MSUPL	15,090	15,389	15,673
4	ASPL	ASPL	4,040	4,154	4,273
5	NSPL	NSPL	2,672	2,756	2,840
6	BREPL	BREPL	843	870	896
Total			65,322	67,053	68,707

4. Fair Enterprise Valuation Range based on Plant Load Factor (PLF) parameter (1.0%)

						INR Mn
Sr. No.	SPVs	Project	EV at PLF -1.0%	EV at Base PLF	EV at PLF +1.0%	
1	MRPL	Rewa	13,099	13,937	14,773	
		ISTS	14,216	14,917	15,532	
2	ESPL	Goyalri	3,478	3,858	4,165	
		SECI RJ	10,636	11,172	11,643	
3	MSUPL	MSUPL	14,760	15,389	15,948	
4	ASPL	ASPL	3,920	4,154	4,392	
5	NSPL	NSPL	2,584	2,756	2,925	
6	BREPL	BREPL	815	870	924	
Total			63,509	67,053	70,301	

5. Fair Enterprise Valuation Range based on Operating Expense parameter (20%)

						INR Mn
Sr. No.	SPVs	Project	EV at Expenses +20%	EV at Base Expenses	EV at Expenses -20%	
1	MRPL	Rewa	13,427	13,937	14,447	
		ISTS	14,575	14,917	15,260	
2	ESPL	Goyalri	3,737	3,858	3,980	
		SECI RJ	10,947	11,172	11,397	
3	MSUPL	MSUPL	15,088	15,389	15,690	
4	ASPL	ASPL	4,014	4,154	4,298	
5	NSPL	NSPL	2,666	2,756	2,846	
6	BREPL	BREPL	829	870	910	
Total			65,282	67,053	68,829	

The above represents reasonable range of fair enterprise valuation of the SPVs.

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Sensitivity Analysis of Adjusted Enterprise Value

1. Adjusted Fair Enterprise Valuation Range based on WACC parameter (0.5%)

Sr. No.	SPVs	Project	INR Mn					
			WACC +0.5%*	EV	Base WACC*	EV	WACC -0.5%*	EV
1	MRPL	Rewa	9.13%	14,385	8.63%	14,816	8.13%	15,272
		ISTS	9.13%	15,374	8.63%	15,839	8.13%	16,332
2	ESPL	Goyalri	8.84%	4,679	8.34%	4,793	7.84%	4,913
		SECI RJ	8.84%	11,099	8.34%	11,473	7.84%	11,870
3	MSUPL	MSUPL	9.28%	15,548	8.78%	16,052	8.28%	16,587
4	ASPL	ASPL	8.76%	4,188	8.26%	4,309	7.76%	4,437
5	NSPL	NSPL	8.94%	2,799	8.44%	2,885	7.94%	2,976
6	BREPL	BREPL	8.87%	904	8.37%	930	7.87%	958
Total				68,977		71,098		73,345

*CER is discounted at a base WACC of 13.97% and similar sensitivity run is performed to the CER value which is included in total EV value shown above. Accordingly CER is discounted at 14.47% and 13.47% when WACC is increased and decreased by 0.5% respectively.

2. Adjusted Fair Enterprise Valuation Range based on WACC parameter (1.0%)

Sr. No.	SPVs	Project	INR Mn					
			WACC +1.0%*	EV	Base WACC*	EV	WACC -1.0%*	EV
1	MRPL	Rewa	9.63%	13,978	8.63%	14,816	7.63%	15,755
		ISTS	9.63%	14,935	8.63%	15,839	7.63%	16,856
2	ESPL	Goyalri	9.34%	4,571	8.34%	4,793	7.34%	5,040
		SECI RJ	9.34%	10,748	8.34%	11,473	7.34%	12,292
3	MSUPL	MSUPL	9.78%	15,073	8.78%	16,052	7.78%	17,155
4	ASPL	ASPL	9.26%	4,073	8.26%	4,309	7.26%	4,572
5	NSPL	NSPL	9.44%	2,718	8.44%	2,885	7.44%	3,072
6	BREPL	BREPL	9.37%	878	8.37%	930	7.37%	988
Total				66,974		71,098		75,729

*CER is discounted at a base WACC of 13.97% and similar sensitivity run is performed to the CER value which is included in total EV value shown above. Accordingly CER is discounted at 14.97% and 12.97% when WACC is increased and decreased by 1.0% respectively.

3. Adjusted Fair Enterprise Valuation Range based on Plant Load Factor (PLF) parameter (0.5%)

Sr. No.	SPVs	Project	INR Mn		
			EV at PLF -0.5%	EV at Base PLF	EV at PLF +0.5%
1	MRPL	Rewa	14,397	14,816	15,234
		ISTS	15,505	15,839	16,153
2	ESPL	Goyalri	4,603	4,793	4,959
		SECI RJ	11,209	11,473	11,716
3	MSUPL	MSUPL	15,753	16,052	16,336
4	ASPL	ASPL	4,195	4,309	4,428
5	NSPL	NSPL	2,801	2,885	2,969
6	BREPL	BREPL	903	930	957
Total			69,367	71,098	72,752

4. Adjusted Fair Enterprise Valuation Range based on Plant Load Factor (PLF) parameter (1.0%)

			INR Mn		
Sr. No.	SPVs	Project	EV at PLF -1.0%	EV at Base PLF	EV at PLF +1.0%
1	MRPL	Rewa	13,978	14,816	15,652
		ISTS	15,138	15,839	16,454
2	ESPL	Goyalri	4,413	4,793	5,099
		SECI RJ	10,937	11,473	11,945
3	MSUPL	MSUPL	15,424	16,052	16,611
4	ASPL	ASPL	4,075	4,309	4,547
5	NSPL	NSPL	2,713	2,885	3,054
6	BREPL	BREPL	876	930	984
Total			67,554	71,098	74,346

5. Adjusted Fair Enterprise Valuation Range based on Operating Expense parameter (20%)

			INR Mn		
Sr. No.	SPVs	Project	EV at Expenses +20%	EV at Base Expenses	EV at Expenses -20%
1	MRPL	Rewa	14,306	14,816	15,326
		ISTS	15,497	15,839	16,182
2	ESPL	Goyalri	4,671	4,793	4,914
		SECI RJ	11,248	11,473	11,698
3	MSUPL	MSUPL	15,751	16,052	16,353
4	ASPL	ASPL	4,169	4,309	4,454
5	NSPL	NSPL	2,795	2,885	2,976
6	BREPL	BREPL	889	930	970
Total			69,327	71,098	72,873

The above represents reasonable range of fair enterprise valuation of the SPVs.

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8. Additional Procedures to be complied with in accordance with InvIT regulations

8.1. Scope of Work

The Schedule V of the SEBI InvIT Regulations prescribes the minimum set of mandatory disclosures to be made in the valuation report. In this reference, the minimum disclosures in valuation report may include following information as well, so as to provide the investors with the adequate information about the valuation and other aspects of the underlying assets of the InvIT.

The additional set of disclosures, as prescribed under Schedule V of InvIT Regulations, to be made in the valuation report of the SPVs are as follows:

- List of one-time sanctions/approvals which are obtained or pending;
- List of up to date/overdue periodic clearances;
- Statement of assets;
- Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion;
- Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any;
- On-going material litigations including tax disputes in relation to the assets, if any;
- Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

8.2. Limitations

This Report is based on the information provided by the representatives of the Investment Manager. The exercise has been restricted and kept limited to and based entirely on the documents, records, files, registers and information provided to me. I have not verified the information independently with any other external source.

I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as original, and the conformity of the copies or extracts submitted to me with that of the original documents.

I have assumed that the documents submitted to me by the representatives of Investment Manager in connection with any particular issue are the only documents related to such issue.

I have reviewed the documents and records from the limited perspective of examining issues noted in the scope of work and I do not express any opinion as to the legal or technical implications of the same.

8.3. Analysis of Additional Set of Disclosures for the SPVs

- A.** The Trust has acquired 100% control of the equity shares in the SPVs during the month of January 2024 in lieu of units of the Trust issued to the shareholders at the below mentioned value:

	INR Mn
SPVs Name	100% Equity Value
MRPL	11,260
ESPL	4,900
MSUPL	2,590
Total	18,750

Purchase price of MRPL includes two projects namely Rewa and ISTS Projects along with its subsidiaries namely ASPL, NSPL and BREPL. Purchase price of ESPL includes projects of Goyalri and SECI RJ.

B. The Enterprise Values of the SPVs as on 31st March 2023 and 30th September 2023 are as follows:-

Previous Fair EV	INR Mn	
	31-Mar-23	30-Sep-23
Rewa	14,203	13,973
ISTS	14,513	14,635
Goyalri	4,199	4,012
SECI RJ	11,381	11,423
MSUPL	15,197	15,260
ASPL	4,355	4,233
NSPL	2,965	2,779
BREPL	970	935
Total	67,782	67,249

C. List of one-time sanctions/approvals which are obtained or pending:

The list of sanctions/ approvals obtained by the SPVs till 31st March 2024 is provided in Appendix 3.1 to Appendix 3.6. There are no applications for government sanctions/approvals required by the SPVs related to the power plants for which approval is pending as on 31st March 2024 expect in case of SECI RJ Project where an application for fire approval is pending.

D. List of up to date/ overdue periodic clearances:

The list of clearances obtained by the SPVs till 31st March 2024 is provided in Appendix 3.1 to Appendix 3.6. Investment Manager has confirmed that the SPVs are not required to take any periodic clearances other than those mentioned in Appendix 3.1 to Appendix 3.6.

E. Statement of assets included:

The details of assets of the SPVs as at 31st March 2024 are as mentioned below:

Sr. No.	SPVs	Land	Net Fixed Assets	INR Mn	
				Non-Current Assets	Current Assets
1	MRPL	723	20,119	78	2,396
2	ESPL	620	9,582	-	1,424
3	MSUPL	485	11,971	0	147
4	ASPL	-	2,755	503	357
5	NSPL	379	1,951	8	281
6	BREPL	38	496	-	243
	Total	2,245	46,874	589	4,846

F. Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion:

I have been informed that the maintenance is regularly carried out by the SPVs in order to maintain the working condition of the assets. However, as mentioned in Para 6.7, following are the project wise forecast for the improvements/ capex which is to be incurred by the SPVs.

SPVs	Projects	FY25 - End of Project* (INR Mn)
MRPL	Rewa	-
	ISTS	-
ESPL	Goyalri	-
	SECI RJ	-
MSUPL	MSUPL	-
ASPL	ASPL	-
NSPL	NSPL	-
BREPL	BREPL	-

** I have been informed by the investment manager that no further improvements/ capex expected to be incurred by the SPVs post FY24.*

G. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any:

Investment Manager has informed me that there are no material dues including local authority taxes (such as Municipal Tax, Property Tax, etc.) pending to be payable to the government authorities with respect to the SPVs (except as disclosed in Annexure 5).

H. On-going material litigations including tax disputes in relation to the assets, if any:

As informed by the Investment Manager, the status of ongoing litigations and tax assessments are updated in Appendix 4 and 5 respectively.

Investment Manager has informed us that it expects majority of the cases to be settled in favour of the SPVs. Further, Investment Manager has informed us that majority of the cases are having low to medium risk and accordingly no material outflow is expected against the litigations.

Hence, I have relied on the Investment Manager with respect to the current status of the abovementioned cases. The Investment Manager has informed me that these cases are covered under indemnity provided by the erstwhile shareholders of the SPVs.

I. Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control: Investment Manager has confirmed to me that there are no such natural or induced hazards which have not been considered in town planning/ building control.

9. Sources of Information

- 9.1. For the purpose of undertaking this valuation exercise, I have relied on the following sources of information provided by the Investment Manager:
- a. Audited financial statements of MRPL, MSUPL, ASPL, NSPL and BREPL for the Financial Year (“FY”) ended 31st March 2020, 31st March 2021, 31st March 2022, 31st March 2023;
 - b. Provisional financial statements of MRPL, ESPL MSUPL, ASPL, NSPL and BREPL for the period ending 31st March 2024;
 - c. Provisional financial statements of ESPL for the Financial Year (“FY”) ended 31st March 2020, 31st March 2021, 31st March 2022, 31st March 2023
 - d. Project-wise provisional financial statements for projects under MRPL and ESPL for the Financial Year (“FY”) ended 31st March 2022, 31st March 2023 and 31st March 2024;
 - e. Projected financial information for the remaining project life for each of the SPVs;
 - f. Details of projected Capital Expenditure (Capex);
 - g. Details of Brought Forward Losses, Written Down Value (WDV) and MAT credit (as per Income Tax Act) of the SPVs as at 31st March 2024;
 - h. Income Tax Returns of all the SPVs for AY 2023 – 24;
 - i. Power Purchase Agreements (PPA) entered into by the SPVs with its respective customer;
 - j. Technical Due Diligence Report issued in the month of June 2023 by M/s SgurrEnergy Private Limited.
 - k. List of licenses / approvals, details of tax litigations, civil proceeding and arbitrations of the SPVs;
 - l. Management Representation Letter by the Investment Manager dated 21st May 2024;
 - m. Relevant data and information about the SPVs/ Projects provided to us by the Investment Manager either in written or oral form or in the form of soft copy;
 - n. Information provided by leading database sources, market research reports and other published data.
- 9.2. The information provided to me by the Investment Manager in relation to the SPVs/ Project included but not limited to historical financial statements, forecasts/projections, other statements and assumptions about future matters like forward-looking financial information prepared by the Investment Manager. The forecasts and projections as supplied to me are based upon assumptions about events and circumstances which are yet to occur.
- 9.3. I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information, however, I have made sufficient enquiries to satisfy myself that such information has been prepared on a reasonable basis.
- 9.4. Notwithstanding anything above, I cannot provide any assurance that the forward looking financial information will be representative of the results which will actually be achieved during the cash flow forecast period.

10. Exclusions and Limitations

- 10.1. My Report is subject to the limitations detailed hereinafter. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- 10.2. Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than the valuation date of 31st March 2024 ("Valuation Date") mentioned in the Report and as per agreed terms of my engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- 10.3. This Report, its contents and the results are specific to (i) the purpose of valuation agreed as per the terms of my engagements; (ii) the Valuation Date; and (iii) are based on the financial information of the SPVs till 31st March 2024. The Investment Manager has represented that the business activities of the SPVs have been carried out in normal and ordinary course between 31st March 2024 and the Report Date and that no material changes have occurred in the operations and financial position between 31st March 2024 and the Report date.
- 10.4. The scope of my assignment did not involve me performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by me during the course of my work. The assignment did not involve me to conduct the financial or technical feasibility study. I have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the SPVs or any of other entity mentioned in this Report and have considered them at the value as disclosed by the SPVs in their regulatory filings or in submissions, oral or written, made to me.
- 10.5. In addition, I do not take any responsibility for any changes in the information used by me to arrive at my conclusion as set out herein which may occur subsequent to the date of my Report or by virtue of fact that the details provided to me are incorrect or inaccurate.
- 10.6. I have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to me or used by me; I have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the SPVs or any other entity mentioned in the Report. Nothing has come to my knowledge to indicate that the material provided to me was misstated or incorrect or would not afford reasonable grounds upon which to base my Report.
- 10.7. This Report is intended for the sole use in connection with the purpose as set out above. It can however be relied upon and disclosed in connection with any statutory and regulatory filing in connection with the provision of SEBI InvIT Regulations. However, I will not accept any responsibility to any other party to whom this Report may be shown or who may acquire a copy of the Report, without my written consent.
- 10.8. It is clarified that this Report is not a fairness opinion under any of the stock exchange/ listing regulations. In case of any third party having access to this Report, please note this Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for their purpose.
- 10.9. Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes.
- 10.10. This Report is based on the information received from the sources as mentioned in Section 9 of this Report and discussions with the Investment Manager. I have assumed that no information has been withheld that could have influenced the purpose of my Report.
- 10.11. Valuation is not a precise science and the conclusions arrived at in many cases may be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. I have arrived at an indicative EV based on my analysis. While I have provided an assessment of the value based on an analysis of information available to me and within the scope of my engagement, others may place a different value on this business.
- 10.12. Any discrepancies in any table / appendix between the total and the sums of the amounts listed are due to rounding-off.
- 10.13. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as

predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.

- 10.14. I do not carry out any validation procedures or due diligence with respect to the information provided/extracted or carry out any verification of the assets or comment on the achievability and reasonableness of the assumptions underlying the financial forecasts, save for satisfying ourselves to the extent possible that they are consistent with other information provided to me in the course of this engagement.
- 10.15. My conclusion assumes that the assets and liabilities of the SPVs, reflected in their respective latest balance sheets remain intact as of the Report date, except for changes occurring due to ordinary course of business.
- 10.16. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither myself, nor any of my associates, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, I make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. I expressly disclaim any and all liabilities, which may arise based upon the information used in this Report. I am not liable to any third party in relation to the issue of this Report.
- 10.17. The scope of my work has been limited both in terms of the areas of the business & operations which I have reviewed and the extent to which I have reviewed them. 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.
- 10.18. For the present valuation exercise, I have also relied on information available in public domain; however the accuracy and timelines of the same has not been independently verified by me.
- 10.19. In the particular circumstances of this case, my liability (in contract or under any statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage caused, shall be limited to the amount of fees actually received by me from the Investment Manager, as laid out in the engagement letter for such valuation work.
- 10.20. In rendering this Report, I have not provided any legal, regulatory, tax, accounting or actuarial advice and accordingly I do not assume any responsibility or liability in respect thereof.
- 10.21. This Report does not address the relative merits of investing in InvIT as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.
- 10.22. I am not an advisor with respect to legal, tax and regulatory matters. No investigation of the SPVs' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- 10.23. I have no present or planned future interest in the Trust, Investment Manager or the SPVs and the fee for this Report is not contingent upon the values reported herein. My valuation analysis should not be construed as investment advice; specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Investment Manager or SPVs.
- 10.24. I have submitted the draft valuation report to the Trust & Investment Manager for confirmation of accuracy of factual data used in my analysis and to prevent any error or inaccuracy in this Report.

Limitation of Liabilities

- 10.25. It is agreed that, having regard to the RV's interest in limiting the personal liability and exposure to litigation of its personnel, the Sponsors, the Investment Manager and the Trust will not bring any claim in respect of any damage against the RV personally.

- 10.26. In no circumstances RV shall be responsible for any consequential, special, direct, indirect, punitive or incidental loss, damages, negligence or expenses (including loss of profits, data, business, opportunity cost, goodwill or indemnification) in connection with the performance of the services whether such damages are based on breach of contract, tort, strict liability, breach of warranty, or otherwise, even if the Investment Manager had contemplated and communicated to RV the likelihood of such damages. Any decision to act upon the deliverables (including this Report) is to be made by the Investment Manager and no communication by RV should be treated as an invitation or inducement to engage the Investment Manager to act upon the deliverable(s).
- 10.27. It is clarified that the Investment Manager will be solely responsible for any delays, additional costs, or other liabilities caused by or associated with any deficiencies in their responsibilities, misrepresentations, incorrect and incomplete information including information provided to determine the assumptions.
- 10.28. RV will not be liable if any loss arises due to the provision of false, misleading or incomplete information or documentation by the Investment Manager.
- 10.29. Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes

Yours faithfully,

SWAMINATHAN
SUNDARARAMA
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SUNDARARAMAN
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S. Sundararaman

Registered Valuer

IBBI Registration No.: IBBI/RV/06/2018/10238

Place: Chennai

UDIN: 24028423BKGAAW6563

Appendix 1 – Valuation of SPVs as on 31st March 2024

Abbreviations	Meaning
EBITDA	Operating Earnings Before Interest, Taxes, Depreciation and Amortization
Capex	Capital Expenditure
WC	Working Capital
FCFF	Free Cash Flow to the Firm
CAF	Cash Accrual Factor
DF	Discounting Factor
PV	Present value

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Appendix 1.1 – Valuation of MRPL as on 31st March 2024 – (A) Rewa Project

Year	Cash flows pertaining to Sale of Electricity											Cash flows pertaining to CER			INR Mn	
	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	CAF	WACC	DF	PV of Cash Flows	Net CER Cash Flows	WACC	DF		PV of Cash Flows
FY25	1,797	1,525	85%	-	62	-	1,463	0.50	8.63%	0.96	1,404	49	13.97%	0.94	46	1,450
FY26	1,811	1,535	85%	-	3	-	1,532	1.50	8.63%	0.88	1,353	79	13.97%	0.82	65	1,418
FY27	1,828	1,545	85%	-	3	-	1,542	2.50	8.63%	0.81	1,254	88	13.97%	0.72	63	1,317
FY28	1,849	1,558	84%	-	3	-	1,555	3.50	8.63%	0.75	1,164	139	13.97%	0.63	88	1,252
FY29	1,861	1,560	84%	-	3	-	1,557	4.50	8.63%	0.69	1,073	101	13.97%	0.56	56	1,129
FY30	1,877	1,498	80%	-	3	-	1,495	5.50	8.63%	0.63	948	114	13.97%	0.49	56	1,004
FY31	1,893	1,574	83%	-	3	262	1,310	6.50	8.63%	0.58	765	119	13.97%	0.43	51	816
FY32	1,914	1,587	83%	-	3	396	1,188	7.50	8.63%	0.54	639	119	13.97%	0.38	45	683
FY33	1,924	1,589	83%	-	3	400	1,187	8.50	8.63%	0.49	587	174	13.97%	0.33	57	645
FY34	1,940	1,595	82%	-	3	403	1,190	9.50	8.63%	0.46	542	118	13.97%	0.29	34	576
FY35	1,872	1,519	81%	-	2	385	1,131	10.50	8.63%	0.42	474	118	13.97%	0.25	30	504
FY36	1,779	1,416	80%	-	1	360	1,054	11.50	8.63%	0.39	407	117	13.97%	0.22	26	433
FY37	1,765	1,395	79%	-	(1)	355	1,041	12.50	8.63%	0.36	370	117	13.97%	0.20	23	393
FY38	1,756	1,449	82%	-	(1)	369	1,081	13.50	8.63%	0.33	354	116	13.97%	0.17	20	373
FY39	1,748	1,433	82%	-	(1)	365	1,070	14.50	8.63%	0.30	322	115	13.97%	0.15	17	339
FY40	1,744	1,421	81%	-	(1)	362	1,060	15.50	8.63%	0.28	294	115	13.97%	0.13	15	309
FY41	1,730	1,389	80%	-	(1)	354	1,036	16.50	8.63%	0.26	264	115	13.97%	0.12	13	278
FY42	1,722	1,371	80%	-	(1)	350	1,023	17.50	8.63%	0.23	240	114	13.97%	0.10	12	252
FY43	1,713	1,351	79%	-	(1)	345	1,008	18.50	8.63%	0.22	218	113	13.97%	0.09	10	228
FY44	1,709	1,399	82%	-	(1)	357	1,043	19.50	8.63%	0.20	208	113	13.97%	0.08	9	216
FY45	1,210	989	82%	-	(81)	254	816	20.38	8.63%	0.19	151	162	13.97%	0.07	11	162
Present Value of Explicit Period Cash Flow s																
Present Value of Terminal Period (Salvage)																
Enterprise Value																
(+/-) Closing cash or cash equivalents as at the Valuation Date																
Adjusted Enterprise Value																
13,776																
161																
13,937																
879																
14,816																

Appendix 1.1 – Valuation of MRPL as on 31st March 2024 – (B) ISTS Project

Year	Cash flows pertaining to Sale of Electricity											Cash flows pertaining to CER				Total PV of Cash Flows A+B
	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	CAF	WACC	DF	PV of Cash Flows	Net CER Cash Flows	WACC	DF	PV of Cash Flows	
FY25	1,756	1,595	91%	-	(23)	-	1,618	0.50	8.63%	0.96	1,552	123	13.97%	0.94	115	1,668
FY26	1,651	1,488	90%	-	(1)	-	1,489	1.50	8.63%	0.88	1,315	236	13.97%	0.82	194	1,509
FY27	1,645	1,475	90%	-	(1)	-	1,476	2.50	8.63%	0.81	1,200	262	13.97%	0.72	189	1,389
FY28	1,643	1,461	89%	-	(1)	-	1,462	3.50	8.63%	0.75	1,094	415	13.97%	0.63	263	1,357
FY29	1,634	1,444	88%	-	(1)	-	1,445	4.50	8.63%	0.69	995	303	13.97%	0.56	168	1,163
FY30	1,628	1,431	88%	-	(1)	-	1,432	5.50	8.63%	0.63	908	341	13.97%	0.49	166	1,074
FY31	1,622	1,418	87%	-	(1)	236	1,183	6.50	8.63%	0.58	691	355	13.97%	0.43	152	843
FY32	1,620	1,409	87%	-	(1)	352	1,058	7.50	8.63%	0.54	569	522	13.97%	0.38	196	764
FY33	1,609	1,390	86%	-	(1)	350	1,041	8.50	8.63%	0.49	515	356	13.97%	0.33	117	632
FY34	1,601	1,375	86%	-	(1)	348	1,028	9.50	8.63%	0.46	468	353	13.97%	0.29	102	570
FY35	1,594	1,361	85%	-	(1)	346	1,016	10.50	8.63%	0.42	426	352	13.97%	0.25	89	515
FY36	1,590	1,351	85%	-	(1)	344	1,008	11.50	8.63%	0.39	389	351	13.97%	0.22	78	467
FY37	1,579	1,334	85%	-	(1)	340	995	12.50	8.63%	0.36	354	349	13.97%	0.20	68	422
FY38	1,571	1,320	84%	-	(1)	336	985	13.50	8.63%	0.33	322	347	13.97%	0.17	59	382
FY39	1,556	1,301	84%	-	(1)	331	971	14.50	8.63%	0.30	292	345	13.97%	0.15	52	344
FY40	1,467	1,206	82%	-	(1)	308	900	15.50	8.63%	0.28	249	344	13.97%	0.13	45	295
FY41	1,456	1,188	82%	-	(1)	304	886	16.50	8.63%	0.26	226	343	13.97%	0.12	40	266
FY42	1,449	1,172	81%	-	(1)	300	874	17.50	8.63%	0.23	205	341	13.97%	0.10	35	240
FY43	1,442	1,149	80%	-	(1)	294	856	18.50	8.63%	0.22	185	339	13.97%	0.09	30	215
FY44	1,438	1,138	79%	-	(1)	292	848	19.50	8.63%	0.20	169	338	13.97%	0.08	26	195
FY45	1,427	1,120	78%	-	(1)	287	834	20.50	8.63%	0.18	153	336	13.97%	0.07	23	176
FY46	1,420	1,079	76%	-	(1)	283	797	21.50	8.63%	0.17	134	334	13.97%	0.06	20	155
FY47	444	194	44%	-	(160)	56	298	22.29	8.63%	0.16	47	349	13.97%	0.05	19	66
Present Value of Explicit Period Cash Flow s																
Present Value of Terminal Period (Salvage)																
Enterprise Value																
(+/-) Closing cash or cash equivalents as at the Valuation Date																
Adjusted Enterprise Value																
14,706																
212																
14,917																
922																
15,839																

Appendix 1.2 – Valuation of ESPL as on 31st March 2024 – (A) Goyalri Project

Year	Cash flows pertaining to Sale of Electricity											Cash flows pertaining to CER			INR Mn		
	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	CAF	WACC	DF	PV of Cash Flows	Net CER Cash Flows	WACC	DF		PV of Cash Flows	Total PV of Cash Flows
FY25	548	484	88%	-	73	-	412	0.50	8.34%	0.96	396	22	13.97%	0.94	21	416	
FY26	544	479	88%	-	(1)	-	479	1.50	8.34%	0.89	425	42	13.97%	0.82	34	459	
FY27	539	471	87%	-	(1)	34	438	2.50	8.34%	0.82	359	46	13.97%	0.72	33	392	
FY28	536	465	87%	-	(1)	107	358	3.50	8.34%	0.76	271	69	13.97%	0.63	44	314	
FY29	530	454	86%	-	(1)	108	346	4.50	8.34%	0.70	241	53	13.97%	0.56	29	271	
FY30	525	447	85%	-	(1)	109	338	5.50	8.34%	0.64	218	60	13.97%	0.49	29	247	
FY31	521	439	84%	-	(1)	108	331	6.50	8.34%	0.59	197	62	13.97%	0.43	27	223	
FY32	518	433	84%	-	(1)	108	326	7.50	8.34%	0.55	179	94	13.97%	0.38	35	214	
FY33	512	423	83%	-	(1)	106	318	8.50	8.34%	0.51	161	62	13.97%	0.33	20	181	
FY34	507	415	82%	-	(1)	104	312	9.50	8.34%	0.47	146	62	13.97%	0.29	18	164	
FY35	503	408	81%	-	(1)	102	306	10.50	8.34%	0.43	132	62	13.97%	0.25	16	148	
FY36	500	402	81%	-	(1)	101	302	11.50	8.34%	0.40	120	61	13.97%	0.22	14	134	
FY37	494	394	80%	-	(1)	99	296	12.50	8.34%	0.37	109	61	13.97%	0.17	10	120	
FY38	490	384	79%	-	(1)	97	288	13.50	8.34%	0.34	98	61	13.97%	0.15	9	108	
FY39	485	377	78%	-	(1)	95	283	14.50	8.34%	0.31	89	60	13.97%	0.13	8	98	
FY40	482	372	77%	-	(1)	93	279	15.50	8.34%	0.29	80	60	13.97%	0.12	7	88	
FY41	477	363	76%	-	(1)	91	272	16.50	8.34%	0.27	73	60	13.97%	0.12	7	79	
FY42	472	373	79%	-	(1)	94	280	17.50	8.34%	0.25	69	83	13.97%	0.10	8	77	
Present Value of Explicit Period Cash Flows																	
Present Value of Terminal Period (Salvage)																	
Enterprise Value																	
(+/-) Closing cash or cash equivalents as at the Valuation Date																	
Adjusted Enterprise Value																	
															3,735		
															123		
															3,858		
															935		
															4,793		

Appendix 1.2 – Valuation of ESPL as on 31st March 2024 – (B) SECI RJ Project

Year	Cash flows pertaining to Sale of Electricity											Cash flows pertaining to CER				Total PV of Cash Flows	INR Mn
	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	CAF	WACC	DF	PV of Cash Flows	Net CER Cash Flows	WACC	DF	PV of Cash Flows		
FY25	1,220	1,113	91%	-	124	-	989	0.50	8.34%	0.96	950	94	13.97%	0.94	88	1,038	
FY26	1,240	1,133	91%	-	(1)	-	1,134	1.50	8.34%	0.89	1,005	183	13.97%	0.82	151	1,156	
FY27	1,310	1,198	91%	-	(1)	85	1,113	2.50	8.34%	0.82	911	203	13.97%	0.72	146	1,057	
FY28	1,309	1,188	91%	-	(1)	274	915	3.50	8.34%	0.76	691	319	13.97%	0.63	202	893	
FY29	1,300	1,173	90%	-	(1)	280	894	4.50	8.34%	0.70	623	234	13.97%	0.56	130	753	
FY30	1,294	1,163	90%	-	(1)	284	880	5.50	8.34%	0.64	566	264	13.97%	0.49	129	695	
FY31	1,288	1,151	89%	-	(1)	284	868	6.50	8.34%	0.59	516	275	13.97%	0.43	118	633	
FY32	1,285	1,146	89%	-	(1)	285	862	7.50	8.34%	0.55	472	410	13.97%	0.38	154	626	
FY33	1,276	1,131	89%	-	(1)	283	849	8.50	8.34%	0.51	430	275	13.97%	0.33	91	520	
FY34	1,270	1,121	88%	-	(1)	281	841	9.50	8.34%	0.47	393	273	13.97%	0.29	79	472	
FY35	1,264	1,111	88%	-	(1)	279	833	10.50	8.34%	0.43	359	272	13.97%	0.25	69	428	
FY36	1,262	1,105	88%	-	(1)	278	828	11.50	8.34%	0.40	330	271	13.97%	0.22	60	390	
FY37	1,253	1,091	87%	-	(1)	274	818	12.50	8.34%	0.37	300	270	13.97%	0.20	53	353	
FY38	1,247	1,080	87%	-	(1)	272	810	13.50	8.34%	0.34	274	268	13.97%	0.17	46	320	
FY39	1,216	1,046	86%	-	(1)	263	784	14.50	8.34%	0.31	245	267	13.97%	0.15	40	285	
FY40	1,139	965	85%	-	(1)	243	723	15.50	8.34%	0.29	209	266	13.97%	0.13	35	244	
FY41	1,130	952	84%	-	(1)	239	713	16.50	8.34%	0.27	190	265	13.97%	0.12	31	221	
FY42	1,124	939	84%	-	(1)	236	704	17.50	8.34%	0.25	173	263	13.97%	0.10	27	200	
FY43	1,119	914	82%	-	(1)	230	685	18.50	8.34%	0.23	155	262	13.97%	0.09	23	179	
FY44	1,116	909	81%	-	(1)	229	681	19.50	8.34%	0.21	143	261	13.97%	0.08	20	163	
FY45	1,108	897	81%	-	(1)	226	672	20.50	8.34%	0.19	130	260	13.97%	0.07	18	148	
FY46	1,102	889	81%	-	(1)	224	666	21.50	8.34%	0.18	119	258	13.97%	0.06	16	134	
FY47	826	680	82%	-	(45)	171	554	22.33	8.34%	0.17	93	312	13.97%	0.05	17	109	
Present Value of Explicit Period Cash Flows																	
Present Value of Terminal Period (Salvage)																	
Enterprise Value																	
(+/-) Closing cash or cash equivalents as at the Valuation Date																	
Adjusted Enterprise Value																	
															11,018		
															153		
															11,172		
															301		
															11,473		

Appendix 1.3 – Valuation of MSUPL as on 31st March 2024

Cash flows pertaining to Sale of Electricity														Cash flows pertaining to CER				INR Mn	
Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	CAF	WACC	DF	PV of Cash Flows	Net CER Cash Flows	WACC	DF	PV of Cash Flows	Total PV of Cash Flows	A+B		
											A				B				
FY 25	1,582	1,441	91%	-	141	-	1,301	0.50	8.78%	0.96	1,247	116	13.97%	0.94	109	1,356			
FY 26	1,598	1,455	91%	-	(1)	-	1,456	1.50	8.78%	0.88	1,283	227	13.97%	0.82	186	1,469			
FY 27	1,659	1,512	91%	-	(1)	-	1,512	2.50	8.78%	0.81	1,225	253	13.97%	0.72	183	1,408			
FY 28	1,657	1,500	91%	-	(1)	-	1,501	3.50	8.78%	0.74	1,119	398	13.97%	0.63	252	1,370			
FY 29	1,649	1,487	90%	-	(1)	-	1,487	4.50	8.78%	0.68	1,019	293	13.97%	0.56	162	1,181			
FY 30	1,645	1,477	90%	-	(1)	-	1,478	5.50	8.78%	0.63	931	330	13.97%	0.49	161	1,092			
FY 31	1,640	1,468	90%	-	(1)	-	1,469	6.50	8.78%	0.58	850	345	13.97%	0.43	147	997			
FY 32	1,638	1,462	89%	-	(1)	-	1,463	7.50	8.78%	0.53	778	525	13.97%	0.38	197	975			
FY 33	1,631	1,449	89%	-	(1)	175	1,275	8.50	8.78%	0.49	624	345	13.97%	0.33	114	737			
FY 34	1,626	1,440	89%	-	(1)	358	1,083	9.50	8.78%	0.45	487	344	13.97%	0.29	99	586			
FY 35	1,621	1,432	88%	-	(1)	358	1,075	10.50	8.78%	0.41	445	342	13.97%	0.25	87	531			
FY 36	1,620	1,426	88%	-	(1)	357	1,070	11.50	8.78%	0.38	407	341	13.97%	0.22	76	483			
FY 37	1,610	1,412	88%	-	(1)	354	1,059	12.50	8.78%	0.35	370	340	13.97%	0.20	66	436			
FY 38	1,604	1,401	87%	-	(1)	352	1,050	13.50	8.78%	0.32	337	338	13.97%	0.17	58	395			
FY 39	1,576	1,368	87%	-	(1)	344	1,025	14.50	8.78%	0.30	303	337	13.97%	0.15	51	353			
FY 40	1,508	1,296	86%	-	(1)	326	971	15.50	8.78%	0.27	264	336	13.97%	0.13	44	308			
FY 41	1,498	1,281	85%	-	(1)	322	960	16.50	8.78%	0.25	239	335	13.97%	0.12	39	278			
FY 42	1,492	1,270	85%	-	(1)	319	951	17.50	8.78%	0.23	218	333	13.97%	0.10	34	252			
FY 43	1,486	1,250	84%	-	(1)	315	936	18.50	8.78%	0.21	198	332	13.97%	0.09	30	227			
FY 44	1,484	1,240	84%	-	(1)	312	929	19.50	8.78%	0.19	180	331	13.97%	0.08	26	206			
FY 45	1,474	1,224	83%	-	(1)	308	917	20.50	8.78%	0.18	164	330	13.97%	0.07	23	186			
FY 46	1,468	1,209	82%	-	(1)	304	905	21.50	8.78%	0.16	148	328	13.97%	0.06	20	168			
FY 47	1,462	1,193	82%	-	(1)	300	893	22.50	8.78%	0.15	135	327	13.97%	0.05	17	152			
FY 48	399	321	80%	-	23	81	217	23.12	8.78%	0.14	31	236	13.97%	0.05	11	43			
Present Value of Explicit Period Cash Flows																			
Present Value of Terminal Period (Salvage)																			
Enterprise Value																			
(+/-) Closing cash or cash equivalents as at the Valuation Date																			
Adjusted Enterprise Value																			
15,191																			
198																			
15,389																			
663																			
16,052																			

Appendix 1.4 – Valuation of ASPL as on 31st March 2024

Cash flows pertaining to Sale of Electricity														Cash flows pertaining to CER				Total PV of Cash Flows	
Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	CAF	WACC	DF	PV of Cash Flows	Net CER Cash Flows	WACC	DF	PV of Cash Flows	A+B			
A														B				INR Mn	
FY 25	601	518	86%	-	(8)	66	460	0.50	8.26%	0.96	442	19	13.97%	0.94	18	460			
FY 26	579	497	86%	-	(1)	62	435	1.50	8.26%	0.89	387	43	13.97%	0.82	35	422			
FY 27	576	492	85%	-	(1)	61	431	2.50	8.26%	0.82	354	45	13.97%	0.72	32	386			
FY 28	574	487	85%	-	(1)	61	427	3.50	8.26%	0.76	324	72	13.97%	0.63	45	369			
FY 29	570	479	84%	-	(1)	59	421	4.50	8.26%	0.70	294	52	13.97%	0.56	29	323			
FY 30	567	473	83%	-	(1)	58	416	5.50	8.26%	0.65	269	59	13.97%	0.49	29	297			
FY 31	564	468	83%	-	(1)	57	411	6.50	8.26%	0.60	245	61	13.97%	0.43	26	272			
FY 32	563	463	82%	-	(1)	57	407	7.50	8.26%	0.55	224	90	13.97%	0.38	34	258			
FY 33	559	455	81%	-	(1)	69	386	8.50	8.26%	0.51	197	61	13.97%	0.33	20	217			
FY 34	556	448	81%	-	(1)	131	318	9.50	8.26%	0.47	149	61	13.97%	0.29	18	167			
FY 35	553	442	80%	-	(1)	130	313	10.50	8.26%	0.43	136	60	13.97%	0.25	15	151			
FY 36	552	437	79%	-	(1)	128	310	11.50	8.26%	0.40	124	60	13.97%	0.22	13	138			
FY 37	548	429	78%	-	(1)	126	304	12.50	8.26%	0.37	113	60	13.97%	0.20	12	124			
FY 38	545	422	77%	-	(1)	124	298	13.50	8.26%	0.34	102	60	13.97%	0.17	10	112			
FY 39	542	415	76%	-	(1)	122	293	14.50	8.26%	0.32	93	59	13.97%	0.15	9	102			
FY 40	541	409	76%	-	(1)	121	290	15.50	8.26%	0.29	85	59	13.97%	0.13	8	92			
FY 41	537	401	75%	-	(1)	118	284	16.50	8.26%	0.27	77	59	13.97%	0.12	7	83			
FY 42	534	399	75%	-	(1)	116	284	17.50	8.26%	0.25	71	58	13.97%	0.10	6	77			
FY 43	90	56	62%	-	(57)	16	97	18.07	8.26%	0.24	23	38	13.97%	0.09	4	27			
Present Value of Explicit Period Cash Flow s																			
Present Value of Terminal Period (Salvage)																			
Enterprise Value																			
(+) Closing cash or cash equivalents as at the Valuation Date																			
Adjusted Enterprise Value																			
4,078																			
76																			
4,154																			
155																			
4,309																			

Appendix 1.5 – Valuation of NSPL as on 31st March 2024

Cash flows pertaining to Sale of Electricity												INR Mn
Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	CAF	WACC	DF	PV of Cash Flows	
FY 25	396	347	88%	-	(41)	44	344	0.50	8.44%	0.96	330	
FY 26	390	342	88%	-	(0)	43	299	1.50	8.44%	0.89	265	
FY 27	388	338	87%	-	(0)	42	296	2.50	8.44%	0.82	242	
FY 28	388	335	86%	-	(0)	42	294	3.50	8.44%	0.75	221	
FY 29	385	330	86%	-	(0)	41	289	4.50	8.44%	0.69	201	
FY 30	383	326	85%	-	(0)	40	286	5.50	8.44%	0.64	183	
FY 31	381	322	84%	-	(0)	40	282	6.50	8.44%	0.59	167	
FY 32	380	318	84%	-	(0)	39	280	7.50	8.44%	0.54	152	
FY 33	377	313	83%	-	(0)	38	275	8.50	8.44%	0.50	138	
FY 34	375	309	82%	-	(0)	42	267	9.50	8.44%	0.46	124	
FY 35	373	304	82%	-	(0)	77	228	10.50	8.44%	0.43	97	
FY 36	372	301	81%	-	(0)	77	225	11.50	8.44%	0.39	89	
FY 37	369	296	80%	-	(0)	75	221	12.50	8.44%	0.36	80	
FY 38	368	291	79%	-	(0)	74	217	13.50	8.44%	0.33	73	
FY 39	366	286	78%	-	(0)	73	214	14.50	8.44%	0.31	66	
FY 40	365	283	77%	-	(0)	72	211	15.50	8.44%	0.28	60	
FY 41	362	277	77%	-	(0)	71	207	16.50	8.44%	0.26	54	
FY 42	360	273	76%	-	(0)	70	204	17.50	8.44%	0.24	49	
FY 43	212	163	77%	-	(36)	41	158	18.30	8.44%	0.23	36	
Present Value of Explicit Period Cash Flow s												2,628
Present Value of Terminal Period (Salvage)												128
Enterprise Value												2,756
(+) Closing cash or cash equivalents as at the Valuation Date												129
Adjusted Enterprise Value												2,885

Appendix 1.6 – Valuation of BREPL as on 31st March 2024

Cash flows pertaining to Sale of Electricity											INR Mn
Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	CAF	WACC	DF	PV of Cash Flows
FY 25	138	115	83%	-	8	15	92	0.50	8.37%	0.96	88
FY 26	140	116	83%	-	1	15	100	1.50	8.37%	0.89	89
FY 27	140	115	82%	-	(0)	15	100	2.50	8.37%	0.82	82
FY 28	139	114	82%	-	(0)	14	99	3.50	8.37%	0.75	75
FY 29	138	111	81%	-	(0)	14	98	4.50	8.37%	0.70	68
FY 30	137	110	80%	-	(0)	14	96	5.50	8.37%	0.64	62
FY 31	137	108	79%	-	(0)	14	95	6.50	8.37%	0.59	56
FY 32	136	106	78%	-	(0)	30	77	7.50	8.37%	0.55	42
FY 33	135	104	77%	-	(0)	26	78	8.50	8.37%	0.50	39
FY 34	135	102	76%	-	(0)	26	77	9.50	8.37%	0.47	36
FY 35	134	101	75%	-	(0)	26	75	10.50	8.37%	0.43	32
FY 36	134	99	74%	-	(0)	25	74	11.50	8.37%	0.40	29
FY 37	133	96	72%	-	(0)	24	72	12.50	8.37%	0.37	26
FY 38	132	94	71%	-	(0)	24	71	13.50	8.37%	0.34	24
FY 39	131	92	70%	-	(0)	23	69	14.50	8.37%	0.31	21
FY 40	131	90	69%	-	(0)	23	68	15.50	8.37%	0.29	19
FY 41	94	61	65%	-	(4)	16	50	16.38	8.37%	0.27	13
Present Value of Explicit Period Cash Flow s											804
Present Value of Terminal Period (Salvage)											67
Enterprise Value											870
(+) Closing cash or cash equivalents as at the Valuation Date											60
Adjusted Enterprise Value											930

Appendix 2.1 – Weighted Average Cost of Capital of the SPVs as on 31st March 2024

Particulars	MRPL		ESPL		MSUPL	ASPL	NSPL	BREPL	Remarks
	Rewa	ISTS	Goyalri	SECIRJ					
Risk Free Rate (Rf)	6.97%	6.97%	6.97%	6.97%	6.97%	6.97%	6.97%	6.97%	Risk Free Rate has been considered based on zero coupon yield curve as at 31st March 2024 of Government Securities having maturity period of 10 years, as quoted on CCL's website.
Equity Risk Premium (ERP)	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	Based on the historical realized returns on equity investments over a risk free rate of as represented by 10 year government bonds, a 7% equity risk premium is considered appropriate for India.
Beta (relevered)	0.91	0.91	0.88	0.88	0.92	0.87	0.89	0.88	Beta has been considered based on the beta of companies operating in the similar kind of business in India.
Base Cost of Equity	13.34%	13.34%	13.14%	13.14%	13.44%	13.08%	13.20%	13.16%	Base $K_e = R_f + (\beta \times ERP)$
Company Specific Risk Premium (CSRP)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Risk Premium/ Discount Specific to the SPVs
Adjusted Cost of Equity (Ke)	13.34%	13.34%	13.14%	13.14%	13.44%	13.08%	13.20%	13.16%	Adjusted $K_e = R_f + (\beta \times ERP) + CSRP$
Pre-tax Cost of Debt	8.09%	8.09%	8.09%	8.09%	8.09%	8.09%	8.09%	8.09%	As represented by the Investment Manager
Effective tax rate of SPV	18.24%	18.24%	22.24%	22.24%	16.24%	23.41%	20.92%	21.85%	Average tax rate for the life of the SPVs have been considered
Post-tax Cost of Debt	6.61%	6.61%	6.29%	6.29%	6.78%	6.20%	6.40%	6.32%	Effective cost of debt. $K_d = \text{Pre tax } K_d \times (1 - \text{Effective Tax Rate})$
Debt/(Debt+Equity)	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	The debt - equity ratio computed as $D/(D+E)$ is considered as 70% as per industry standard.
WACC Adopted	8.63%	8.63%	8.34%	8.34%	8.78%	8.26%	8.44%	8.37%	$WACC = [K_e \times (1 - D/(D+E))] + [K_d \times (1 - t) \times D/(D+E)]$

Appendix 2.2 – Weighted Average Cost of Capital for CER Income as on 31st March 2024

Particulars	CER	Remarks
Risk Free Rate (Rf)	6.97%	Risk Free Rate has been considered based on zero coupon yield curve as at 31 st March 2024 of Government Securities having maturity period of 10 years, as quoted on CCIL's website.
Equity Risk Premium (ERP)	7.00%	Based on the historical realized returns on equity investments over a risk free rate of as represented by 10 year government bonds, a 7% equity risk premium is considered appropriate for India.
Beta (relevered)	1.00	Beta of 1 is taken in absence of comparable listed domestic peers.
Base Cost of Equity	13.97%	Base $K_e = R_f + (\beta \times ERP)$
Company Specific Risk Premium (CSRP)	0.00%	Risk Premium/ Discount Specific to the SPVs
Adjusted Cost of Equity (Ke)	13.97%	Adjusted $K_e = R_f + (\beta \times ERP) + CSRP$
Pre-tax Cost of Debt	NA	Cost of debt not considered in the CER calculation
Effective tax rate of SPV	11.44%	Average tax rate applicable for CER has been considered
Post-tax Cost of Debt	0.00%	Effective cost of debt. $K_d = \text{Pre tax } K_d * (1 - \text{Effective Tax Rate})$
Debt/(Debt+Equity)	0.00%	The debt - equity ratio computed as $[D/(D+E)]$ is considered as 0% for CER as per industry standard.
WACC Adopted	13.97%	$WACC = [K_e * (1 - D/(D+E))] + [K_d * (1 - t) * D/(D+E)]$

Appendix 3.1 – MRPL: Summary of approvals and licences (1/4)

Note for all SPVs: As informed to me by the Investment Manager, due to change in government regulations and classification of Solar Power Plants as white category industries, the SPVs no longer require to apply/ reapply for “Consent to Establish” or “Consent to Operate” approvals.

ISTS Project

Sr. No.	Approvals	Date of Issue	Issuing Authority
Statutory Approvals			
1	Allotment of Importer - E-xporter Code Number	01-02-2018	Ministry of commerce and industry
2	Registration of 250 MW power project under SECI	01-08-2019	Rajasthan Renewable Energy Corporation Ltd
3	Certificate of Registration under Contract Labour Act, 1970	09-09-2019	Government of Rajasthan- Department of Labour
4	Industrial Entrepreneur Memorandum	04-02-2020	Ministry of commerce and industry
5	Certificate of registration under building and other construction act, 1996	06-03-2020	Government of Rajasthan
6	Intimation Regarding CTO and CTE	06-01-2021	Rajasthan State Pollution Control Board
7	Certificate of Registration under Contract Labour Act, 1970	01-02-2021	Government of Rajasthan- Department of Labour
8	License to work a factory	01-09-2021	Government of Rajasthan
9	Certificate of Registration under Contract Labour Act, 1970	22-02-2022	Government of Rajasthan- Department of Labour
10	Implementation of the E.S.I Act, 1948 & Registration of the Factories and Establishments unde Sec 2(12) of the Act, as amended.	09-02-2023	Employee's State Insurance Corporation
11	Fire No Objection Certificate renewed	22-02-2023	Jodhpur Municipal Corporation
Power Evacuation Related Approvals			
12	Grant of stage-1 connectivity to MSPL Baap	05-09-2018	Power Grid Corporation of India Ltd.
13	Grant of stage-2 connectivity to MSPL Baap	28-09-2018	Power Grid Corporation of India Ltd.
14	Transmission Agreement with CTU	24-10-2018	Power Grid Corporation of India Ltd.
15	Intimation of LTA of 250MW Rewa Project.	17-01-2019	Power Grid Corporation of India Ltd.
16	Agreement for Long Term Access	13-02-2019	Power Grid Corporation of India Ltd.
17	Transmission Service Agreement with CTU	13-02-2019	Power Grid Corporation of India Ltd.
18	Consultancy Agreement for bay implementation	25-06-2019	Power Grid Corporation of India Ltd.
19	Revision of stage-2 connectivity to MSPL Baap	04-07-2019	Power Grid Corporation of India Ltd.
20	CEA approval for transmission connectivity scheme	25-07-2019	Power Grid Corporation of India Ltd.
21	Supplementary Agreement to Transmission Agreement	19-08-2019	Central Electricity Authority
22	Approval to route of high tension electricity line	24-09-2020	Power Grid Corporation of India Ltd.
23	CEA approval under section 164 of Electricity Act	24-11-2020	Bharat Sanchar Nigam Ltd. Central Electricity Authority
24	Agreement for use of circuit towers	16-12-2020	Adani Renewable energy holding one ltd.
25	Connection offer for connection of 250MW of MSPL Solar Power Plant	18-12-2020	Power Grid Corporation of India Ltd.
26	Connection Agreement b/w CTU and the Applicant	31-12-2020	Power Grid Corporation of India Ltd.
27	Operationalization of Long term access granted to MSPL	12-08-2021	Central Transmission Utility of India Ltd.
28	Certificate of operationalization of 250MW solar plant	27-10-2021	Central Transmission Utility of India Ltd.
29	Supplementary Agreement to Long Term Access	31-03-2023	-
30	Supplementary Agreement to Transmission Agreement	31-03-2023	-

Source: Investment Manager

Appendix 3.1 – MRPL: Summary of approvals and licences (2/4)

ISTS Project

Sr. No.	Approvals	Date of Issue	Issuing Authority
Project Related Approvals			
31	NOC by Gram Panchayat	10-11-2019	Gram Panchayat Ghatot
32	Notice to SECI on Early COD	23-09-2020	
33	Partial Discharge of Bank Guarantee issued on Behalf of Mahindra Renewables Pvt Ltd.	21-01-2021	Solar Energy Corporation of India Ltd.
34	Approval for energisation of Transmission line of MRPL- 100MW	29-01-2021	Central Electricity Authority
35	Approval for energisation of Transmission line of MRPL- 50MW	09-07-2021	Central Electricity Authority
36	Approval for energisation of Transmission line of MRPL- 62.5MW	09-07-2021	Central Electricity Authority
37	Approval for factory/building drawings	10-08-2021	Government of Rajasthan- Factories and Boilers Inspection Department
38	Provisional Approval for energisation of Transmission line of MRPL- 35.5MW	13-08-2021	Central Electricity Authority
39	Discharge of Bank Guarantee issued on Behalf of Mahindra Renewables Pvt Ltd.	21-09-2021	Solar Energy Corporation of India Ltd.
40	Certificate of Building Stability	27-09-2021	J.N. Associates- Competant person under Factory Act & Rules.
41	O&M contract for Bay Maintenance	N/A	Power Grid Corporation of India Ltd.
42	Revision of Scheduled Commissioning Date	01-10-2021	Solar Energy Corporation of India Ltd.
Commissioning Related Approvals			
43	Partial Commissioning Certificate - 100MW	14-05-2021	Solar Energy Corporation of India Ltd
44	Partial Commissioning Certificate - 60MW	08-06-2021	Solar Energy Corporation of India Ltd
45	Partial Commissioning Certificate - 50MW	24-07-2021	Solar Energy Corporation of India Ltd
46	Partial Commissioning Certificate - 40MW	17-08-2021	Solar Energy Corporation of India Ltd

Source: *Investment Manager*

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Fair Enterprise Valuation of SPVs

Appendix 3.1 – MRPL: Summary of approvals and licences (3/4)

Rewa Project

Sr. No.	Approvals	Date of Issue	Issuing Authority
Commissioning Related			
	Certificate From Independent Engineer		
1	Certificate of electrical inspector for part commissioning of plant- 5.1 MW	05-07-2018	National Institute of Solar Energy
2	Certificate of electrical inspector for part commissioning of plant- 35.7MW	31-08-2018	National Institute of Solar Energy
3	Certificate of electrical inspector for part commissioning of plant- 100MW	28-03-2019	National Institute of Solar Energy
4	Certificate of electrical inspector for part commissioning of plant- 94.2MW	09-07-2019	National Institute of Solar Energy
5	Certificate of electrical inspector for part commissioning of plant- 15MW	02-01-2020	National Institute of Solar Energy
Safety approvals under CEA regulations			
6	Safety approvals under CEA regulations, 2010 for 5.1MW	21-05-2018	GOI- Central Electricity Authority
7	Provisional Safety approvals under CEA regulations, 2010 for 35MW	13-08-2018	GOI- Central Electricity Authority
8	Provisional Safety approvals under CEA regulations, 2010 for 100MW	14-12-2018	GOI- Central Electricity Authority
9	Provisional Safety approvals under CEA regulations, 2010 for 94MW	17-05-2019	GOI- Central Electricity Authority
10	Safety approvals under CEA regulations, 2010 for 16MW	11-11-2019	GOI- Central Electricity Authority
11	Periodic Inspection of Existing Electrical Installations	13-07-2020	GOI- Central Electricity Authority
Commissioning Certificates			
12	Commissioning Certificate- 15MW	02-01-2018	Rewa Ultra Meja Solar Ltd
13	Commissioning Certificate- 5.1MW	05-07-2018	Rewa Ultra Meja Solar Ltd
14	Commissioning Certificate- 35.7MW	06-09-2018	Rewa Ultra Meja Solar Ltd
15	Commissioning Certificate- 100MW	04-04-2019	Rewa Ultra Meja Solar Ltd
16	Commissioning Certificate- 94.2MW	09-07-2019	Rewa Ultra Meja Solar Ltd
17	SCOD Letter- Final	30-03-2020	Rewa Ultra Meja Solar Ltd
Power Evacuation Related			
18	Intimation for Grant of Connectivity	29-07-2016	Power Grid Corporation of India Ltd
19	Connection Details of RUMS Ltd. to the inter-state Transmission Grid.	03-05-2018	Power Grid Corporation of India Ltd
20	Transmission Agreement with CTU	08-05-2018	Power Grid Corporation of India Ltd
21	Regarding Operationalization of LTA of 750MW Rewa Project.	23-08-2018	Rewa Ultra Meja Solar Ltd

Source: Investment Manager

Appendix 3.1 – MRPL: Summary of approvals and licences (4/4)

Rewa Project

Sr. No.	Project Related	Approvals	Date of Issue	Issuing Authority
22	Afformioned Notification by CPCB		07-03-2016	Central Pollution Control Board
23	Clarification in the matter of Revised Categorization of the Industrial Sector		18-01-2017	Central Pollution Control Board
24	Notification that the project is white category		20-01-2017	Madhya Pradesh Pollution Control Board
25	Letter of Award for development of Unit 1 in RUMSL		21-02-2017	Rewa Ultra Mega Solar Ltd.
26	Coordination Agreement B/w the SPV, Discoms and other Counterparties		17-04-2017	-
27	Implementation Support Agreement RUMSL & SPD		-	-
28	Intimation Regarding CTO and CTE		12-10-2017	-
29	Industrial Entrepreneur Memorandum		01-01-2018	Ministry of commerce and industry
30	Acknowledgement of fulfillment of condition subsequent by Unit 1 of RUMSL i.e. Rewa.		15-03-2018	Rewa Ultra Meja Solar Ltd
31	Registration of the SPV by WRLCD		17-05-2018	-
32	Approval by Fire Authority		01-10-2020	Directorate of Urban Administration & Development MP
33	Approval of Grant of Consent for the transfer/ assignment/ novation of all rights & obligations of Mahindra Renewables Private Ltd.		15-10-2020	Ariunsun Clean Energy Pvt Ltd.
34	Approval of Grant of Consent for the transfer/ assignment/ novation of all rights & obligations of Mahindra Renewables Private Ltd.		16-10-2020	ACME Jaipur Solar Power Private Ltd.
35	StandBy Letter of Credit / Bank Guarantee		31-08-2021	MP Power Management Company Limited
36	StandBy Letter of Credit / Bank Guarantee		27-05-2022	Delhi Metro Rail Corporation Ltd.
37	Fire Safety Certificate		16-01-2023	Office of Rewa Collector/ Fire Officer
	Statutory			
38	Approval by GramSabha		07-05-2015	Gram Panchayat Badwar
39	Certificate of registration under building and other construction act, 1996		26-10-2018	Government of Madhya Pradesh
40	Certificate of registration under Contract Labour MP rules, 1973		27-10-2018	Government of Madhya Pradesh
41	License to work a factory		29-11-2018	Government of Madhya Pradesh
42	Notice of Opening Mahindra Renewable Rewa		01-04-2019	Mahindra Renewables Private Limited
43	Certificate of Registration under The Contract Labour M.P. Rules, 1973		05-01-2021	Government of Madhya Pradesh
44	License under Contract Labour MP Rules, 1973		28-12-2021	Government of Madhya Pradesh
45	License to work a factory		11-11-2022	Government of Madhya Pradesh
46	Implementation of the E.S.I Act, 1948 & Registration of the Factories and Establishments unde Sec 2(12) of the Act, as amended.		09-02-2023	Employee's State Insurance Corporation
47	Certificate of Registration (Amended) under Labour M.P. Labour Departement		28-03-2023	Government of Madhya Pradesh

Source: *Investment Manager*

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Fair Enterprise Valuation of SPVs

Appendix 3.2 – ESPL: Summary of approvals and licences (1/2)

Goyalri Project

Sr. No.	Commissioning Related	Approvals	Date of Issue	Issuing Authority
1	Commissioning Certificate		31-03-2017	National Thermal Power Corporation Ltd
	Power evacuation Related			
2	Approval for construction of Bay		03-07-2014	Rajasthan Rajya Vidyut Prashashan Nigam Ltd
3	Approval to lay transmission line u/s 68 of electricity act, 2003		29-03-2016	Government of Rajasthan - Energy Department
4	Transmission Agreement b/w SPD and STU i.e. RRVPNL (Rajasthan Rajya Vidyut Prasaran Nigam Ltd)		N/A	Rajasthan Rajya Vidyut Prashashan Nigam Ltd
	Project Related			
5	Approval of providing connectivity to plant		21-09-2015	Rajasthan Rajya Vidyut Prashashan Nigam Ltd
6	Registration of 60 MW power plant		26-09-2016	Rajasthan Renewable Energy Corporation Ltd
7	Approval of Power Evacuation Plan for setting up Solar power project		11-11-2016	Rajasthan Renewable Energy Corporation Ltd
8	NOC GramPanchayat		18-01-2017	Grampanchayat Chani
9	Clarification in the matter of Revised Categorization of the Industrial Sector		18-01-2017	Central Pollution Control Board
10	Intimation Regarding Consent to operate (CTO) & Consent to establish (CTE)		14-02-2017	Rajasthan state Pollution Control Board
11	Approval to route of high tension power/telecom line		05-02-2018	Bharat Sanchar Nigam Ltd.
12	Approval to lay transmission line		27-02-2018	Ministry of Road Transport & Highways
	Statutory Approvals			
13	Registration under section 7 of the Contract Labour Act, 1970		26-10-2016	Government of Rajasthan - Department of labour
14	Certificate of registration under section 7 of the building and other construction act, 1996		30-01-2017	Government of Rajasthan
15	Power and Telecommunication Co-ordination Committee (PTCC) Clearance		06-03-2017	Rajasthan Rajya Vidyut Prashashan Nigam Ltd
16	Permission under regulation 43 of the CEA Regulations 2010 for Energisation of installation for 30 MW		10-03-2017	Government of Rajasthan - Office of the Electrical Inspector
17	Permission under regulation 43 of the CEA Regulations 2010 for Energisation of installation for 30 MW		23-03-2017	Government of Rajasthan - Office of the Electrical Inspector
18	Industrial Entrepreneur Memorandum - Part I		05-05-2017	Ministry of commerce and industry
19	Industrial Entrepreneur Memorandum - Part II		22-08-2017	Ministry of commerce and industry
20	License to work a factory		25-10-2018	Government of Rajasthan
21	Application of Fire NOC from Mahindra Susem to Municipal Corporation, Bikaner.		02-07-2021	-
22	Request to Deposit Re-Development Charges to RREDF		08-10-2021	Rajasthan Renewable Energy Corporation Ltd
23	License to work a factory		07-02-2022	Government of Rajasthan
24	Application to approve holding excess land beyond ceiling limit		07-05-2022	Revenue Department

Source: *Investment Manager*

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Sustainable Energy Infra Trust

Fair Enterprise Valuation of SPVs

Appendix 3.2 – ESPL: Summary of approvals and licences (2/2)

SECI RJ Project

Sr. No.	Commissioning Related	Approvals	Date of Issue	Issuing Authority
1	Extension in due date of financial closure		19-05-2020	Solar Energy Corporation of India
2	Extension in due date of financial closure		07-09-2020	Solar Energy Corporation of India
3	Consent for procurement of Solar power from early part commissioning		26-02-2021	Rajasthan Ujja Vikas Nigam Ltd
4	Extension for Land Acquisition and SCOD due to 2nd surge of COVID		30-09-2021	Solar Energy Corporation of India
5	Commissioning Certificate along with Minutes of Meeting of Commissioning Committee.		14-10-2021	Solar Energy Corporation of India
6	Commercial Operation Date Certificate of Solar PV Project		18-10-2021	Solar Energy Corporation of India
Power Evacuation Related				
7	Approval of power evacuation plan		07-01-2020	Rajasthan Rajya Viduyat Prasaraan Nigam Ltd
8	Approval us 68 of the Electricity Act, 2003 for laying overhead transmission line.		26-11-2020	Government of Rajasthan
9	Approval of approach section of transmission line		15-12-2020	Rajasthan Rajya Viduyat Prashashan Nigam Ltd
10	Connection Agreement b/w STU and MSPL		21-01-2021	Rajasthan Rajya Viduyat Prashashan Nigam Ltd
11	Approval to route of extra high tension power line		25-06-2021	Bharat Sanchar Nigam Ltd.
Project Related				
12	Registration of the project selected through bidding conducted by SECI.		16-10-2019	Rajasthan Renewable Energy Corporation Ltd
13	Provisional for permission of overhead highway crossing of 220 KV overhead line.		20-05-2021	National Highways Authority of India
14	Permission under regulation 43 of the CEA regulation 2021 for energisation of electrical installation.		08-09-2021	Government of Rajasthan- Electrical Inspector
15	Permission under regulation 43 of the CEA regulation 2021 for energisation of electrical installation.		22-09-2021	Government of Rajasthan- Electrical Inspector
16	Approval to purchase generated power before SCOD		27-10-2021	Rajasthan Ujja Vikas Nigam Ltd
Statutory Approvals				
17	Certificate of Importer exporter code		14-01-2011	Foreign Trade Development Officer
18	Certificate of registration under Building and other Construction Work Act, 1996		06-10-2020	Government of Rajasthan
19	Certificate of registration under Contract Labour(Regulation and Abolition) Act,1970		06-10-2020	Government of Rajasthan- Department of labour
20	Industrial Entrepreneur Memorandum		24-02-2021	Ministry of commerce and industry
21	Partial Discharge of Bank Guarantee		03-03-2021	Solar Energy Corporation of India
22	Connectivity Report		06-10-2021	Rajasthan Ujja Vikas Nigam Limited
23	Intimation Letter wrt Land Arrangement		01-11-2021	Solar Energy Corporation of India
24	Discharge of Bank Guarantee		11-11-2021	Solar Energy Corporation of India
25	Certificate of Registration under contract labour act, 1970		19-02-2022	Department of Labour
26	Registration and license to work a factory		04-03-2022	Government of Rajasthan
27	No Objection Certificate for Mining		09-03-2022	Mines and Geology Department
28	Intimation REGARDIG "Consent to Establish" and "Consent to Operate"		09-03-2022	Rajasthan State Pollution Control Board
29	Approval for widening and strengthening of existing Bikaner-Pahalodi section		02-11-2022	National Highways Authority of India
30	Certificate of registration under Contract Labour(Regulation and Abolition) Act,1970		20-01-2023	Government of Rajasthan- Department of labour

Source: *Investment Manager*

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Sustainable Energy Infra Trust

Fair Enterprise Valuation of SPVs

Appendix 3.3 – MSUPL: Summary of approvals and licences (1/2)

Sr. No.	Approvals	Date of Issue	Issuing Authority
Commissioning Related			
1	MSPL to furnish a connectivity Bank Guarantee as notified by CERC in favour of CTU i.e. POWERGRID amounting to 50 Mn	27-11-2019	-
2	MSPL to furnish a connectivity Bank Guarantee as notified by CERC in favour of CTU i.e. POWERGRID amounting to 125 Mn	06-02-2020	-
3	Registration of 250 MW Solar PV Power Project under Rajasthan Solar Energy Policy, 2019, of MSUPL	05-07-2021	Rajasthan Renewable Energy Corporation Limited
4	Amendment to MSPL to furnish a connectivity Bank Guarantee as notified by CERC in favour of CTU i.e. POWERGRID amounting to 50 Mn	24-12-2021	-
5	Part Commissioning of the Solar Power Project (175MW/250MW)	20-05-2022	Solar Energy corporation of India
6	Extension in SCOD due to delay in Operationalization of LTA of the Project.	13-06-2022	Solar Energy corporation of India
7	Final Commissioning of the Solar Power Project (75MW/250MW)	17-06-2022	Solar Energy corporation of India
8	Revision of Scheduled Commissioning date due to delay in LTA Operationalization.	29-06-2022	Solar Energy corporation of India
Power Evacuation Related			
9	Transmission Service Agreement	13-02-2019	-
10	Application for grant of LTA of MSPL	01-08-2019	Central Electricity Regulatory Commission
11	Submission of LTA Application of MSPL	06-08-2019	PowerGrid Corporation of India
12	Grant of Stage-1 Connectivity to MSUPL	07-10-2019	PowerGrid Corporation of India
13	Grant of 250 MW LTA to Mahindra Susten Pvt Ltd for its power project.	29-10-2019	PowerGrid Corporation of India
14	Grant of Stage-2 Connectivity to MSUPL	29-10-2019	PowerGrid Corporation of India
15	Agreement of long term access with system strengthening b/w CTU and MSPL	26-11-2019	-
16	Transmission Agreement for connectivity b/w CTU and MSPL	26-11-2019	-
17	Revision to Intimation for Stage-I Connectivity for 250MW to MSPL	09-01-2020	PowerGrid Corporation of India
18	Revision to Intimation for Stage-II Connectivity for 250MW to MSPL	08-12-2020	PowerGrid Corporation of India
19	Revision to the earlier intimation for grant of 250 MW Long Term Access to M/s Mahindra Susten Pvt. Ltd.	16-12-2020	PowerGrid Corporation of India
20	CEA approval for transmission connectivity scheme	-	Central Electricity Authority
21	Adoption of Tariff for the SPV connected to the Inter - State Transmission System (STS)	25-01-2021	Central Electricity Regulatory Commission
22	SECI has entered into PSA with the HPPC for sale of 250MW Power.	07-05-2021	Haryana Power Purchase Centre
23	Revision to Intimation for Stage-I Connectivity for 250MW to MSPL	19-05-2021	PowerGrid Corporation of India
24	Approval to route of high tension electricity line	25-02-2022	Bharat Sanchar Nigam Ltd
25	Effectiveness of LTA granted to MSPL for transfer of power from its Solar power project.	27-06-2022	Central Transmission Utility of India

Source: Investment Manager

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Registered Valuer

Registration No - IBBI/RV/06/2018/10238

Sustainable Energy Infra Trust

Fair Enterprise Valuation of SPVs

Appendix 3.3 – MSUPL: Summary of approvals and licences (2/2)

Sr. No.	Statutory Related	Approvals	Date of Issue	Issuing Authority
26	Allotment of Importer - Exporter Code Number		19-05-2021	Ministry of Commerce & Industry
27	Industrial Entrepreneur Memorandum		29-06-2021	Ministry of Commerce & Industry
28	Amendment to Industrial Entrepreneur Memorandum		17-08-2021	Ministry of Commerce & Industry
29	Supplementary agreement of LTA		31-08-2021	Central Transmission Utility of India
30	Certificate of Registration under Contract Labour Act, 1970		31-08-2021	Government of Rajasthan - Department of Labour
31	Grant License under Contract Labour Act, 1970		08-02-2022	Government of Rajasthan - Department of Labour
32	Certificate of registration under building and other construction act, 1996		08-02-2022	Government of Rajasthan
33	License of contract labour of MSUPL		20-04-2022	Government of Rajasthan
34	Fire NOC for the 250 MW Solar PV Project at Village Seora & Dadu ka Gaon, Tehsil Kolayat, District Bikaner.		20-06-2022	Government of Rajasthan
35	Certificate of Registration under Contract Labour Act, 1970		20-01-2023	Government of Madhya Pradesh
36	Implementation of the E.S.I Act, 1948 and Registration of Employees of the Factories and Establishments under Section 2(12) of the Act, as amended		07-02-2023	Employee's State Insurance Corporation
37	Allotment of Code Number to establishment M/s Mega Suryaurja Private Ltd. under Employees' Provident Fund and Miscellaneous Provisions Act, 1952.		07-02-2023	Employee's Provident Fund
38	License to work a factory		16-03-2023	Government of Madhya Pradesh
	Project Related			
39	Regarding Delay in execution of PPA		24-01-2020	Solar Energy corporation of India
40	Submission for claiming Force Majeure Event i.e. Coronavirus pandemic.		28-06-2020	Solar Energy corporation of India
41	Request for extension of LTA of MSPL due to execution delay caused by Coronavirus pandemic.		17-07-2020	Solar Energy corporation of India
42	Intimation regarding CTE & CTO for 250MW Solar PV project by MSUPL		09-03-2022	Rajasthan Pollution Control Board
43	Approval for energisation of Electrical Installation - 50MW		22-04-2022	Central Electricity Authority
44	Approval for energisation of Electrical Installation - 125MW		29-04-2022	Central Electricity Authority
45	Approval for energisation of Electrical Installation - 75MW		12-06-2022	Central Electricity Authority
	Others			
46	Intimation letter w.r.t. Compliance of Financial Agreements and Land Agreements of MSUPL		10-01-2022	Solar Energy corporation of India
47	Intimation letter w.r.t. Compliance of Land agreements as per clause 15 of RIS of MSUPL		20-05-2022	Solar Energy corporation of India
48	Intimation to SEC of change of land location of the SPV		25-08-2022	-

Source: Investment Manager

Appendix 3.4 – ASPL: Summary of approvals and licences (1/3)

Sr. No.	Power Evacuation Related	Approvals	Date of Issue	Issuing Authority
1	MoU B/w ASPL & GETCO for O&M of ASPL Line at 66KV Charanka Station of GETCO for the peri		28-02-2017	Gujarat Energy Transmission Corporation Ltd
2	Letter from GETCO of Final Connectivity Permission 40MW		02-03-2017	Gujarat Energy Transmission Corporation Ltd
3	Letter from GETCO of Final Connectivity Permission 25MW		02-03-2017	Gujarat Energy Transmission Corporation Ltd
4	40 MW CEI route Approval (drawing)		24-03-2017	Chief Electrical Inspector, Gandhinagar
5	40 MW Laying GETCO Approval		24-03-2017	Chief Electrical Inspector, Gandhinagar
6	40 MW route SLD Approval		24-03-2017	Chief Electrical Inspector, Gandhinagar
7	CEIG gave GETCO Cable Route Approval-25MW		24-03-2017	Chief Electrical Inspector, Gandhinagar
8	CEIG gave GETCO Cable Route Approval-40MW		24-03-2017	Chief Electrical Inspector, Gandhinagar
9	Initial inspection of installation of 66KV		28-03-2017	Chief Electrical Inspector, Gandhinagar
10	CEIG Approval Under Regulation 43 (Safety Approvals)		28-03-2017	Chief Electrical Inspector, Government of Telangana
11	Joint meter reading report 40 MW		31-03-2017	Gujarat Energy Transmission Corporation Ltd
12	Synchronisation Certificate 40 MW		31-03-2017	Gujarat Energy Transmission Corporation Ltd
13	Connectivity Report		31-03-2017	Gujarat Energy Transmission Corporation Ltd
14	Installation Report		31-03-2017	Gujarat Energy Transmission Corporation Ltd
15	Initial inspection of installation of 1 X 31.5 MVA 66/33 KV Transformer along with equipments for 25		08-05-2017	Chief Electrical Inspector, Gandhinagar
16	Finished Construction of Line Bay (25)		18-05-2017	Gujarat Energy Transmission Corporation Ltd
17	Grid connectivity of the Project (25)		23-05-2017	Gujarat Energy Transmission Corporation Ltd
	Commissioning Related			
18	Request for Approval of Drawings for Array Yard (25MW)		24-01-2017	
19	Request for Approval of Drawings for Array Yard (40MW)		24-01-2017	
20	Request for Approval of Drawings for Switch Yard (25MW)		24-01-2017	
21	Request for Approval of Drawings for Switch Yard (40MW)		24-01-2017	
22	Request for CEIG Approval of drawings of 40 MW plant		13-02-2017	
23	Initial inspection of installation of 2X25/31.5 MW		20-03-2017	Chief Electrical Inspector, Gandhinagar
24	Initial inspection of electrical installations of 52MW Solar power plant		21-03-2017	Chief Electrical Inspector, Gandhinagar
25	CEIG Approval of drawings of 25 MW plant		04-05-2017	Chief Electrical Inspector
26	Joint meter reading report 40 MW		02-06-2017	Solar Energy Corporation of India
27	Synchronisation Certificate 40 MW		02-06-2017	Gujarat Energy Transmission Corporation Ltd
28	Commissioning Certificate (40W) 31-03-2017		12-06-2017	Gujarat Energy Development Agency.
29	Commissioning Certificate (25W) 02-06-2017		23-06-2017	Gujarat Energy Development Agency.

Source: Investment Manager

Appendix 3.4 – ASPL: Summary of approvals and licences (2/3)

Sr. No.	Approvals	Date of Issue	Issuing Authority
Warranty Related			
31	Limited Warranty for PV modules	28-03-2016	Hanwha Solar
32	Module Supply Agreement between Mahindra Susten Private Limited (Buyer) and Canadian Solar II	02-09-2016	
33	Module Supply Agreement between Mahindra Susten Private Limited (Buyer) and Hanwha Q Cells (07-09-2016	
34	Agreement for Sale and Purchase of Solar Photovoltaic Inverters between Mhindra Susten Private L	22-12-2016	
35	Warranty Confirmation Letter	09-03-2017	Canadian Solar International Ltd
36	Warranty Extension upto 30.3.23 (40MW)	28-04-2017	SMA Solar Technology AG
37	Guarantee Certificate	21-07-2017	Pragati Electricals Pvt Ltd
38	Warranty Extension upto 30.7.23 (25MW)	06-03-2018	SMA Solar Technology AG
39	Warranty certificate for supply of trucks	19-02-2020	MSPL
40	Warranty Transfer Letter (25MW)	17-03-2021	SMA Solar Technology AG
41	Warranty Transfer Letter (Inverter Components)	07-04-2021	Danish Pvt Ltd
42	Warranty Transfer Letter (Inverter Components)	08-04-2021	CG Power & Industrial Solutions Ltd
43	Warranty Transfer Letter	08-04-2021	Canadian Solar International Ltd.
44	Site Registration Confirmation	09-04-2021	First Solar Global Customer Support Service
45	Declaration letter for Warranty Transfer	09-04-2021	Trina Solar Co. Ltd
46	Warranty Transfer Letter	20-04-2021	Hanwha Q cells
47	Warranty Transfer Letter	28-04-2021	First Solar FE Holdings pte. Ltd
48	Warranty Transfer Letter (40MW)	29-04-2021	SMA Solar Technology AG
49	Product warranty insurance	NA	PCC Property and Casulty Company limited
Statutory Approvals			
50	Certificate of Incorporation - Astra	14-10-2015	Ministry of Corporate Affairs
51	Allotment of Importer Exporter Code	11-01-2016	Ministry of Commerce and Industry
52	ASPL Shop & Establishment Certificate	18-01-2016	Brihanmumbai Municipal Corporation
53	Vat Provisional Certificate	26-10-2016	Gujarat Commercial Tax
54	CST Provisional Certificate	27-10-2016	Gujarat Commercial Tax
55	License to work a Factory	01-04-2017	Directorate Industrial Safety and Health
56	Provisional Certificate GST	26-06-2017	Government of India and Government of Gujarat
57	Provisional Certificate GST	28-06-2017	Government of India and Government of Maharashtra
58	Renewal of License	30-03-2021	Ministry of Commerce and Industry
59	Gujarat Fire Prevention and Life Safety Measures Rules Amendment	08-07-2021	Government of Gujarat
60	Fire Safety Certificate	15-07-2021	Regional Fire Officer
61	Stability certificate of Astara Solren	20-12-2022	JAS Associate
62	Allotment of Labour Certificate	09-01-2023	Employee Provident Fund
63	Astra Shop & Establishment License	16-01-2023	Brihanmumbai Municipal Corporation
64	Factory license of ASPL	19-01-2023	Directorate Industrial Safety and Health
65	Notice of Opening-Astra	02-03-2023	

Source: Investment Manager

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Registration No - IBBI/RV/06/2018/10238

Sustainable Energy Infra Trust

Fair Enterprise Valuation of SPVs

Appendix 3.4 – ASPL: Summary of approvals and licences (3/3)

Sr. No.	Project Related	Approvals	Date of Issue	Issuing Authority
66	Final Document on Revised Classification of Industrial Sector under red, orange, green and white		12-04-2016	Gujarat Pollution Control Board
67	VGF Securitisation Agreement 40MW		04-08-2016	
68	VGF Securitisation Agreement 25MW		29-08-2016	
69	Consent to Establish and Consolidated Consent and Authorisation		20-09-2016	Regional Officer
70	Registration for setting up Solar Ground Mounted project		26-09-2016	Gujarat energy development agency
71	Labour license registration Certificate		15-10-2016	Assistant Labour Commissioner, Palanpur
72	Labour License Renewal		10-11-2016	Assistant Labour Commissioner, Palanpur
73	Acknowledgement Memorandum of Electrical power generation using solar energy of Manufacture		01-12-2016	Directorate Industrial Safety and Health
74	GETCO'S O&M Connection-Agreement of 25MW		28-02-2017	Gujarat Energy Transmission Corporation Ltd
75	GETCO'S O&M Connection-Agreement of 40 MW		28-02-2017	Gujarat Energy Transmission Corporation Ltd
76	Memorandum intimating commencement of commercial production of products		18-08-2017	Ministry of Commerce and Industry
77	Certificate of Stability		19-12-2017	Patel Enterprise
78	ASPL'S Factory Licence Registration Certificate		09-03-2018	Gujarat Energy Transmission Corporation Ltd
79	Discharge of Bank Guarantee		16-10-2018	Solar Energy Corporation of India
80	Licensee for doing the work of skilled manpower operation and maintenance of Solar Park House		22-06-2020	Solar Energy Corporation of India
81	The Contract Labour (Regulation And Abolition) (Gujarat Amendment) Ordinance, 2020		20-07-2020	Labour and Employment Department, GOG
82	Astra Solar Registration Certificate Andheri		07.02.2020	Birhammumbai Municipal Corporation

Source: Investment Manager

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Sustainable Energy Infra Trust
Fair Enterprise Valuation of SPVs

Appendix 3.5 – NSPL: Summary of approvals and licences (1/2)

Sr. No.	Approvals	Date of Issue	Issuing Authority
Statutory Approvals			
1	Importer Exporter Code Certificate	24-06-2016	Ministry of Commerce & Industry
2	Certificate of withdrawal of ground water permission granted	06-07-2017	Government of Telangana - Groundwater Department
3	Department of Town and Country Planning (DTPC) approval certificate and technical clearance	22-02-2020	Government of Telangana
4	License to work as a factory II	29-01-2021	Government of Telangana
5	License to work as a factory I	29-01-2021	Government of Telangana
6	Renewal of license of Operation and Maintenance	12-10-2022	Government of Telangana
7	Implementation of the E.S.I Act, 1948 & Registration of the Factories and Establishments under Sec 2(12) of the Act, as amended.	28-12-2022	Employees and state insurance corporation (Hyderabad)
8	Allotment of Code number under Employees Provident Fund and Miscellaneous Provisions Act, 1952	28-12-2022	Employees Provident Fund-Body under the Ministry of Labour and Employment
9	Certificate of Registration of Contract Labour Act after amendment	10-04-2023	Government of Telangana
10	Labour license of erection and commissioning of solar power plant after amendment	24-05-2023	Government of Telangana
Power Evacuation Related			
11	Sanction of estimates for Transmission line & Bay Extension works for executing 42MW Solar PP at 132 KV	22-04-2016	Transmission Corporation of Telangana Ltd
12	Approval of proposed route of 42MW Solar project	28-10-2016	Transmission Corporation of Telangana Ltd
13	Intimation to deposit Engineering charges and spare costs	06-12-2016	Transmission Corporation of Telangana Ltd
14	Submission of undertaking & Demand Draft for evacuation scheme approval & sanction of estimates for Transmission line & Bay extension for 42MW SPP	21-12-2016	
15	Approval of proposal for 132 KV line & bay extensions along with metering bay works at 220/132 KV	15-02-2017	Transmission Corporation of Telangana Ltd
16	Approval of Drawings and GTP's of 132kv and 33kv C&R panels and SAS	04-03-2017	Transmission Corporation of Telangana Ltd
17	Approval of profile along with tower schedule from Loc No. 1-11 including Gantries	07-03-2017	Transmission Corporation of Telangana Ltd
18	Approval of Drawings and GTP's of 132KV CVT's	16-03-2017	Transmission Corporation of Telangana Ltd
19	Approval of Drawings and GTP's of OPGW Cable and Hardware accessories	07-04-2017	Transmission Corporation of Telangana Ltd
20	Approval of data requirement sheets and specification of approach cable	08-05-2017	Transmission Corporation of Telangana Ltd
21	The GTPS & Drawings of 132KV Metering CTs received for erection of subject work approved with certain modification mentioned in the drawings.	10-05-2017	Transmission Corporation of Telangana Ltd
22	Calibration certificate Current transformer	06-06-2017	Ganga Calibration Services Private Limited
23	Calibration certificate Voltage transformer	06-06-2017	Ganga Calibration Services Private Limited
24	Approval of design under Section 54 of The Electricity Act and Central Electrical Authority Regulations	20-06-2017	Government of Telangana - Electrical Inspector
25	ABT meter Calibration certificate	24-06-2017	Ganga Calibration Services Private Limited
26	Statutory Approval Under Regulation 32 of CEA (Measures Relating to Safety and Electric Supply), Regulations 2010- 42MW AC PV Solar Power Plant	19-07-2017	Government of Telangana - Electrical Inspector
27	Approval of Electrical Installation and Energisation under Electricity Act and Central Electrical Authority Regulations	19-07-2017	Government of Telangana - Electrical Inspector
28	Power Quality test report of NSPL	18-03-2018	Yathva Energy Solution Pvt. Ltd.
29	Approval for energisation of proposed route	17-11-2018	Bharat Sanchar Nigam Limited

Source: Investment Manager

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Registration No - IBBI/RV/06/2018/10238

Sustainable Energy Infra Trust

Fair Enterprise Valuation of SPVs

Appendix 3.5 – NSPL: Summary of approvals and licences (2/2)

Sr. No.	Project Related	Approvals	Date of Issue	Issuing Authority
30	No objection letter for fire clearance		09-02-2016	Telergana state disaster response and fire services (Hyderabad)
31	Industrial Entrepreneur Memorandum I		02-09-2016	Government of India-Ministry of Commerce & Industry
32	Module supply framework agreement b/w First Solar FE Holdings PTE Ltd and SPD		13-02-2017	
33	License of erection and commissioning of solar plant under Contract Labour Act		29-04-2017	Government of Telegana - Labour Department
34	Intimation regarding CTE 42MW solar PV power plant of NSPL		05-06-2017	Telegana state pollution control board
35	Payment receipt of drawings approval and industry department user charges		16-06-2017	Government of Telegana
36	Ground water approval		06-07-2017	Government of Telegana - Groundwater Department
37	Submission of Cess Demand Draft against BOCW Act, 1996		05-10-2017	Telangana Building & Other Construction Workers Welfare Board
38	COD declaration of 42MW solar PV power plant of NSPL		08-11-2017	Northern Power Distribution Company of Telangana Ltd, Transmission Corporation of Telangana Ltd
39	Industrial Entrepreneur Memorandum II		01-01-2018	Government of India-Ministry of Commerce & Industry
40	No objection letter for conversion to Non-Agricultural land		21-03-2018	Gram panchayat Jalalpuram
41	Renewal of License of erection and commissioning of solar plant of NSPL		16-04-2018	Government of Telegana - Labour Department
42	Renewal of License of erection and commissioning of solar plant of NSPL		21-05-2019	Government of Telegana - Labour Department
43	Certificate of registration of contract labour (max 150 labour)		30-07-2020	Government of Telegana - Labour Department
44	Approval of plan under Factories Act, 1948 I		14-10-2020	Government of Telegana - Factories Department
45	Approval of plan under Factories Act, 1948 II		20-10-2020	Government of Telegana - Factories Department
46	Payment of land development charges		18-05-2021	Government of Telegana
47	Registration of Borewell in NSPL, Waddekolhapally		25-05-2021	Sarpanch, Gram Panchayat
Commissioning related				
48	SLDC clearance for 42 MW of Solar project		21-09-2017	Transmission Corporation of Telangana Ltd
49	Synchronization to the grid of 33MW		13-10-2017	Northern Power Distribution Company of Telangana Ltd, Transmission Corporation of Telangana Ltd
50	Synchronization to the grid of 5MW		26-10-2017	Northern Power Distribution Company of Telangana Ltd, Transmission Corporation of Telangana Ltd
51	Synchronization to the grid of 4MW		06-11-2017	Northern Power Distribution Company of Telangana Ltd, Transmission Corporation of Telangana Ltd
52	Commercial Operation Date for NSPL		14-12-2017	Northern Power Distribution Company of Telangana Ltd.

Source: *Investment Manager*

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Registration No - IBBI/RV/06/2018/10238

Sustainable Energy Infra Trust

Fair Enterprise Valuation of SPVs

Appendix 3.6 – BREPL: Summary of approvals and licences (1/1)

Sr. No.	Approvals	Date of Issue	Issuing Authority
Commissioning Related			
1	Safety Clearance Certificate	09-12-2015	Government of Andhra Pradesh-Chief Electrical Inspector
2	Solar Commissioning Certificate	09-12-2015	Government of Andhra Pradesh-Chief Electrical Inspector
3	Synchronization of Solar power plant to the grid	26-12-2015	Southern Power Distribution Company of A.P Limited
4	Handing over of the plant and commencement of O&M	21-04-2016	Mahindra Susten Private Limited
5	SPV permitted to declare COD	27-04-2016	Southern Power Distribution Company of A.P Limited
6	Handing over of the project	03-10-2016	BrightSolar Renewable Energy Private Limited
7	Work Completion Certificate	04-12-2015	Transmission Corporation of Andhra Pradesh Limited
Power Evacuation Related			
8	Consent to erect DCOH Line to evacuate power	07-10-2015	Southern Power Distribution Company of A.P Limited
9	Sanction for erection transmission line	19-10-2015	Southern Power Distribution Company of A.P Limited
10	Approval to power evacuation drawings	04-09-2015	Transmission corporation of Andhra Pradesh Ltd
11	Approval of erection of bay extension	08-09-2015	Transmission corporation of Andhra Pradesh Ltd
12	Approval by CEA for installation of Voltage Equipment	09-12-2015	Government of Andhra Pradesh- Electrical Inspectorate
13	Estimate for evacuation of power	15-12-2015	Southern Power Distribution Company of A.P Limited
14	Synchronization of Solar power plant with the grid	26-12-2015	Southern Power Distribution Company of A.P Limited
15	Request for issuance of COD	31-03-2016	BrightSolar Renewable Energy Private Limited
16	Implementation of SCADA	16-04-2016	Andra Pradesh Power Coordination Committee
17	Provision of H.T Metering arrangements at site	06-09-2016	Southern Power Distribution Company of A.P Limited
Project Related Approvals			
18	Registration as per Andhra Pradesh Solar Power Policy-2015	26-10-2015	New & Renewable Energy Development Corporation of Andhra Pradesh Ltd
19	Approval to Factory Plans	26-11-2015	Government of Andhra Pradesh- Factory Department
20	Approval of GramPanchayat	08-12-2015	Basavanapalli Gram Panchayat
21	License to work a factory	19-12-2015	Office of Inspector of Factories
22	Return of Performance Bank Guarantee	20-06-2016	Southern Power Distribution Company of A.P Limited
23	Return of Additional Bank Guarantee	29-06-2017	Southern Power Distribution Company of A.P Limited
24	NOC request to enter into Share Purchase Agreement	22-07-2021	BrightSolar Renewable Energy Private Limited
25	Approval to enter into Share Purchase Agreement	27-07-2021	Kotak Infrastructure Debt Fund Ltd
26	Submission of annual fee for renewal of Factory License	12-12-2022	BrightSolar Renewable Energy Private Limited
Warranty Related			
27	Assignment of warranty by MSPL to BREPL	09-04-2021	TrinaSolar
Statutory Approvals			
28	Certificate of Importer-Exporter Code	29-01-2015	Government of India(Ministry of Commerce and Industry)
29	Allotment of Importer-Exporter Code Number letter	23-07-2015	Government of India(Ministry of Commerce and Industry)
30	Certificate of Registration of Establishment	21-09-2015	Government of Andhra Pradesh Labour Department
31	Industrial Entrepreneurs Memorandum Section	02-09-2016	Government of India
32	Memorandum Intimating Commencement of Commercial Production	23-09-2016	Ministry of Commerce and Industry
33	Factory License Renewal	02-12-2021	Government of Andhra Pradesh Factory Department
34	Certificate of Registration of Establishment Form C	30-03-2023	Government of Andhra Pradesh Labour Department
35	Allotment of Code Number under Employees Provident Fund	02-06-2023	Employees Provident Fund

Source: Investment Manager

S. SUNDARARAMAN

Registered Valuer

Registration No - IBBI/RV/06/2018/10238

Sustainable Energy Infra Trust

Fair Enterprise Valuation of SPVs

Appendix 4 – Summary of Ongoing Litigations (1/3)

Sr. No	SPV	Initiated by	Against	Pending Before	Details of the case
1	MRPL	MRPL	Central Electricity Regulatory Commission & others	Appellate Tribunal for Electricity, New Delhi.	<p>Background of the case: CERC through its Order directed MRPL, along with other solar power developers, to execute fresh power purchase agreement for the purpose of (i) drawing power either from the distribution licensee of the relevant state or with any other entity through an open access or;</p> <p>(ii) for procuring power during the non-generation hours or during the shutdown period. In the current appeal, MRPL had sought appropriate order/direction to set aside the observations made by the CERC in the impugned Order.</p> <p>The appeal has been filed by MRPL before the Tribunal under section 111(1) and section 111(2), read with section 120 of the Electricity Act, 2003, in order to challenge the legality, propriety and correctness of the order dated April 25, 2022 ("Order") passed by the CERC.</p> <p>Current Status: An order was pronounced in favor of Mahindra on April 8, 2024, with no financial claim raised by MPPMCL. APTEL has set aside the previous order and granted relief to Mahindra.</p>
2	MRPL	MRPL	Labour Officer, Labour Department	Madhya Pradesh High Court	<p>Background of the case: Labour department raised demand of BOCW cess at the rate of 1% (one percent) on total contract price on INR 12,44,00,00,000 (Indian Rupees One Thousand Two Hundred Forty Four Crores), instead on only construction cost, BOCW on which at the rate of 1% (one percent) amounts to INR 34,95,328 (Indian Rupees Thirty Four Lakhs Ninety Five Thousand Three Hundred Twenty Eight). MRPL made appeal to the Appellate Authority (resting with Additional Labour Commissioner), by paying fees at the rate of 1% (one percent) of total demand i.e. INR 12,44,000 (Indian Rupees Twelve Lakhs Forty Four Thousand).</p> <p>Appellate Authority asked to pay 25% (twenty five percent) of total demand as a pre-deposit for accepting the Appeal. MRPL, subsequently filed Writ Petition before the Madhya Pradesh High Court asking for relief on two fronts:</p> <p>(1) Waiver as to pre-deposit at the rate of 25% (twenty five percent) of total demand.</p> <p>(2) Consider BOCW cess at the rate of 1% (one percent) on construction cost.</p> <p>Current Status: The matter is currently pending.</p>
3	MRPL	Gajara Kanwar	MRPL	Rajasthan High Court	<p>Background of the case: Title related dispute – Claiming ownership based on a mutation record of 1970. Earlier petitions of the petitioner in SDM Bap, RAA Jodhpur and Revenue Board, Ajmer courts were rejected. Subsequently petitioner approached the Rajasthan High Court for similar matter, which was listed before Hon'ble Rajasthan High Court Jodhpur on 05.12.2022 and the Hon'ble court was pleased to dismiss the said writ petition vide order dated 05.12.2022. Hon'ble High Court has further directed the Trial Court i.e. SDM, Baap to decide the suit within six months.</p> <p>Current Status: The matter is yet to be listed before SDM, BAAP. The appeal pending before RAA, Jodhpur was dismissed on 24th May, 2023.</p>

Source: Investment Manager

Appendix 4 – Summary of Ongoing Litigations (2/3)

Sr. No	SPV	Initiated by	Against	Pending Before	Details of the case
4	MSUPL	MSUPL	Solar Energy Corporation of India Ltd. (SECI)	Central Electricity Regulatory Commission	<p>Background of the case: The petition has been filed before CERC under section 79(1)(b) read with section 79(1)(f) of the Electricity Act, 2003, in relation to the power purchase agreement dated May 31, 2020 entered into between MSUPL and SECI. MSUPL had sought an order from CERC which</p> <p>(i) approves the occurrence of a 'change in law' event; and (ii) provides relief to compensate for the increase in capital cost due to promulgation of notification no. 08/2021 – integrated tax (rate) dated September 30, 2021 issued by the Ministry of Finance due to which the rate of GST applicable on solar power-based devices was increased.</p> <p>Current Status: The matter is currently pending.</p>
5	MSUPL	Bhanwar Singh	Gulab Chand and Others including MSUPL	Adj Court - Bikaner.	<p>Background of the case: Title related dispute - Petitioner has claimed (a) to have executed an unregistered agreement to sale in January 2016 with previous landowners; and (b) paid an advance amount of INR 40,00,000 (Indian Rupees Forty Lakhs) for purchase of land parcels within 60 (sixty) days of such agreement. Petitioner has now filed petition with ADJ Court, Bikaner requesting to cancel the sale deeds executed by previous landowners.</p> <p>Current Status: MSUPL has filed its reply and an application under Order 7 Rule 11 CPC (for rejection of the plaint). The plaintiff has filed its reply to the Order 7 Rule 11 application filed by us. The next date of hearing is 5th September 2023.</p>
6	NSPL	NSPL	Telangana State Northern Power Distribution Company Limited (TSNPDCL) & another	Telangana State Electricity Regulatory Commission	<p>Background of the case: Petition filed before TSERC seeking payment of outstanding dues by Northern Power Distribution Company of Telangana Limited in terms of the invoices raised by NSPL along with the late payment surcharge and directions to open of letter of credit.</p> <p>Current Status: A caveat has been filed before the Appellate Tribunal for Electricity (APTEL) and the Telangana High Court. The LPSC reply letter concerning Telangana DISCOMs has been circulated.</p>

Source: Investment Manager

S. SUNDARARAMAN

Registered Valuer
Registration No - IBBI/RV/06/2018/10238

Sustainable Energy Infra Trust
Fair Enterprise Valuation of SPVs

Appendix 4 – Summary of Ongoing Litigations (3/3)

Sr. No	SPV	Initiated by	Against	Pending Before	Details of the case
7	BREPL	BREPL	Telangana State Southern Power Distribution Company Limited (TSSPDCL)	Andhra Pradesh Electricity Regulatory Commission	<p>Background of the case: Petition filed before APERC seeking issuance of appropriate order(s)/ directions to Southern Power Distribution Company of Andhra Pradesh Limited ("ASPDCL") for (a) payment of outstanding dues in terms of the invoices raised by BREPL; (b) late payment surcharge; (c) opening of Letter of Credit; (d) payment for generation loss due to curtailment of power; and (e) challenging ASPDCL's letter for installation of excess PV modules than installed capacity as per PPA.</p> <p>Current Status: A final order was issued by APERC on February 1, 2023, which has not been followed by the DISCOMs. Legal action has been recommended to the HSA to address the non-compliance.</p>
8	MRPL	CSPDCL	MRPL	Appellate Tribunal for Electricity, New Delhi.	<p>Background of the case: CERC's order dated October 16, 2023 is contested by CSPDCL. It challenges the allowance of MRPL's Change in Law claim due to the imposition of SGD I and SGD II, including carrying costs up to COD.</p> <p>Current Status: CSPDCL's IA seeking stay on the Impugned Order dismissed by APTEL.</p>

Source: Investment Manager

Appendix 5 – Summary of Tax Notices

Direct Tax

Sr. No.	SPV Name	Statue	Assessment Year	Authority	Order Date	Amount involved (INR Mn)	Remarks
1	MRPL	Income Tax	2014-15	Asst. Commissioner of Income Tax	31-03-2022	NA	Disallowances of Interest expenses resulting in Disallowance of INR 20,16,740
2	MRPL	Income Tax	2015-16	Asst. Commissioner of Income Tax	28-12-2018	38.69	Incorrect computation of Capital Gains for BREPL and disallowance u/s 14A
3	NSPL	Income Tax	2015-16	Asst. Commissioner of Income Tax	13-12-2018	0.03	Disallowance of Expenses

Source: Investment Manager

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