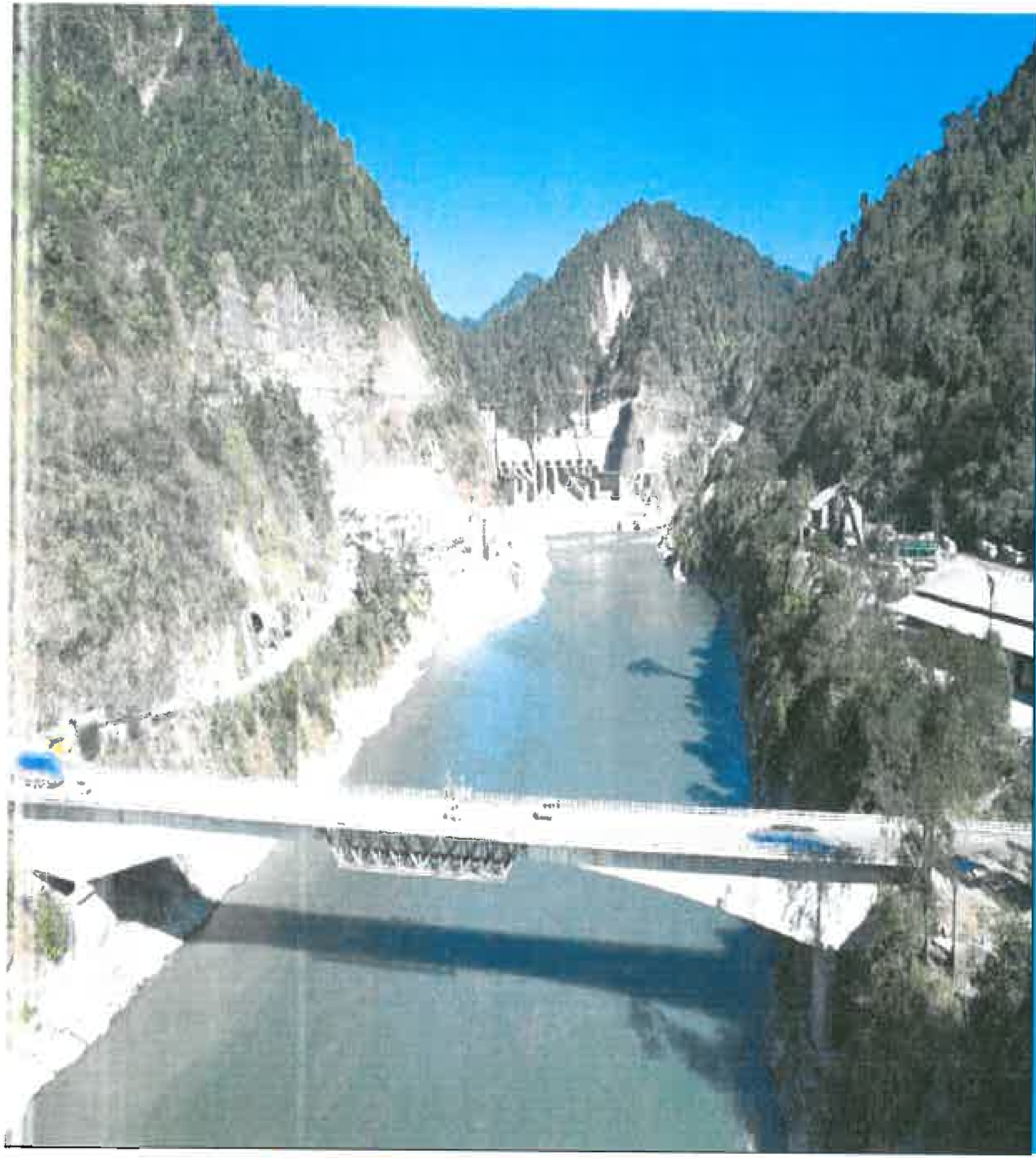

PROTOCOL

Valuation Report Prepared for SBICAP Trustee Company Limited for the valuation of the movable assets of NHPC Limited Unit – Subansiri Lower HEP (Power Station - 8 x 250 MW)

Valuation Report **26/09/2024**

Fair Market Valuation of Movable Assets of NHPC Limited Unit – Subansiri Lower HEP (Power Station – 8 x 250 MW) located at Lower Subansiri in Arunachal Pradesh and Assam.

Report No: S_2024_AUG_10209

PROTOCOL

To,

SBICAP Trustee Company Limited
04th Floor, Mistry Bhavan, 122 Dinshaw Vachha Road
Churchgate, Mumbai, Maharashtra – 400020

Date: 26.09.2024

Dear Sir/Ma'am,

In accordance with your instructions as confirmed vide email dated 21st August, 2024 for carrying out valuation of movable & immovable assets of Subansiri Lower HEP Power Station (8x250 MW) of NHPC Limited for the purpose of due diligence as per SEBI circular dated 3rd November, 2020; we enclose our report based on internationally accepted valuation methodology and procedures. This report has been prepared for the purpose of assisting the management of SBICAP Trustee Company Limited.

We draw your attention to important comments regarding this valuation report, scope and process of our work, set out immediately following this letter. Our work did not constitute a legal check on the title of the property or audit of accounting standards / procedures. Accordingly, this report should not be considered an expression of opinion or any other form of assurance on the technical feasibility of the business and our observation and comments are limited by the documents and information provided.

It may be noted that in our work we have relied on the integrity of the information provided to us by the management i.e. NHPC Limited Unit – Subansiri Lower HEP, for the purpose, and, other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof. We make no representation regarding the sufficiency of our work either for purposes for which this report has been requested or any other purpose.

In performing this valuation, we have relied upon information and documents provided by the management of NHPC Limited Unit – Subansiri Lower HEP. Our reliance on and use of the information does not constitute an expression of our opinion on the achievability or otherwise of the valuation and

Valuation Report Prepared for SBICAP Trustee Company Limited for the valuation of the assets of NHPC Limited Unit - Subansiri Lower HEP (Power Station - 8 x 250 MW)

Valuation of Movable Assets of NHPC Limited Unit – Subansiri Lower HEP

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26/09/2024

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PROTOCOL VALUERS PRIVATE LIMITED

should not be considered to give any comfort as to how closely the actual result may correspond to the valuation.

The services were performed, and this report was prepared, at the direction of and in accordance with instructions provided by the management of SBICAP Trustee Company Limited, exclusively for their sole benefit and use. The services and report are not intended for, or may be relied upon by any other party. This report and its contents may not be distributed to, discussed with, or otherwise disclosed to any third party without Protocol's prior written consent. This report is not to be referred to or quoted, in whole or in part, in any offering memorandum, prospectus, registration statement, public filing, loan or other agreement or document without our express approval, which may require that we perform additional work.

In no circumstances shall the liability of Protocol Valuers Private Limited, its directors or employees related to the services provided in connection with this review, exceed the amount in our agreed financial proposal. If you require any clarification or further information, please do not hesitate to contact us.

Shiram Rao

PROTOCOL VALUERS PRIVATE LIMITED

Yours Faithfully,
Protocol Valuers Private Limited

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Valuation Report Prepared for SBICAP Trustee Company Limited for the valuation of the assets of NHPC Limited Unit – Subansiri Lower HEP (Power Station - 8 x 250 MW)

Valuation of Movable Assets of NHPC Limited Unit – Subansiri Lower HEP

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PROTOCOL VALUERS PRIVATE LIMITED

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1. Valuation Summary

The Fair Market Value of movable assets of NHPC Limited Unit – Subansiri Lower HEP, Power Station (8 x 250 MW) located at Lower Subansiri in Arunachal Pradesh and Assam is summarised below: -

(Values in INR)

Group Description	Gross Block Closing Amount	Net Block Closing Amount	Fair Market Value	Remarks
Aircraft/ boats	1,09,35,105	48,11,794	48,11,794	As per Book Value
Communication equipment's	1,05,11,571	20,05,913	26,33,398	
Computers	4,74,41,396	1,75,54,439	2,48,03,959	
Construction equipment	4,63,16,025	55,80,475	80,73,184	
Electrical installation	66,13,585	41,74,909	49,99,252	
Fixed assets of minor value > 750 < 5000	1,84,97,161	8,352	51,73,362	
Furniture & fixtures	6,86,34,497	3,14,91,902	3,98,64,551	
Generating plant and machinery (including foundation)	9,33,400	2,35,491	5,55,472	
Intangible assets	27,18,753	-	-	As per Book Value
Office equipment's	6,69,41,621	3,22,82,349	4,24,22,875	
Other assets	8,20,63,360	3,94,57,376	5,14,72,256	
Plant and machinery substation (including foundation)	2,58,44,885	91,14,452	1,14,69,882	
Plant and machinery -transmission lines (including foundation)	8,95,42,972	2,29,93,367	3,85,57,040	
Plant and machinery-others	2,13,55,908	65,29,502	80,76,044	
Vehicle	1,61,21,530	88,11,541	88,11,541	As per Book Value
Water supply system/drainage and sewerage	8,23,26,593	4,10,44,862	5,03,56,091	
Grand total	**59,67,98,362**	**22,60,96,724**	**30,20,80,700**	

Valuation Report Prepared for SBICAP Trustee Company Limited for the valuation of the assets of NHPC Limited Unit - Subansiri Lower HEP (Power Station - 8 x 250 MW)

Valuation of Moveable Assets of NHPC Limited Unit – Subansiri Lower HEP

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PROTOCOL VALUERS PRIVATE LIMITED

CWIP Assets

The Fair Market Value of CWIP assets of NHPC Limited Unit – Subansiri Lower HEP, Power Station (8 x 250 MW) located at Lower Subansiri in Arunachal Pradesh and Assam is summarised below: -

(Values in INR)

	Particulars	CWIP - Movable Values	CWIP - Immovable Values	Total CWIP Values	Fair Market Value	Remarks
i)	Roads and Bridges		-	-		
ii)	Buildings		13,70,17,20,054	13,70,17,20,054	-	Immovable assets are not to be considered for valuation as per the scope of work.
iii)	Building-Under Lease		-	-	-	
iv)	Railway sidings		-	-	-	
v)	Hydraulic Works (Dams, Water Conductor system, Hydromechanical gates, tunnels)	5,02,47,13,662	68,42,37,16,476	73,44,84,30,138	5,02,47,13,662	Immovable assets are not to be considered for valuation as per the scope of work.
vi)	Generating Plant and machinery	22,63,83,58,067		22,63,83,58,067	22,63,83,58,067	
vii)	Plant and machinery Sub station	-		-	-	
viii)	Plant and machinery-Transmission lines	24,25,033		24,25,033	24,25,033	
ix)	Plant and machinery Others			-	-	
x)	Construction Equipment			-	-	
xi)	Water Supply System/Drainage and Sewerage			-	-	

PROTOCOL VALUERS PRIVATE LIMITED

Valuation Report Prepared for SBICAP Trustee Company Limited for the valuation of the assets of NHPC Limited Unit - Subansiri Lower HEP (Power Station - 8 x 250 MW)

Valuation of Moveable Assets of NHPC Limited Unit - Subansiri Lower HEP

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	Particulars	CWIP - Movable Values	CWIP - Immovable Values	Total CWIP Values	Fair Market Value	Remarks
xii)	Computers			-	-	
	Communication Equipment			-	-	
xiii)	Office Equipments			-	-	
xiv)	Other assets awaiting installation			-	-	
xv)	CWIP - ASSETS UNDER 5 KM SCHEME OF THE GOI			-	-	
xvi)	Survey, investigation, consultancy and supervision charges		16,27,08,785	16,27,08,785	-	Immovable assets are not to be considered for valuation as per the scope of work.
	Expenditure on compensatory Afforestation			-	-	
	Expenditure during construction		55,30,78,78,971	55,30,78,78,971	-	Immovable assets are not to be considered for valuation as per the scope of work.
	Less: Provided for writeoff			-	-	
	Sub-total (a)			1,65,26,15,21,048	-	
	Construction Stores			87,99,06,981	-	
	Less: Provisions for construction stores			8,37,976	-	
	Sub-total (b)	87,90,69,005		87,90,69,005	87,90,69,005	
	Total Assets as Per the CWIP Sheet	28,54,45,65,767	1,37,59,60,24,286	1,66,14,05,90,053	28,54,45,65,767	

Valuation Report Prepared for SBICAP Trustee Company Limited for the valuation of the assets of NHPC Limited Unit - Subansiri Lower HEP (Power Station - 8 x 250 MW)

Valuation of Moveable Assets of NHPC Limited Unit - Subansiri Lower HEP

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	Particulars	CWIP - Movable Values	CWIP - Immovable Values	Total CWIP Values	Fair Market Value	Remarks
	Underground works - Dam & Powerhouse (Note 2.2.5 provided in the CWIP details)	-	20,85,20,92,264	20,85,20,92,264	-	Immovable assets are not to be considered for valuation as per the scope of work.
	Grand Total	28,54,45,65,767	1,58,44,81,16,550	1,86,99,26,82,317	28,54,45,65,767	

Fair Market Value (FMV) with CWIP = INR 28,84,66,46,467/-

Realizable Value = 90% of FMV

= INR 25,96,19,81,821/-

Forced / Distress Sale Value = 75% of FMV

= INR 21,63,49,84,850/-

PROTOCOL VALUERS PRIVATE LIMITED

2. ABOUT NHPC LIMITED

NHPC Limited is the largest hydropower development organization in India, with capabilities to undertake all the activities from conceptualization to commissioning of hydro projects. NHPC has also diversified in the field of Solar & Wind energy development etc.

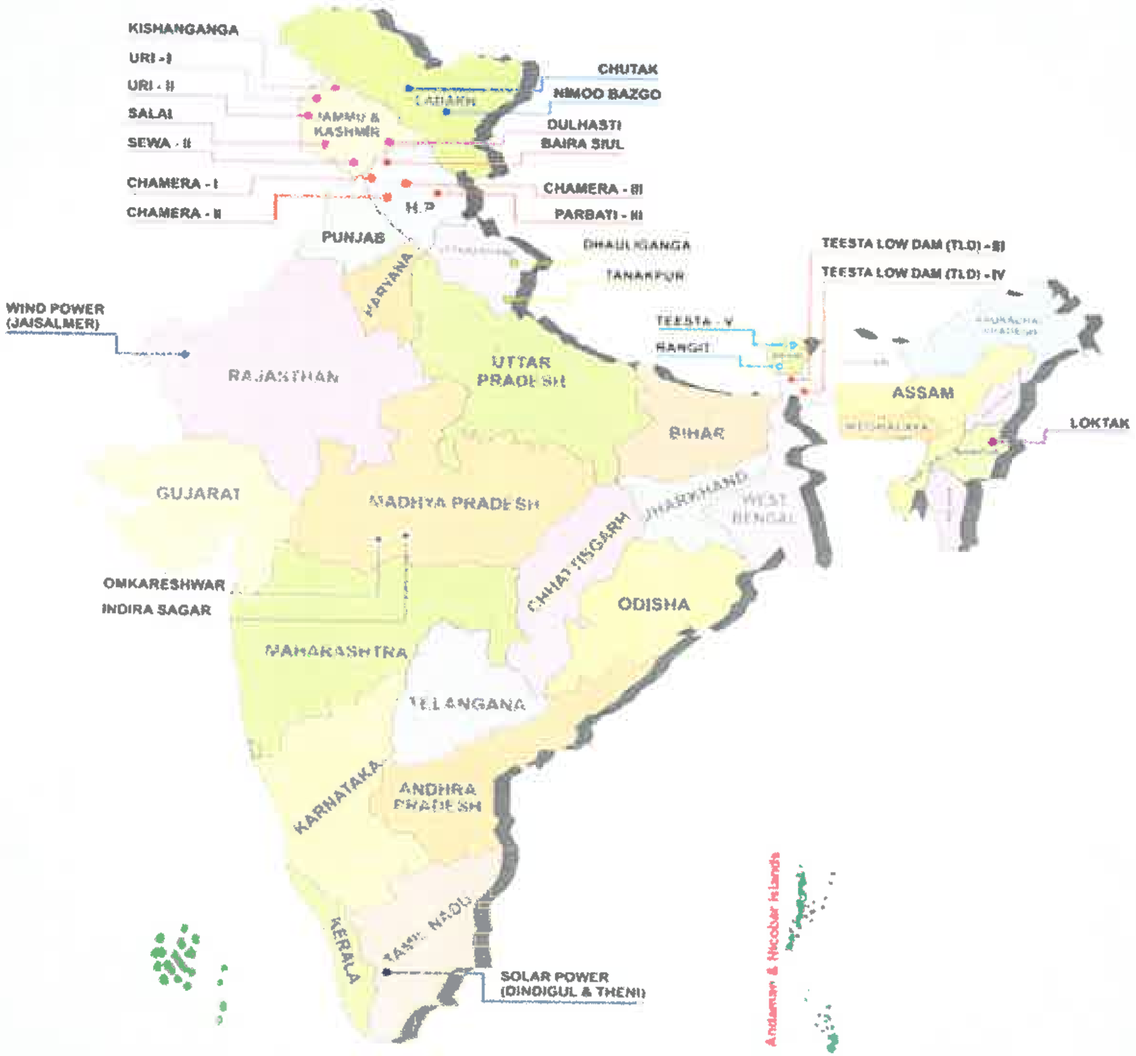
NHPC Ltd. (Formerly known as National Hydroelectric Power Corporation Ltd.) was incorporated in 1975 under Companies Act, 1956. The company is mandated to plan, promote and organize an integrated and efficient development of power in all its aspects through Conventional and Non-Conventional Sources in India and abroad. NHPC is a listed company on NSE and BSE after successfully concluding its IPO in 2009.

NHPC has an authorized share capital of ₹ 15,000 crores, paid-up share capital of ₹ 10,045.03 crore and an investment base of ₹ 79789.87 crore as on June 30, 2024.

NHPC's total installed capacity as on 31 March,2024 is 7144.20 MW including 1593 MW in Joint Venture, comprising 6971.20 MW from 22 Hydro Power Stations, 123 MW from three Solar Power Project and 50 MW from a Wind Power Project. NHPC's hydro share of 6971.20 MW comes to about 14.85% of the country's total installed Hydro capacity of 46928.17 MW.

PROTOCOL VALUERS PRIVATE LIMITED

NHPC POWER STATIONS



Valuation Report Prepared for SBICAP Trustee Company Limited for the valuation of the assets of NHPC Limited Unit - Subansiri Lower HEP (Power Station - 8 x 250 MW)

Valuation of Moveable Assets of NHPC Limited Unit - Subansiri Lower HEP

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Locations as per Scope of Work

In line with our scope of work and terms of engagement, valuation of tangible assets (i.e. Movable & Immovable) of 9 Power Stations of NHPC Limited would be carried out as per the below list

LOCATIONS UNDER SCOPE OF WORK

Sl. No.	Name of Projects	Capacity (in MW)	Location	Nature of Assets
1	Chamera-II Power Station	300	Chamba Distt, Himachal Pradesh	Immovable & Movable
2	Chamera-III Power Station	231	Chamba Distt, Himachal Pradesh	Immovable & Movable
3	Parbati-II HEP	800	Distt - Mandi, Himachal Pradesh	Immovable & Movable
4	Parbati-III Power Station	52	Distt - Kullu, Himachal Pradesh	Immovable & Movable
5	Teesta-V Power Station	510	Sikkim	Immovable & Movable
6	TLDP-III Power Station	132	Distt - Darjeeling, West Bengal	Immovable & Movable
7	Dhauliganga Power Station	280	Distt - Pithoragarh, Uttarakhand	Immovable & Movable
8	Uri - I Power Station	480	Distt - Baramulla, J&K	Immovable & Movable
9	Subansiri Lower HEP	2000	Distt - Dhemaji, Assam	Movable

PROTOCOL VALUERS PRIVATE LIMITED

Valuation Report Prepared for SBICAP Trustee Company Limited for the valuation of the assets of NHPC Limited Unit – Subansiri Lower HEP (Power Station - 8 x 250 MW)

Valuation of Moveable Assets of NHPC Limited Unit – Subansiri Lower HEP

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3. About NHPC Unit – Subansiri Lower HEP (Power Station - 8 x 250 MW)

Subansiri Lower HE Project is the biggest hydroelectric project undertaken in India so far and is a Run of River scheme with small Pondage on river Subansiri. The Project is located near North Lakhimpur on the border of Arunachal Pradesh and Assam. The nearest railhead is Nagaon and nearest airport is Lilabari / Dibrugarh. The estimated annual energy generation from the Project is 7421.59 MU in a 90% dependable year.

Subansiri Lower HEP Power Station

Particulars	Description
Location	Located in Lower Subansiri in Arunachal Pradesh and Assam
Approach	Nearest Rail Head is Nagaon& Nearest Airport is Lilabari / Dibrugarh
Capacity	2000 MW (8x250 MW)
Design Energy	7421.59 MU (90% dependable year)
Date of Commercial Operation (COD)	Project is likely to be completed in June 2024
Project Cost	Rs.6285.33 Crores (December 2002 Price Level) Now Anticipated: Rs. 21247.54 Crores (at Completion cost) Level)

PROTOCOL VALUERS PRIVATE LIMITED

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Valuation Report Prepared for SBICAP Trustee Company Limited for the valuation of the assets of NHPC Limited Unit – Subansiri Lower HEP (Power Station - 8 x 250 MW)

Valuation of Moveable Assets of NHPC Limited Unit – Subansiri Lower HEP

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4. Salient Features

- A concrete gravity dam 116 m high from river bed level.
- Head Race Tunnel - 8 Nos., 9.5m dia, horse shoe shaped, 7102m total length.
- Surge Tunnels - 8 Nos., 9.5 m dia., horse shoe shaped 3545m total length.
- Pressure Shaft- 8Nos., Circular,9.5/8/7m dia, length 192m to 215m, 8 Nos., Vertical pressure shafts - each 48m deep.
- Surface power house to accommodate 8 units of Francis turbines of 250 MW capacity each.
- Tail race channel, 206 m x 35 m (W x L)

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5. Description of Location

5.1. Satellite Image of Location

NHPC Limited Unit – Subansiri Lower HEP

Google Coordinate 27.552787, 94.259994

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Valuation Report Prepared for: SBICAP Trustee Company Limited for the valuation of the assets of NHPC Limited Unit – Subansiri Lower HEP (Power Station - 8 x 250 MW)

Valuation of Moveable Assets of NHPC Limited Unit – Subansiri Lower HEP

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5.2. Macro Location

ARUNACHAL PRADESH: Arunachal Pradesh is a state in northeast India. It was formed from the North-East Frontier Agency (NEFA) region, and India declared it as a state on 20 February 1987. Itanagar is its capital and largest town. It borders the Indian states of Assam and Nagaland to the south. It shares international borders with Bhutan in the west, Myanmar in the east, and a disputed 1,129 km border with China's Tibet Autonomous Region in the north at the McMahon Line. Arunachal Pradesh is claimed by China as South Tibet as part of the Tibet Autonomous Region; China occupied some regions of Arunachal Pradesh in 1962 but later withdrew its forces.

As of the 2011 Census of India, Arunachal Pradesh has a population of 1,383,727 and an area of 83,743 square kilometres (32,333 sq mi). With only 17 inhabitants per square kilometre, it is the least densely populated state of India. It is an ethnically diverse state, with predominantly Monpa people in the west, Tani people in the centre, Mishmi and Tai people in the east, and Naga people in the southeast of the state. About 26 major tribes and 100 sub-tribes live in the state, including Nocte, Adi, Nyishi, Singpho, Galo, Tagin, Apatani. The Nyishi are the largest ethnic group in the region. The Mishmi tribe has three sub-tribes, namely Idu-Mishmi, Digaru-Mishmi and Miju-Mishmi.

Roads

Arunachal Pradesh has several notable roads, including the Trans-Arunachal Highway, the East-West Industrial Corridor Highway, and the Frontier Highway:

Trans-Arunachal Highway

A two-lane highway that will connect Tawang in the northwest to Kanubari in the southeast. It will end on NH-52 near Akajan, on the right side of the Bogibeel bridge near Dibrugarh in Assam.

East-West Industrial Corridor Highway

A proposed highway that will run along the foothills of the Himalayas in lower Arunachal Pradesh. Some phases are under survey and DPR, while others are yet to be planned or surveyed.

Frontier Highway

A highway that will provide interconnectivity between the three horizontal national highways in Arunachal Pradesh.

Stilwell Road (Ledo Road)

Originally named the "Ledo Road", it was constructed under the direct supervision of American General Joseph Warren Stilwell. It was renamed after him in early 1945.

List of National Highways of Arunachal Pradesh:

S.No.	Highway Number	Route Details	Length (In KM)
1	NH - 52	From Assam border-Pasighat-Dambuk-Roing-Paya-Tezu-Wakro- Namsai-upto Assam Border	310

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S.No.	Highway Number	Route Details	Length (In KM)
2	NH - 52A	From Assam border-Itanagar- upto Assam border	42
3	NH - 153	From Assam border-Myanmar border (Still Well Road)	40
4	NH - 229	The highways starting from Tawang passing through Bomdila, Nechipu, Seppa, Sagalee, Ziro, Daporijo, Aalong and terminating at Pasighat in the State of Arunachal Pradesh	1090
5	NH - 52B Ext.	Namchik, Changlang, Khonsa and Kanubari in the State of Arunachal Pradesh and terminating near Dibrugarh in the State of Assam, joining with approaches to Bogibeel bridge	450
6	NH - 37 Ext.	The NH No. 37 is extended from its dead near Saikhowaghat in Assam to join NH 52 near Roing in Arunachal Pradesh	60
		Total	1992

Hydro-power Generation

Arunachal Pradesh has a great potential for hydropower generation due to its hilly terrain, abundant rainfall, and many rivers and tributaries. Some details about hydropower generation in Arunachal Pradesh include:

Hydropower potential

The state has a hydropower potential of over 58,000 megawatts (MW), with an estimated 58,676.40 MW from mega projects and an additional 2,000 MW from micro, mini, and small projects.

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Projects

The state government has approved about 140 hydropower projects, with a total installed capacity of 41,500 MW. These projects are being developed on various rivers, rivulets, and nalas in seven major river basins.

Goals

The state government's goal is to increase the state's per capita income, provide 13,000 MW to the national grid, and make the state self-sufficient.

Implementation

The state government reviews the implementation of all projects quarterly. It has also set up a single window clearance committee to clearly state level cases quickly.

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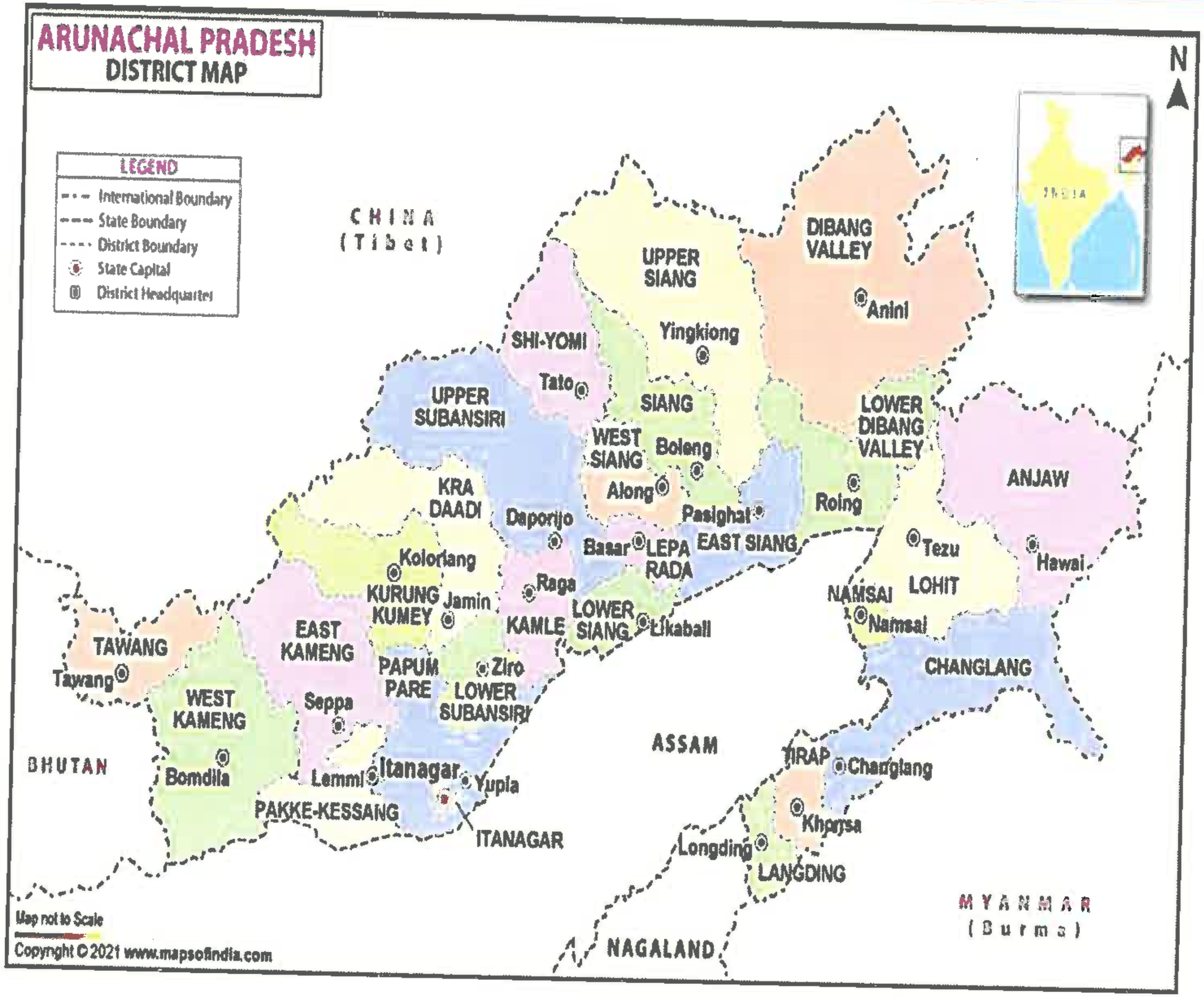

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5.3. Micro Location

Subansiri : There are two Subansiri districts in Arunachal Pradesh, India, each with its own unique characteristics:

Lower Subansiri

This district is located between 92°40′ and 94°21′ East Longitude and **26°55″** and 28°21′ North Latitudes. It covers an area of about 3,460 square kilometers. The district is inhabited by the Nyishis and Apatanis. Some major festivals celebrated in the district include Nyokum, Boori-Boot Yullo, and Dree Festival.

Upper Subansiri

This district is bordered by China to the north. It is a mountainous and rugged terrain with snow-capped mountain ranges that are 7,000–18,000 ft above sea level. The district is home to the Tagin, Nyishi, and Galo tribes. The literacy rate in the district was 63.96% as per the 2011 census. The best time to visit the district is during the winter months, especially October and November, when the weather is pleasant.

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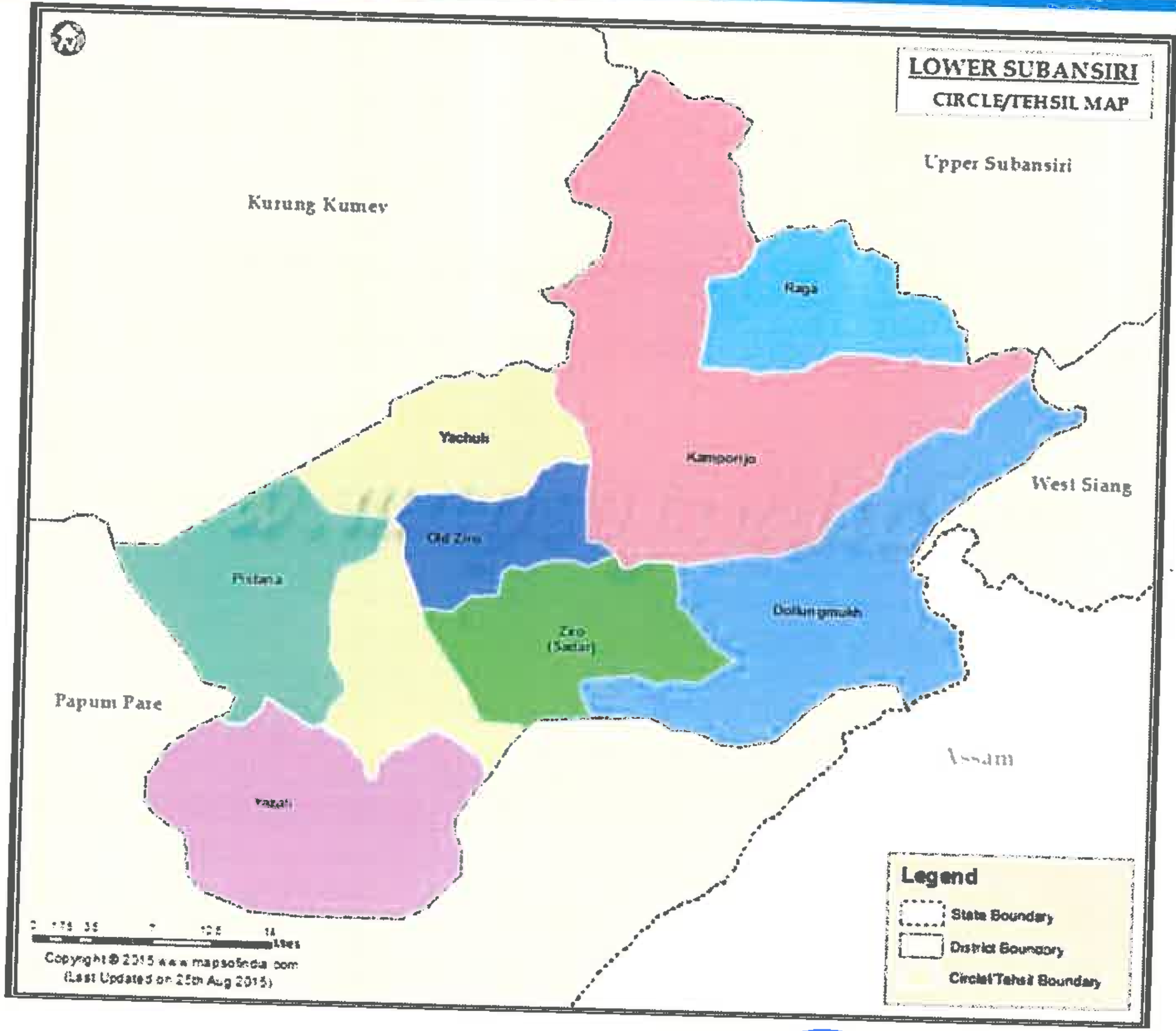

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6. Scope of Report/Engagement

The scope of the report / engagement includes the following:

1. Examining all available information required for valuation
2. Conducting due diligence of fixed assets
3. Preparation and submission of the valuation report

Locations as per Scope of Work

In line with our scope of work and terms of engagement, valuation of tangible assets (i.e. Movable & Immovable) of 9 Power Stations of NHPC Limited would be carried out as per the below list.

LOCATIONS UNDER SCOPE OF WORK

Sl. No.	Name of Projects	Capacity (in MW)	Location	Nature of Assets
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6	TLDP-III Power Station	132	Distt - Darjeeling, West Bengal	Immovable & Movable
7	Dhauliganga Power Station	280	Distt - Pithoragarh, Uttarakhand	Immovable & Movable
8	Uri - I Power Station	480	Distt - Baramulla, J&K	Immovable & Movable
9	Subansiri Lower HEP	2000	Distt - Dhemaji, Assam	Movable

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Valuation Report Prepared for SBICAP Trustee Company Limited for the valuation of the assets of NHPC Limited Unit – Subansiri Lower HEP (Power Station - 8 x 250 MW)

Valuation of Moveable Assets of NHPC Limited Unit – Subansiri Lower HEP

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As per the scope of work, the valuer would value the Movable assets of NHPC Limited Unit – Subansiri Lower HEP.

After the physical inspection and identification of assets as per the provided FAR, we shall value the assets as per below approaches.

S.No.	Asset Categories as per Provided FAR's (In General)	Valuation Approach Considered
1	LAND	Market Approach
2	ROADS, BRIDGES, CULVERTS, AERODROMES	Cost Approach
3	BUILDINGS	Cost Approach
4	INTERNAL ELECTRIFICATION WORK -BUILDING	Cost Approach
5	HYDRAULIC WORKS (DAMS, WATER CONDUCTOR SYSTEM, HYDROMECHANICAL GATES)	Cost Approach
6	GENERATING PLANT AND MACHINERY (INCLUDING FOUNDATION)	Cost Approach
7	PLANT AND MACHINERY SUB STATION (INCLUDING FOUNDATION)	Cost Approach
8	PLANT AND MACHINERY -TRANSMISSION LINES (INCLUDING FOUNDATION)	Cost Approach
9	PLANT AND MACHINERY-OTHERS	Cost Approach
10	CONSTRUCTION EQUIPMENT	Cost Approach
11	WATER SUPPLY SYSTEM/DRAINAGE AND SEWERAGE	Cost Approach
12	ELECTRICAL INSTALLATION	Cost Approach
13	VEHICLE	As per Book Value
14	AIRCRAFT/ BOATS	As per Book Value
15	FURNITURE & FIXTURES	Cost Approach
16	COMPUTERS	Cost Approach

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S.No.	Asset Categories as per Provided FAR's (In General)	Valuation Approach Considered
17	COMMUNICATION EQUIPMENTS	Cost Approach
18	OFFICE EQUIPMENTS	Cost Approach
19	RESEARCH AND DEVELOPMENT	Cost Approach
20	INTANGIBLE ASSETS	As per Book Value
21	OTHER ASSETS	Cost Approach
22	FIXED ASSETS OF MINOR VALUE > 750 < 5000	Cost Approach
23	OBSOLETE/SURPLUS ASSETS	As per Book Value

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7. General Principles Adopted and Limiting Conditions

1. PROTOCOL VALUERS PRIVATE LIMITED valuation report is not a building survey and therefore this report is not a guarantee of building conditions, environmental conditions and other physical conditions attached to the valued assets and the neighbourhood.

2. Unless otherwise stated, no allowances are made in our valuation report for any expense of realization or for taxation which might arise in the event of a disposal, deemed or otherwise. We have considered the properties as if it they are free and clear of all charges, lien and all other encumbrances which may be secured thereon. We also assumed the properties are free of statutory notices and outgoings.

3. Any environmental due diligence or study is outside the scope of this Engagement; therefore, no such due diligence or study has been carried out by PROTOCOL VALUERS PRIVATE LIMITED We have assumed that the subject asset complies with all environmental laws and regulations, and that there are no substances, environmental or pollution related encumbrances / issues which may adversely affect its value, utility or marketability. We have not carried out any due diligence with respect to any asset retirement obligations (ARO). Any such liability would have to be adjusted against the valuation.

4. No soil analysis or geological or other technical studies were made in conjunction with the report, nor were any water, oil, gas or other subsurface mineral and use rights or conditions investigated.

5. In the course of this exercise, we have relied upon the hardcopy, softcopy, email, documentary and verbal information provided by the client without further verification. We have assumed that the

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information provided to us is reliable, accurate and complete in all respects. We reserve our right to alter our conclusions at a later date, if it is found that the data provided to us by the client was not reliable, accurate or complete.

6. Transaction Costs like Stamp Duty, Registration Charges, Brokerage etc., pertaining to the sale/purchase of this property have not been considered while estimating the Market Value. All such charges shall be borne by the purchaser (if applicable).

7. PROTOCOL VALUERS PRIVATE LIMITED acceptance of the award and submission of this valuation report does not automatically bind PROTOCOL VALUERS PRIVATE LIMITED to attend court or arbitration or any enquiry on this valuation. Any dispute or connected issue arising from PROTOCOL VALUERS PRIVATE LIMITED valuation report involving the awarding authority shall be resolved through conciliation failing which after 30 days of initiating the conciliation process either party may invoke arbitration in Delhi in accordance with the Arbitration and Conciliation Act, 1996 (amended up to date).

8. PROTOCOL VALUERS PVT. LTD. has no material connection or involvement with the measured assets or with any party. The report is unbiased and objective and no factor limit's PROTOCOL VALUERS PVT. LTD. ability to provide an unbiased and objective report.

9. PROTOCOL VALUERS PVT. LTD. scope of work is confined to the terms and conditions in the Engagement Letter, and report issued hereby confirms to the agreed terms and conditions. Unless specifically approved and detailed in writing PROTOCOL VALUERS PVT. LTD. is not responsible for any variation in the scope of work.

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10. PROTOCOL VALUERS PVT. LTD. report conforms to the applicable statutory, legal, regulatory or other authoritative requirements.

11. PROTOCOL VALUERS PVT. LTD. has exercised the skill, care and diligence reasonably expected of a competent surveyor.

12. PROTOCOL VALUERS PVT. LTD. report is based on the information supplied by the sources listed in the report and the information supplied by the sources is believed to be true and responsible. PROTOCOL VALUERS PVT. LTD. accepts no responsibility if the provided information is incorrect. All other information is obtained from searches of records, examination of documents or enquiries with the relevant authorities and are matters of record.

13. The report is not a legal report and therefore it does not set out the legal title of the measured assets, any limitations to access, regulatory limitations by statutory authorities, or any dispute or conflict pertaining to the assets.

14. PROTOCOL VALUERS PVT. LTD. does not owe any duty of care to any third party or a related party interested in the measured assets.

15. PROTOCOL VALUERS PVT. LTD. liability is as set out in the Engagement Letter and under no circumstance shall PROTOCOL VALUERS PVT. LTD. liability exceeds the award value stated in the award letter issued to PROTOCOL VALUERS PVT. LTD.

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16. The report is confidential and is intended for the awarding authority for the specific purpose stated in the terms and conditions of the Engagement Letter and the use, distribution and publication of the report must be strictly done in accordance with the agreed terms and conditions. PROTOCOL VALUERS PVT. LTD. is not responsible for any consequence arising from quotation of this report out of context.

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8. Valuation Approaches

Tangible Asset Valuation Approaches

Market based valuations normally employs one or more of the valuation approaches by applying the principle of substitution, using market – derived data. This principle holds that a prudent person would not pay more for a good or service than the cost of acquiring an equally satisfactory substitute good or service, in the absence of the complicating factors of time, greater risk, or inconvenience. The lowest cost of the best alternatives, whether a substitute or the original, tends to establish Market Value.

Market Approach

This comparative approach considers the sales of similar or substitute Properties and related market data and establish a value estimate by processes involving comparison. In general, a property being valued (a subject property) is compared with sales of similar properties that have been transacted in the market. Listings and offering may also be considered.

Cost Approach

This comparative approach considers the possibility that, as a substitute for the purchase of a given property, one could construct another property that is either a replica of the original or one that could furnish equal utility. In a real estate context, one would normally not be justified in paying more for a given property than cost of acquiring equivalent land and constructing an alternative structure, unless undue time, inconvenience, and risk are involved. In practice, the approach also involves an estimate

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of depreciation for older and / or less functional properties where an estimate of cost new unreasonably exceeds the likely price that would be paid for the appraised property.

Income Approach

This comparative approach considers income and expense data relating to the property being valued and estimates value through a capitalization process. Capitalization relates income (usually a net income figure) and a defined value type by converting an income amount into a value estimate. This process may consider direct relationships (known as capitalization rates), yield or discount rates (reflecting measures of return on investment), or both. In general, the principle of substitution holds that the income stream which produces the highest return commensurate with a given level of risk leads to the most probable value figure.

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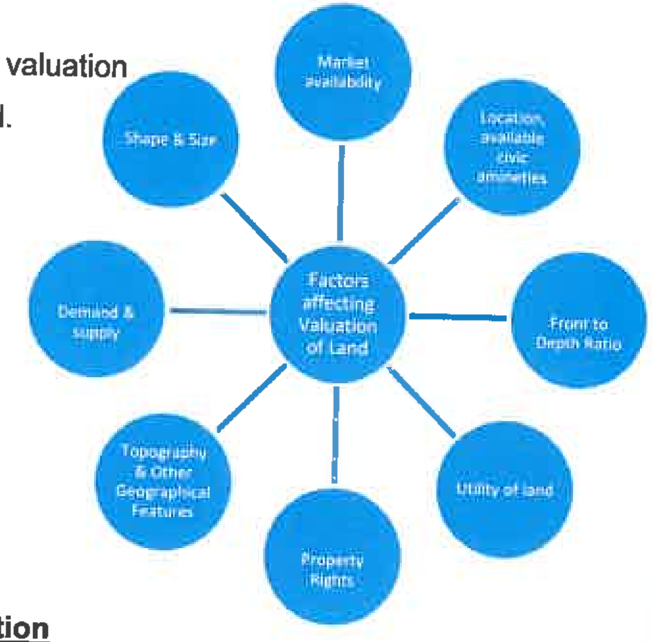
9. Adopted Valuation Methodology

Valuation of Land

Sales comparison method under market approach of valuation has been adopted for estimating the fair value of land.

In an active or open market, the identical type of land parcel with similar characteristics is used for Valuation.

In case of unavailability of direct comparable, relevant adjustments are carried out on available quotes or transaction details with consideration of different factors affecting values of land for estimating the fair value.



Plant and Machinery and Other Fixed Asset Valuation

The capitalized figures as mentioned in the Fixed Asset Register for various asset categories are considered for the purpose of valuation. These have been escalated based on price index of Reserve Bank of India and indicated by The Office of the Economic Advisor to arrive at the reinstatement value/GCRC (gross current replacement cost). The index considered is with factors like obsolescence and technological up gradation. The total economic life is considered based on management input provided by the client. Depreciation is estimated based on total life, used life and residual life of assets. Depreciation is subtracted from GCRC to arrive at the market value. Replacement cost method is used for carrying out the valuation.

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Pre-ops Adjustment:

Adjustment made to the capitalized values provided w.r.t. building, plant & machinery and other assets. Reasonable assumption in line with prevailing practice and common trends noted about the inclusion of pre-operative expenditures in capitalized cost of assets specifically plant & machinery and building. We understand that building and plant & machinery contributes majority of the cost in overall gross block and it takes substantial amount of time for getting these assets ready for their intended economic use. Therefore, before application of RBI indices on capitalized cost, pre-ops were removed from the capitalized cost.

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10. Primary Source of Information / Inputs Gathered at Site

Primary Source of Information –

1. FAR (Fixed Asset Register)
2. Pre-Ops Details – Not Applicable as project is under CWIP (Construction Phase).
3. Salient Features etc.

11. Assumptions

- The property is maintained by the owner and would be maintained over its balance economic life.
- No environmental damages would take place which could have detrimental effect.
- All assets are in possession of the company.
- The actual age is based on information made available to us at the time of inspection. The remaining economic life is approximate in nature, and is based on our professional judgment.
- Machines, in each processing line, are integrated and technically balanced for optimum output.
- The assets present in the Fixed Asset Register and relevant information to the assets are true and authentic.
- The details provided by the company are assumed to be correct, authentic, and are relied upon.
- As per our discussion with company's officials, there are pre-operative expenses capitalized in the Fixed Asset Register in the form of IDC, IEDC etc. which have been considered in the valuation workings and hence adjustments on account of the same were made in our analysis.

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12. Valuation Analysis

Plant & Machinery & Other Assets Valuation:

We have relied upon the Fixed Asset Register (FAR) as on 31st March, 2024 provided by the management of Subansiri Lower HEP. The FAR is having Gross Book Value, Asset description, Asset class or category, capitalisation date, Total Useful life, used life, Depreciation, Net Book Value etc. The capitalized figures as mentioned in the Fixed Asset Register for various asset categories like Building, Roads, Electrical Installation, Computers, Furniture & Fixture, Office Equipment's, Plant and Machinery, Hydraulic Works etc are considered for the purpose of valuation.

The adjustment made to the capitalized values provided w.r.t. plant & machinery and other assets as the details of Pre - operative expenses were provided by client. These adjusted capitalised values have been escalated based on price index of Reserve Bank of India and indicated by The Office of the Economic Advisor to arrive at the reinstatement value/GCRC (gross current replacement cost).

The index considered is with factors like obsolescence and technological up gradation. The total economic life is considered based on management input provided by the client. Depreciation is estimated based on total life, used life and residual life of assets. Depreciation is subtracted from GCRC to arrive at the market value.

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Based on the above method described, the valuation summary is tabulated below:

(Values in INR)

Group Description	Gross Block Closing Amount	Net Block Closing Amount	Fair Market Value
Aircraft/ boats	1,09,35,105	48,11,794	48,11,794
Communication equipment's	1,05,11,571	20,05,913	26,33,398
Computers	4,74,41,396	1,75,54,439	2,48,03,959
Construction equipment	4,63,16,025	55,80,475	80,73,184
Electrical installation	66,13,585	41,74,909	49,99,252
Fixed assets of minor value > 750 < 5000	1,84,97,161	8,352	51,73,362
Furniture & fixtures	6,86,34,497	3,14,91,902	3,98,64,551
Generating plant and machinery (including foundation)	9,33,400	2,35,491	5,55,472
Intangible assets	27,18,753	-	-
Office equipment's	6,69,41,621	3,22,82,349	4,24,22,875
Other assets	8,20,63,360	3,94,57,376	5,14,72,256
Plant and machinery substation (including foundation)	2,58,44,885	91,14,452	1,14,69,882
Plant and machinery -transmission lines (including foundation)	8,95,42,972	2,29,93,367	3,85,57,040
Plant and machinery-others	2,13,55,908	65,29,502	80,76,044
Vehicle	1,61,21,530	88,11,541	88,11,541
Water supply system/drainage and sewerage	8,23,26,593	4,10,44,862	5,03,56,091
Grand total	**59,67,98,362**	**22,60,96,724**	**30,20,80,700**

Note – *The Intangible assets, Vehicle have been valued as on Book Values.*

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CWIP VALUATION

(Values in INR)

	Particulars	CWIP - Movable Values	CWIP - Immovable Values	Total CWIP Values	Fair Market Value	Remarks
i)	Roads and Bridges		-	-		
ii)	Buildings		13,70,17,20,054	13,70,17,20,054	-	Immovable assets are not to be considered for valuation as per the scope of work.
iii)	Building-Under Lease		-	-	-	
iv)	Railway sidings		-	-	-	
v)	Hydraulic Works (Dams, Water Conductor system, Hydromechanical gates, tunnels)	5,02,47,13,662	68,42,37,16,476	73,44,84,30,138	5,02,47,13,662	Immovable assets are not to be considered for valuation as per the scope of work.
vi)	Generating Plant and machinery	22,63,83,58,067		22,63,83,58,067	22,63,83,58,067	
vii)	Plant and machinery Sub station	-		-	-	
viii)	Plant and machinery-Transmission lines	24,25,033		24,25,033	24,25,033	
ix)	Plant and machinery Others			-	-	
x)	Construction Equipment			-	-	
xi)	Water Supply System/Drainage and Sewerage			-	-	
xii)	Computers			-	-	
	Communication Equipment			-	-	
xiii)	Office Equipments			-	-	
xiv)	Other assets awaiting installation			-	-	
xv)	CWIP - ASSETS UNDER 5 KM SCHEME OF THE GOI			-	-	

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	Particulars	CWIP - Movable Values	CWIP - Immovable Values	Total CWIP Values	Fair Market Value	Remarks
xvi)	Survey, investigation, consultancy and supervision charges		16,27,08,785	16,27,08,785	-	Immovable assets are not to be considered for valuation as per the scope of work.
	Expenditure on compensatory Afforestation			-	-	
	Expenditure during construction		55,30,78,78,971	55,30,78,78,971	-	Immovable assets are not to be considered for valuation as per the scope of work.
	Less: Provided for writeoff			-	-	
	Sub-total (a)			1,65,26,15,21,048	-	
	Construction Stores			87,99,06,981	-	
	Less: Provisions for construction stores			8,37,976	-	
	Sub-total (b)	87,90,69,005		87,90,69,005	87,90,69,005	
	Total Assets as Per the CWIP Sheet	28,54,45,65,767	1,37,59,60,24,286	1,66,14,05,90,053	28,54,45,65,767	
	Underground works - Dam & Powerhouse (Note 2.2.5 provided in the CWIP details)	-	20,85,20,92,264	20,85,20,92,264	-	Immovable assets are not to be considered for valuation as per the scope of work.
	Grand Total	28,54,45,65,767	1,58,44,81,16,550	1,86,99,26,82,317	28,54,45,65,767	

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13. Acknowledgement

We would like to express our sincere gratitude to the SBICAP Trustee Company Limited for the courtesy and co-operation extended to us in the course of this assignment.

We confirm that apart from our professional charges for this exercise, we have no pecuniary interest in the assets of NHPC Limited Unit – Subansiri Lower HEP.

The valuation is based on data provided by NHPC Limited Unit – Subansiri Lower HEP and on our verification. In our opinion, the valuation is fair and reasonable.

This report is based on oral and writing information provided by NHPC Limited Unit – Subansiri Lower HEP and is subject to change in case of any difference / variation in the information / documents provided to us. This report is issued without any professional liability attaching on us.

Signed

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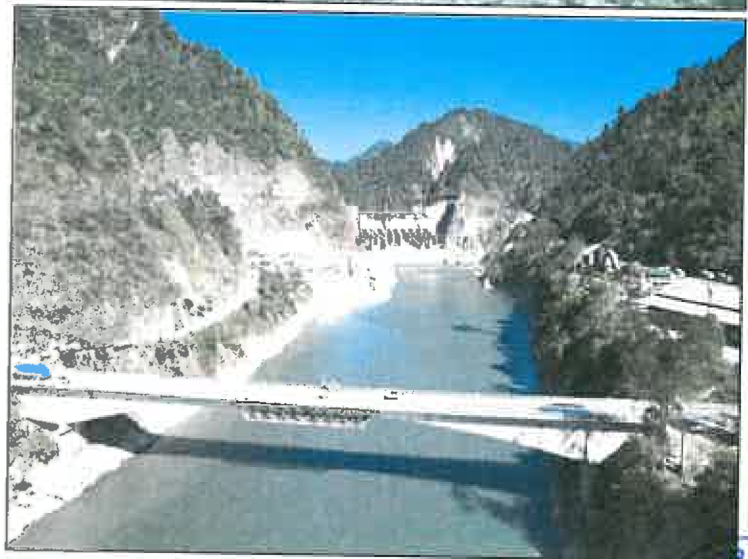
14. Photographs



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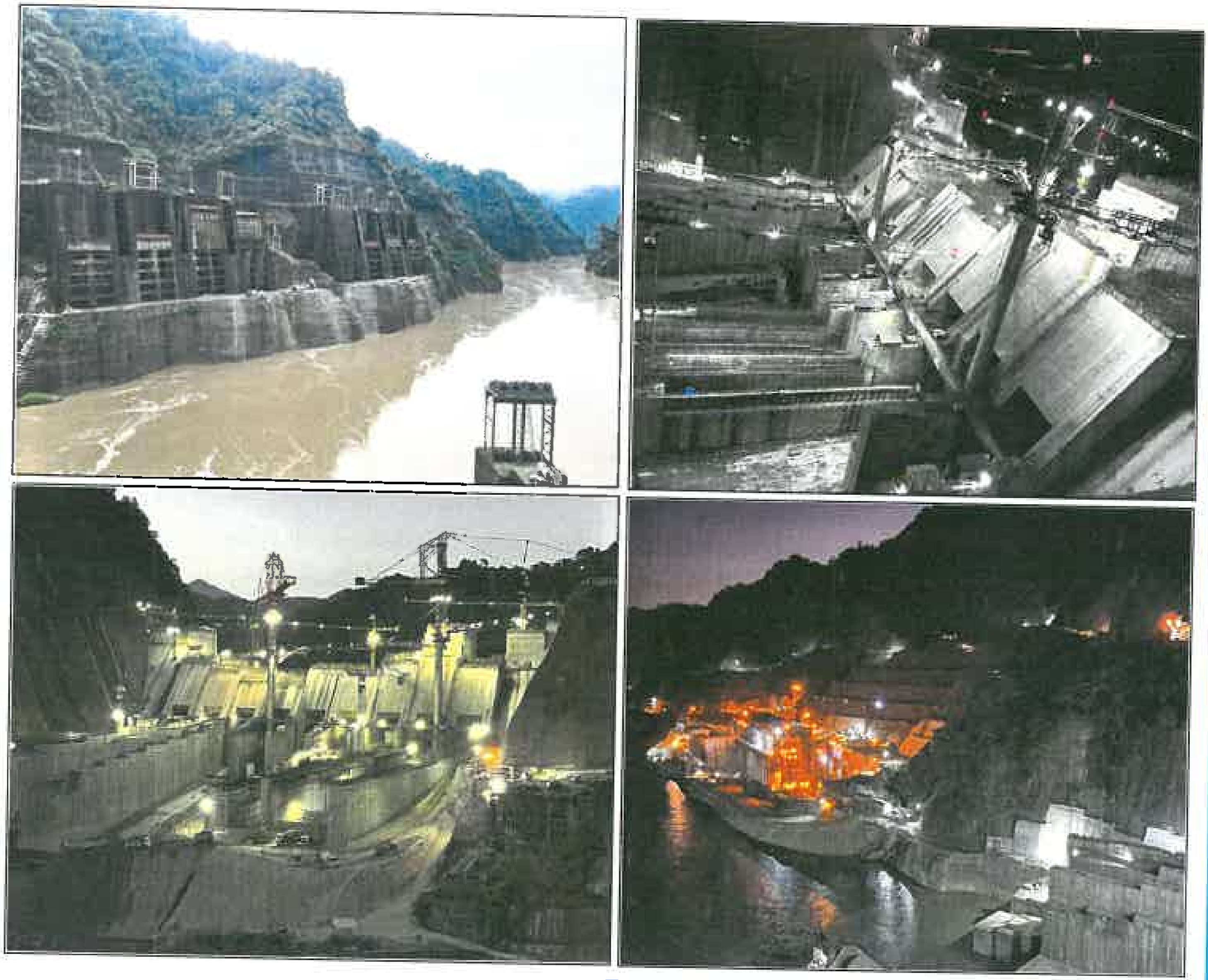

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