Valuation Report

Of

Industrial Open Plot, Mouje Ambheti, Taluka Kaprada,
District Valsad, Gujarat, India

M/s. Power Grid Corporation of India Ltd.
(A Govt. of India Enterprise)

2025

Muzoomdar Associates Private Limited
Chartered Engineers, Corporate Valuers & Surveyors

Valuation Report

1.00 INTRODUCTION

Under instructions from M/s. Power Grid Corporation of India Ltd. we have carried out valuation of Industrial Open Plot, Survey No.1662/A, 1664, 1665(A), 1666(A), 1667, 1668(B), 1670, 1671(B), 1673(B), 1674(B), 1675(B), 1676, 1677, 1678(A), 1680(A), 1681 Mouje: Ambheti, Taluka: Kaprada, District: Valsad, Gujarat, India, belonging to M/s. Power Grid Corporation of India Ltd. For this purpose, we have visited the premises on March 24, 2025.

2.00 PURPOSE & DATE OF VALUATION

The valuation has been carried out to determine the fair market value as at March 24, 2025.

3.00 DEFINITIONS

Fair Market Value :

Fair Market value is the price at which the property could be sold as the prevailing market rate in an arms length transaction without forced sale between a willing buyer and a willing seller, both having reasonable knowledge of the property and the existence of the free market conditions thereof.

Carpet Area :

According to IS : 3861-1975 of Bureau of Indian Standards, carpet area is full area of all the walls. Carpet area for the purpose of stamp duty is taken as the rent-able area which is in exclusive possession of the owner and is measured from finished wall to finished wall above the skirting level.

Built Up Area :

Built up area is the floor area plus the area of all the walls around it but without the areas of the common passage, staircase, lift and common amenities.

ABBREVIATIONS

BU	-	Built-up Area
CLU	-	Change of Land Use
CRZ	-	Coastal Regulation Zone
FMV	-	Fair Market Value
Ft.	-	Feet
Km	-	Kilometer
M	-	Meter
Rs.	-	Indian National Rupees
SBU	-	Super Built Up
Sq. ft	-	Square Feet
Sq. m.	-	Square Meter
Sq. yd	-	Square Yard

METRIC CONVERSIONS

1 acre	=	4,047 sq m

1 acre	=	43,559 sq ft
1 sq m	=	10.7634 sq ft
1 km	=	1,000 m
1 sq. ft	=	0.1111 sq yd
1 sq yd	=	9 sq. ft.
1 sq yd	=	0.836 sq m
1 are	=	100 sq. m

4.00 LOCATION

The subject property is located in Kaprada Taluka of Valsad District.

Type of Property	Industrial Open Plot
CTS No.	Survey No 1662/A, 1664, 1665(A), 1666(A), 1667, 1668(B), 1670, 1671(B), 1673(B), 1674(B), 1675(B), 1676, 1677, 1678(A), 1680(A), 1681
On or towards north	Adjoining River
On or towards south	Road & Other Survey No. 1658, 1663 etc. of Ambheti.
On or towards east	Adjoining River
On or towards west	Part Adjoining River & Other Survey No. 1669, 1654 etc. of Ambheti.
Nearest station	Vapi / Vapi
Landmark	Navodaya Vidyalaya

5.00 DESCRIPTION

The subject-property is land identified as Survey No 1662/A, 1664, 1665(A), 1666(A), 1667, 1668(B), 1670, 1671(B), 1673(B), 1674(B), 1675(B), 1676, 1677, 1678(A), 1680(A), 1681 at Ambheti. The land is mainly even and developed with a small lake-like structure in the middle. Apart from the power substation and related plant, there are bungalows for senior staff, colony houses, administration office and guest house. It has a boundary wall on all the sides. The total area as per saat-bara is as under:

Survey No.	Area (Sq. Mts.)
1662(A)	12,343
1664	21,246
1665(A)	18,919
1666(A)	10,908
1667	12,849
1668(B)	11,028
1670	21,145
1671(B)	17,503
1673(B)	15,378
1674(B)	13,152
1675(B)	2,630
1676	11,938
1677	2,934
1678(A)	19,223
1680(A)	17,098
1681	11,395
Total Area	219,689 sq. mts.

The land is free-hold and NA. There are cement concrete roads in the non-plant area and the structures are well maintained.

6.00 REPRESENTATIONS

It has been represented to us

- That all the statutory certificates, permissions and sanctions have been obtained and that there have been no violations of the laws and regulations. It has been further represented to us that the construction is as per approved plans.

- That as per Copy of latest 7/12 & other Document provided to us, the area is 2,19,689 sq. mts.

- That the land is reserved for industrial use purpose and have a free and marketable title.

7.00 ASSUMPTIONS

- That vacant possession is provided;

- That planning permission and statutory approvals for the buildings and for their use, including any extension or alterations, have been obtained;

- That no deleterious or hazardous material or techniques have been used;

- That the property is not subject to any unusual or especially onerous restrictions, encumbrances or out-goings and that good title can be shown;

- That the property and its value are unaffected by any matters which would be revealed by inspection of property records or by statutory notice and that neither the property nor its condition, nor its use, nor its intended use, is or will be unlawful;

- That the property is connected to main services which are available on normal terms;

- That sewers, main services and the roads giving access to the property have been adopted;

- That no allowance is made for any expense of realization or for taxation, which may arise in the event of a disposal. The property is considered as if free and clears of all mortgages or other charges that may be secured thereon.

- That we have not checked or considered for our valuation encumbrances, if any, due to mortgage or hypothecation of the assets to a bank or a financial institution nor have we undertaken legal due diligence of the title or the legality of the development, construction or sale.

8.00 VALUATION METHODOLOGY

The purpose of this report is to arrive at an estimate of fair market value of the subject property. This is achieved by a systematic gathering, classification and analysis of data, which is required in the development of the five basic approaches to valuation: The cost approach, the comparative sales approach, the income capitalization method, residual method and the hypothetical development method.

Cost Approach

This approach consists of estimating the replacement cost of all improvements, deducting accrued depreciation from all sources and adding the value of the underlying land. The value derived from this approach is a summation of the various property components contributing to the total property value and it is applicable when each component is believed to reflect market value. Land and Building Method is a special example of this method where the value of land

and the depreciated replacement cost of construction on it is added to give the value of the property.

Comparative Sales Approach

The direct comparison approach involves a comparison of the subject property to similar properties that have actually sold in arms – length transactions or are offered for sale. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. Statute and case laws define a market value standard for assessment. In assessment litigation, under the “rules of evidence” a bona fide sale of the subject property is usually considered the best evidence of market value. In the absence of a sale of the subject, sales prices of comparable properties are usually considered the best evidence of market value. Consequently, the comparative sale approach is the preferred approach when sales data are available. The comparative sale approach models the behaviour of the market by comparing the properties being appraised with similar properties that have recently sold (comparable properties) or for which offers to purchase have been made. Comparable properties are selected for similarity to the subject property by way of attributes, such things as the age, size, quality of construction, building features, condition, design, gentry, etc. Their sale prices are then adjusted for their difference from the subject. Finally a market value for the subject is estimated from the adjusted sales price of the comparable properties. The economic principles of supply and demand provide a framework for understanding how the market works. The interaction of supply and demand factors determines property value.

Income Approach

The income approach is based on the idea that value of an income-producing asset is a function of future benefits and income derived from asset. There are two commonly used methods of the income approach in real estate valuation.

Direct Capitalization Method

Direct capitalization involves capitalizing (dividing) a "normalized" single year net income estimate by an appropriate yield. This approach is best utilized with stabilized assets, where there is little volatility in the net income. A variation of this method consists of using a three year average.

Discounted Cash Flow Method

Using this valuation method, future cash flow from the proposed usage of the property is forecast using precisely stated assumptions. This method allows for the explicit modeling of income associated with the property. This future financial benefit then is discounted to a present day value at an appropriate discount rate. This is generally accepted method of valuing income-producing properties and properties with income potential like Cinema Houses, Hotels, motels etc. The income in such cases consists of tangible and intangible assets. Intangible assets include goodwill and value of license, whereas the tangible assets would normally be the physical assets. If such premises are sold, normally the value of the business as a whole is more than just the tangible assets. In short, valuation can be determined by knowing the profits because any prospective purchaser will consider the profit of the enterprise before venturing to purchase it. Many institutional investors and large property companies around the world are using this method.

Residual Method

This method is based on the assumption that the income derivable from a property consists of two components viz. land and building each playing this on part. The method is applicable to properties, which may be under the process of development or demolition or redevelopment.

Hypothetical Development Method

This method is generally used to determine the value of large parcels of undeveloped land or land not developed to its highest potential value. A hypothetical scheme is normally formed subdividing the parcel of land into small lots for the most beneficial use. A hypothetical sale figure is estimated on the developed property. From this is then deducted the building value and the value of improved land can be determined.

We have followed the comparative sales method for purpose of this valuation.

9.00 VALUATION

Village Ambheti in Kaprada Taluka is a residential cum industrial area of Valsad District with many industries in the area. It is located 32 KM towards South from District headquarters Valsad, 25 KM from Kaprada, 372 KM from State capital Gandhinagar. Ambheti is surrounded by Kaparada taluka towards east, Vapi towards west, Par River and NH 848 towards north, dadra nagar Haveli and Silvasa Taluka towards south. The nearest Railway Stations are Valsad and Vapi at distance of about 12-15 kilometers. The nearest road connectivity is NH848. Markets, entertainment centres, hospitals, educational institutions and religious centres are in proximity. The subject-property is at a distance of about 1 km from the Ambheti village.

We have made detailed inquiries with the real estate agents and also referred to the various internet sites and others dealing with property news and information and our own data bank. We have also visited the office of the sub-registrar at Vapi and interacted with the local sarpanch and talati.

The jantri rate / circle rate for industrial land at Ambheti which was Rs. 155 per sq. m in 2021 has been increased to Rs. 310 per sq. m.

Ambheti does not have much of industrial activity and the only large industrial unit part from Power Grid is Daman Ganga Paper plant. There is agricultural activity around.

Pandor which is located between Vapi and Ambheti has industrial units and there is demand for NA land for industrial use. Nationalised banks have been financing these units adopting land rate in the range of Rs. 5,000 to Rs. 5,500 per sq. m. However, these rates are for smaller plots.

Between Pandor and Ambheti, the former is a much preferred location for industry as the location is nearer the National Highway, has better infrastructure and housing facilities and there are already industrial units around. According to the local inquires, rates for Ambheti would be about 50% of those of Pandor. Further the above rates are for smaller plots of 2,000 to 5,000 sq. m and they need to be substantially discounted when applied to a large area of 219,689 sq. m.

Agricultural plots in Ambheti are quoted around Rs. 1,000 per sq. m while NA land is quoted in the range of Rs. 1,500 to Rs. 2,500 per sq.

m for smaller plots in view of the likelihood of Ambheti and neighborhood areas being declared as industrial zone.

In view of the above factors, in our opinion Rs. 1,500 per sq. m would be a fair average rate for the 219,689 sq. m of the land of Power Grid. Accordingly, the valuation is worked out as under:

Particulars	Rs.
FMV	32,95,34,000
Realisable Value	29,65,80,000
Distress Value	26,36,27,000
Jantri Value	6,81,03,590

We further certify that we do not have any direct or indirect interest in the assets valued.

10.00 DISCLAIMER

The statements, information and opinions expressed or provided in this publication are intended only as a guide to some of the important considerations that relate to property investment. Although we believe they are correct and not misleading, with every effort having been made to ensure that they are free from error, they should not be taken to represent, nor are they intended to represent, investment advice or specific proposals, which must always be reviewed in isolation due to the degree of uniqueness that will attach thereto

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It is to be noted that Valuation reflected in this Report is based upon the prevailing facts/evidences/representations available at the time of assessment. The Report does not take into account any unforeseeable developments. It is therefore recommended that the Valuation be periodically reviewed.

In the current market scenario, the property is described in Carpet Area / Built-up Area / Super Built-up Area / Saleable Area. To arrive at the Fai Market value on the as-is-where-is basis, we have taken this into account and judicially adjusted the rate to arrive at the Fair Market Value. Thus the value has to be taken in totality.

We are of the professional opinion that subject to our comments hereinabove, the fair market value of Industrial Open Plot, Mouje Ambheti, Taluka Kaprada,District Valsad, Gujarat belonging to M/s. Power Grid Corporation of India Ltd. on March 24, 2025 is Rs. 32,95,34,000.

For Muzoomdar Associates P. Ltd.

JAI NARAIN MITTAL

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J . N. Mittal
Executive Director Mumbai, April 3, 2025

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