

**Strictly Confidential  
For Addressee Only**

**Valuation study of property  
located along Varthur Road,  
Whitefield, Bangalore**

**Report for**

**Elbit Plaza India Management  
Services Private Limited &  
Plaza Centers N.V.**




**Report Date**

**12 August 2020**





## Executive Summary

<b>Property located on Varthur Main Road, Whitefield, Bangalore</b>		
<b>Valuation Date:</b>	30 June, 2020	 <p>Internal view of the subject property</p>
<b>Valuation Purpose:</b>	Financial Statements Reporting (IFRS)	
<b>Location / Situation:</b>	The land parcel admeasuring 54.38 acres, located on Varthur Road, Whitefield (hereafter refer as 'the subject property'). The subject property is a part of Whitefield micro market. Carmel Incor Heights, Myhna Maple, Brigade Woods, Brigade Utopia are some of the prominent residential developments in the vicinity of the subject property. The subject micro market is self-sufficient in nature with a good mix of commercial, residential and hospitality developments and quality social infrastructure.	
<b>Description:</b>	The subject property is currently at land stage admeasuring 54.38 acres. It is irregular in shape and has presence of drain and vegetation within the premises. The subject property currently has access through Varthur Main Road which lies towards west of the subject property. Varthur Lake also lies in the west of the subject property. The subject property enjoys good frontage (~1,100 ft.) as informed by the client. The permissible Building height is 72 m. as per area statement shared by the client.	 <p>Internal View of the subject property</p>
<b>Land Area:</b>	54.38 acres	 <p>Access to the subject property</p>
<b>Tenure:</b>	Freehold	
<b>Market Value</b>	<p><b>Land Sale Comparison Method:</b> INR 2,194 Million</p> <p><b>Discounted Cash Flow Method:</b> INR 2,073 Million</p> <p><b>Mantri Deal Value:</b> INR 2,421 Million (As of Valuation Date)</p>	
<p><i>This summary is strictly confidential to the addressee. It must not be copied, distributed or considered in isolation from the full report</i></p>		



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**Cushman & Wakefield (India) Pvt Ltd**  
4th Floor, Pine Valley, Embassy Golf Links  
Business Park, Intermediate Ring Road,  
Bangalore, India 560 071

**To: Elbit Plaza India Management Services Private Limited & Plaza Centers N. V.**

**Assignment: Valuation of property located on Varthur Main Road, Whitefield, Bangalore**

**Valuation Date: 30 June 2020**

**Report Date: 12 August 2020**

## **A VALUATION REPORT**

### **I Instructions**

#### **Appointment**

We are pleased to submit our report to **Elbit Plaza India Management Services Private Limited & Plaza Centers N. V.** which has been prepared for **Aayas Trade services private Limited** (Hereinafter referred to as “**Client**”), The properties and interests valued are detailed in Part E of this report. As informed by client the purpose of this valuation is for Financial Reporting hence we understand that this valuation will be used in Financial Statement Reporting Purposes (IFRS) by the client.

The exercise has been carried out in accordance with the instructions (Caveats & Limitations) detailed in Part E of this report. The extent of our professional liability to you is also outlined within these instructions.

### **2 Conflicts of Interest**

We confirm that there are no conflicts of interest in our advising you on the value of the subject property under the assumed conditions as instructed.

### **3 Basis of Valuation**

We understand from our discussion with the client, that the basic intention of the exercise is to assess the value of the subject property in its current state (their condition on the date of the site visit).



Therefore, the valuation of the property has been carried out using the 'Discounted Cashflow Method' and 'Land Comparable Method'.

#### **4 Assumptions, Departures, and Reservations**

We have prepared our report on the basis of the assumptions within our instructions (Caveats & Limitations) detailed in Part C of this report. The area details, freehold status of the property, survey no, commercial building specifications etc has been provided to us by CLIENT. The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. Market activity is being impacted in many sectors. As at the valuation date, C&WI considers that less weight can be attached to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to COVID-19 means that C&WI is faced with an unprecedented set of circumstances on which to base a judgement. C&WI valuation(s) is / are therefore reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of [this property] under frequent review.

#### **5 Inspection**

In light of the current scenario (COVID 19 related alert), and in line with the discussion with Client; we have not inspected the property. (This is a desktop-basis study). However, the site was inspected externally from ground level on 7<sup>th</sup> January 2020 by Rutika Ganvir and Aditya Patil – Cushman & Wakefield (India) Pvt. Ltd. for the previous valuation update. No measurement survey has been carried out by C&WI. We have relied entirely on the site areas provided to us by the client. We have assumed that these are correct.

#### **6 Sources of Information**

Information on comparable properties for the purpose of this study has been gathered from CWI Research, real estate developers and property websites.

#### **7 General Comment**

A valuation is a prediction of price, not a guarantee. By necessity, it requires the valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser,



or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and so our valuation could differ significantly if the date of valuation was to change. If you wish to rely on our valuation as being valid on any other date you should consult us first.

Should you or the borrower contemplate a sale, we strongly recommend that the property is given proper exposure to the market. You should not rely on this report unless any reference to tenure, tenancies and legal title has been verified as correct by your legal advisers.

## **8 Confidentiality**

The contents of this Report are intended to be confidential to the addressees and for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents.

## **9 Disclosure and Publication**

You must not disclose the contents of this valuation report to a third party in any way without first obtaining our written approval to the form and context of the proposed disclosure. You must obtain our consent, even if we are not referred to by name or our valuation report is to be combined with others. We will not approve any disclosure that does not refer sufficiently to any Special Assumptions or Departures that we have made.

## **10 Authority**

CLIENT acknowledges and agrees that C&WI's services hereunder (including, without limitation, the Reports itself and the contents thereof) are being provided by C&WI solely to and for the benefit of CLIENT and no other party. If CLIENT desires to use the Report or C&WI's name in any offering or other investment material, then (a) C&WI will require, and CLIENT must provide or cause to be provided, an indemnification agreement in C&WI's favor, given by parties reasonably satisfactory to C&WI, and (b) CLIENT will obtain C&WI's consent to the references in such materials to the Report.

## **11 Third Party Claim Indemnity**

C&WI endeavors to provide services to the best of its ability and in bonafide good faith. The Report issued shall be only for use by the CLIENT. In the event CLIENT provides a copy of the Report to, or permits reliance thereon by, any person or entity not authorized by C&WI in writing to use or rely



thereon, CLIENT hereby agreed to indemnify and hold C&WI, its affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including reasonable attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the Report by any such unauthorized person or entity. C&WI disclaims any and all liability to any party other than CLIENT.

## **12 Limitation of Liability**

Subject to the terms and conditions of the engagement letter / master agreement, C&WI's total aggregate liability to CLIENT arising in connection with the performance or contemplated performance of the services herein, regardless of cause and/or theory of recovery, shall be limited to an aggregate sum not exceeding the total fees paid to C&WI by CLIENT hereunder. C&WI shall not be liable under any circumstances for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.

CLIENT acknowledge and agree that C&WI's responsibility is limited to CLIENT and use of C&WI's work product (including, without limitation, the Report and contents therein) by third parties shall be solely at the risk of CLIENT and/or any such third parties.

## **13 Third Party Claim Indemnity**

C&WI endeavors to provide services to the best of its ability and in bonafide good faith. The Report issued shall be only for the use by Client, its group companies, auditors and other professionals engaged by the Client. In the event Client provides a copy of the Report to, or permits reliance thereon by, any person or entity not authorized by C&WI in writing to use or rely thereon, Client hereby agreed to indemnify and hold C&WI, its affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including reasonable attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the Report by any such unauthorized person or entity. C&W disclaims any and all liability to any party other than Client

## **14 Anti-bribery & Anti-corruption**

Both Parties represents, warrants and undertakes that:

They are familiar with applicable Indian Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers,



directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws;

The AAYAS TRADE SERVICES PVT. LTD has been duly intimated of C&W's Global anti-corruption policies ("C&W Anti-Corruption Policies");

The AAYAS TRADE SERVICES PVT. LTD has been duly intimated that C&W is governed by the Foreign Corrupt Practices Act, 1977 (FCPA) and UK Bribery Act 2010 (UKBA) which are United States Federal Law and an act of Parliament of the United Kingdom respectively, that prohibits companies and their employees worldwide from any form of bribing foreign government officials (including facilitation payments, etc.) to obtain or retain business or otherwise. It is further stated that C&W does not give or receive improper payments, facilitation payments to/from any organization or person including a government official, and does not do so during the course of providing services to its AAYAS TRADE SERVICES PVT. LTD.

It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case C&W is insisted upon or asserted by AAYAS TRADE SERVICES PVT. LTD to violate any of the above said undertakings including C&W Anti-Corruption Policies in any form or manner, on pretext of business relationship or otherwise, C&W shall have a discretionary right to terminate this Agreement without any liability or obligation on part of C&W.

Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to C&W, prior to such termination.





## 15 Valuation

### Market Value

Market Value is defined as 'The estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arms-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.' (VS 3.2 Red Book 7<sup>th</sup> Edition).

### Market Value Assuming Vacant Possession

In our opinion, the market value of the proposed freehold interest in the property:

Market Value the Property	
Discounted Cash Flow Method	INR 2,073 Million
Land Comparable Method	INR 2,194 Million
Mantri Deal Value	INR 2,421 Million (As of Valuation Date)

It may be noted that this is approximate value estimation. Actual achievable value may vary in the range of +/- 5 % depending on space usage, buyer profiles, and case-to-case transaction peculiarities

Signed for and on behalf of Cushman & Wakefield India Pvt. Ltd.

**Somy Thomas, MRICS**  
Managing Director  
Valuation & Advisory  
India

**Joseph Ajith**  
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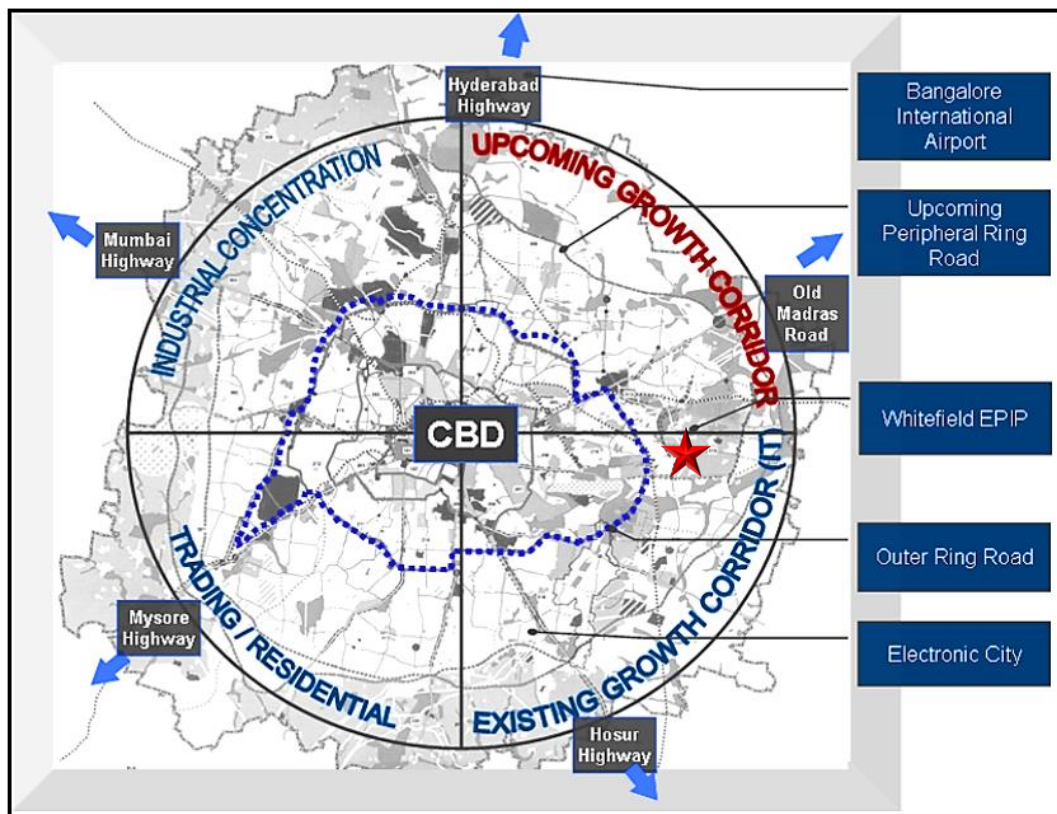
## **B BANGALORE CITY OVERVIEW**




## I Bangalore City overview

Bangalore is the capital of the State of Karnataka and is located in the south-east of the state. The total area of Bangalore district is 2,196 sq. km.<sup>1</sup>. The city, known as Silicon Valley of India, has emerged as a favourite IT/ITeS destination over the last 10 - 12 years. Home to companies such as Microsoft, Yahoo, Wipro, Infosys, IBM, GE, Google, Accenture, TCS etc, the city has been the front runner in attracting technology companies.

Apart from successfully attracting IT/ITeS companies, Bangalore is considered to be a Biotech destination as well. Bangalore houses some of the most prominent biotechnology research institutions of India such as Indian Institute of Science and National Centre for Biological Resources. The other industries in Bangalore are related to manufacturing of Aircraft, Earthmoving Equipment, Watches, Garments, Silk, Machine Tools amongst others.



 Subject Property

Source: C&WI Research

<sup>1</sup> (Source: Census of India, 2011)



The city has the presence of prominent educational institutions such as Indian Institute of Management, Indian Institute of Science, National Law School and a number of engineering/medical colleges offering talent pool to the existing corporations.



## 2 Bangalore City Real Estate market overview

The real estate development has evolved from the center of the city, with the Core Business District (MG Road) located at the center of the city. The development pattern of the city is undergoing a significant shift with development shifting from the central areas to the peripheral areas, mainly along the south-eastern corridor owing to the IT/ITeS companies and the northern corridor due to the International Airport at Devanahalli. These corridors have witnessed large-scale commercial as well as residential developments.

Eastern corridor comprising Whitefield, Outer Ring Road (Sarjapur – Marathahalli) and south-eastern corridor comprising Hosur Road represents the largest clusters of IT/ITeS companies in Bangalore. These peripheral areas have accounted for approximately 60% - 70% of the aggregate leasing in the city. The CBD and Off CBD locations lose out to the suburban and peripheral locations because of the lack of large contiguous spaces.

The International Airport at Devanahalli has led to a spurt in development along the northern quadrant of Bangalore. Numerous residential and commercial projects are under development in this micro market.

The western and north-western corridors of Bangalore city have been concentrated with industries. The major industrial presence is represented by Peenya Industrial Area along Bangalore-Tumkur road (NH – 4). The south-western corridor has been a trading and residential hub with industrial presence being mainly represented by the Bidadi Industrial Development Area along the Bangalore-Mysore state highway.

The development of Ring Roads is expected to boost real estate developments in the city. The development of the Outer Ring Road has contributed to the connectivity of the peripheral areas of the city. Further, a Peripheral Ring Road (“PRR”) of about 110 km is proposed around Bangalore at a radial distance between 2.80 to 11.50 km from the existing Outer Ring Road and 14 to 22 km from the city center. The south-west corridor of the PRR of about 41 km is already operational. The PRR will link major highways at Tumkur Road, Mysore Road, Old Madras Road, and the Hosur Road.

The total Grade A commercial office space stock in the city is approximately 147.8 million sq. ft. as on Q1 2020, the largest in the country and the IT/ITeS sector has been the main demand driver for all other asset class such as residential, retail and hospitality.



### 3 Connectivity

Bangalore being the IT/ITeS hub of India has good connectivity to other cities of the country. It has good connectivity through all the three modes (rail, road, and air) of inland transportation.

Infrastructure	Description
<p><b>Airport</b></p>	<p>The Kempegowda International Airport (earlier known as Bangalore International Airport) located at Devanahalli started operations since May 2008. The airport currently has a capacity to handle 22 million passengers every year. The movement of the airport to North Bangalore has resulted in the development of this section as the new growth corridor of the city.</p> <p>On 14<sup>th</sup> December 2013, another terminal - Terminal IA spread over 150,500 sq. m. has become operational, which has increased the capacity of the airport to approximately 22 million passengers every year from 12 million passengers. The renaming of the international airport took place on 14<sup>th</sup> December 2013, along with the opening of the new terminal.</p> <p>The second runway which recently became operational have an advanced instrument landing system of the CAT-III (B) specification.</p>
<p><b>Roads &amp; Highways</b></p>	<p>Bangalore is connected to various locations in Karnataka and other states via state and national highways respectively.</p> <p><b>National Highways connecting Bangalore to-</b></p> <ul style="list-style-type: none"> <li>▪ NH 4 - Maharashtra</li> <li>▪ NH 7- Tamil Nadu in the south and Andhra Pradesh in the north</li> <li>▪ NH 48- Andhra Pradesh via Doddaballapur</li> <li>▪ NH 207- Tamil Nadu via Anekal in the south and to Andhra Pradesh via Hoskote in the north</li> <li>▪ NH 209- Coimbatore in Tamil Nadu via Kanakapura</li> </ul> <p><b>State Highways connecting Bangalore to-</b></p> <ul style="list-style-type: none"> <li>▪ SH 17- Mysore</li> <li>▪ SH 82- Andhra Pradesh</li> <li>▪ SH 96 – Kolar</li> </ul>



Infrastructure	Description
<b>Railways</b>	Bangalore is one of the well-connected cities in southern India via rail. It has both meter gauge and broad gauge rail services. In all, the city has four railway stations i.e. Bangalore City railway station, Bangalore Cantonment railway station, KR Puram railway station and Yeshwanthpur railway station.
<b>Elevated Expressway</b>	NHAI has constructed approximately 22 km long, elevated, six-lane expressway, connecting Hebbal to Trumpet Loop Junction near Kempegowda International Airport. The travel time from Hebbal to the International Airport is reduced to approximately 30 minutes from 1 hour due to the expressway.

Source: C&W Research



#### 4 Infrastructure Initiatives

The government of Karnataka has initiated various infrastructure projects which are expected to have a significant impact on the growth of Bangalore city. At present, some of these projects are still in the planning stage. The projects are aimed at introducing international standard infrastructure into the city, which is also a key necessity for the balanced growth of the city. The same has been highlighted in the table below.

Projects	Description	Impact on the Subject property
Metro Rail Project	<p>The project is to be developed in two phases covering a total distance of approx. 114.4 km across the city. The first phase comprising approx. 42.3 km consists of two corridors of double lines- the east-west corridor and the north-south corridor while the second phase is planned to be of approx. 72 km.</p> <p>The first leg of the first phase of the project stretches 6.7 km (from MG Road to Byappanahalli) and has been operational from 20 October 2011. Another 9.9 km stretch of metro line connecting Sampige Road to Peenya Industrial Area became operational from 1st March 2014. On 30<sup>th</sup> April 2016, the east-west corridor (Byappanahalli to Mysore Road) became fully operational.</p> <p>Three new lines under Phase II viz. RV Road to Bommasandra and Gottigere-IIM-B to Nagavara got cabinet approval. The RV Road to Bommasandra line is under construction and is proposed to have 16 stations. The second line between Gottigere-IIM-B and Nagavara is proposed to have 18 stations with six elevated and 12 underground stations. The third line which is the Outer Ring Road will span 19.5 km with 13 elevated stations from KR Puram to Silk Board Junction, the line is expected to be complete by 2021. BMRCL is also planning to extend the IIM-B (Gottigere) – Nagavara line to the international airport. However, there are no definite timelines for the line extending till airport.</p>	<p>The completion of the second phase of the Metro will improve the connectivity of the subject property as the nearest Metro station would be located approximately 4 km from the subject property.</p>





Projects	Description	Impact on the Subject property
	The extension of the east-west corridor from Byappanahalli – Whitefield is proposed to have 14 stations and the construction of this line will be taken up in Phase II of the project.	
Peripheral Ring Road	A Peripheral Ring Road (PRR) of about 110 km length is proposed around Bengaluru at a radial distance between 2.80 to 11.50 km from the existing Outer Ring Road and 14 to 22 km from the city center. The PRR will link major highways at Tumkur Road, Bellary Road (NH 7), Old Madras Road, Hosur Road and Mysore Road. The project is at land acquisition stage. Due to development of a tolled road by Nandi Infrastructure Corridor Enterprise (“NICE”) on PPP basis close to the PRR, we understand that the state government is in discussion to develop the northern segment of PRR only since the demand for the southern segment is expected to be met by the NICE road.	The PRR is expected to improve connectivity to other parts of the city.
High Speed Rail Link (HSRL)	The government of Karnataka has proposed a High-Speed Rail Link (HSRL) project connecting CBD area to the airport. This will cover approximately 33 km with four stations at Cubbon Road (Terminal Station), Hebbal, Yelahanka, and International Airport (Terminal Station). The Cubbon Road station is proposed as a City Air Terminal (CAT) station with facilities for baggage and flight check-in, and the Terminal Station at the airport is proposed to be an underground station at the forecourt of Passenger Terminal Building. The HSRL will run parallel to the under-construction expressway.	The HSRL would not have direct impact on the subject property.
Widening of NH 7	The Government has proposed widening of the existing highway from Hebbal. The same is at planning / land acquisition stage.	The widening of NH 7 would not have direct impact on subject property.

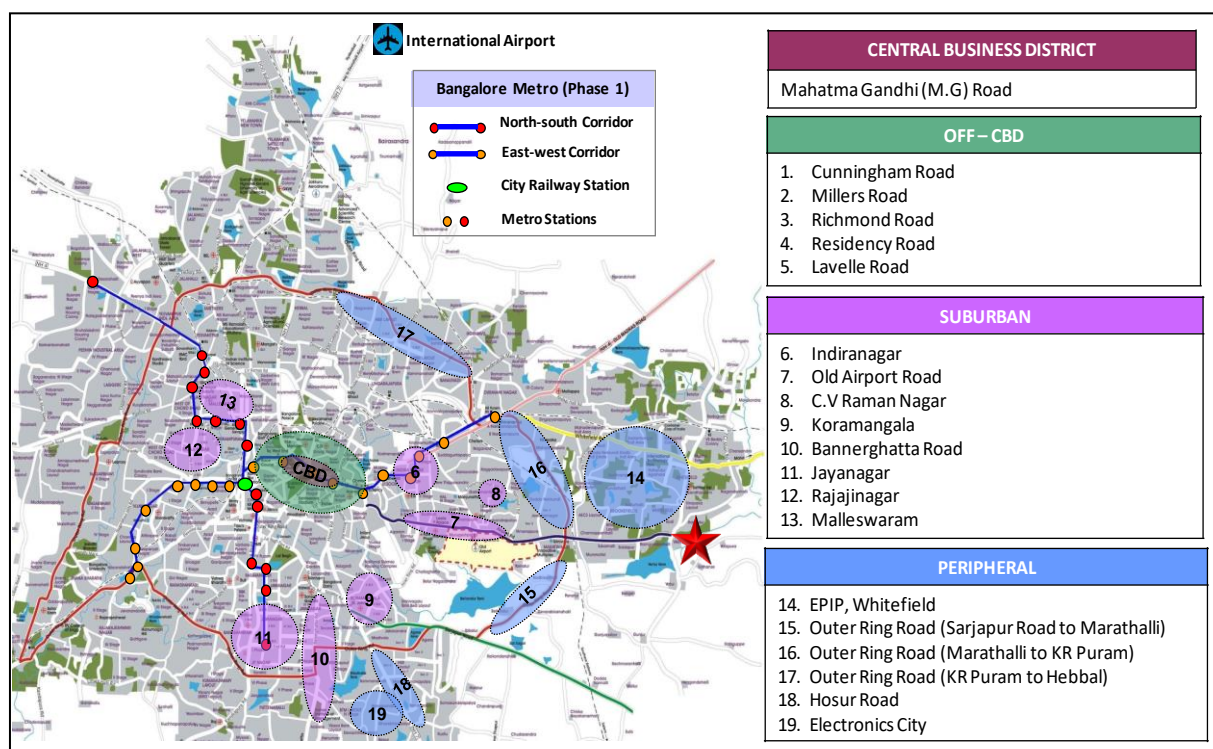
Source: C&WI Research



## 5 Bangalore City commercial market overview

There are primarily four commercial clusters in the city – namely ‘Central Business District’ (CBD), Off CBD, Suburban and Peripheral region as can be seen in the map below. Peripheral segment is the largest segment for the city and can be sub divided into –

- Whitefield
- ORR (Sarjapur Road – K. R. Puram)
- ORR (Hebbal) & North Bangalore
- Electronic City, Hosur and Mysore Road



 Subject Property



The following table provides the classification of the locations in Bangalore into CBD / Off CBD, Suburban Business District and Peripheral Business District.

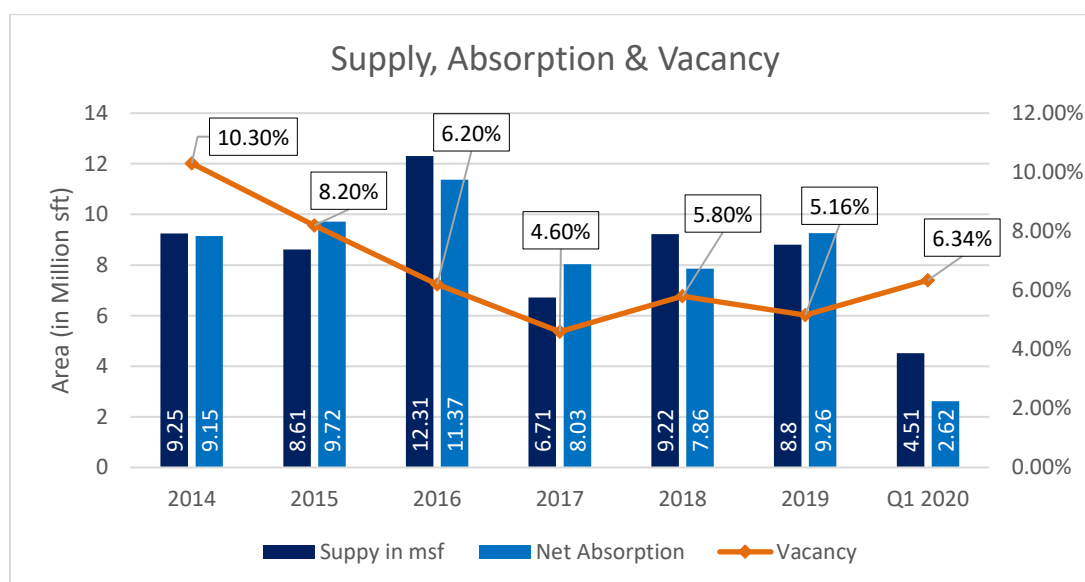
Micro-market	Locations included	Nature
Central Business District (CBD) and Off Central Business District (Off CBD)	MG Road, Lavelle Road, Infantry Road, Vittal Mallya Road, Palace Road, Residency Road, Millers Road, Richmond Road, Queens Road, Cunningham Road, Ulsoor Road, Kasturba Road, Victoria Road, Brigade Road, Murphy Road.	Being the foremost commercial business district of Bangalore, it houses major banks, financial institutes, insurance companies, few corporate and IT/ITeS companies.  As of Q1 2020, the CBD and Off-CBD market has a total Grade A stock of approximately 6.6 million sq. ft. The vacancy rate as of Q1 2020 is approximately 3.1%. During Q1 2020, the CBD / Off CBD market attracted rentals in the range of INR 90-180 /sq. ft. / month depending on the quality of space and location.
Suburban Business District (SBD)	Koramangala including Adugodi (Hosur Road), Bannerghatta Road up to Outer Ring Road, Indiranagar, Hosur Road (till Silk Board Junction) Airport road including Intermediate Ring Road, CV Ramannagar, JP Nagar, Jayanagar and Old Madras Road.	Located at a distance of 5 – 7 km from the CBD, these locations house many medium sized IT/ITeS companies.  As of Q1 2020, the stock of Grade A office space in suburban markets is approximately 26.98 million sq. ft. and Vacancy in the suburban markets as of Q1 2020 is approximately 4.6%. During Q1 2020, the Suburban market attracted rentals in the range of INR 85 – 160 / sq. ft. / month, based on the type of property and the location.
Peripheral Business District (PBD)	Whitefield, Electronic City, Outer Ring Road (Hebbal Flyover – Sarjapur Road), Hosur Road (From Silk Board Junction – Electronic City), Hebbal and Bellary Road (including Yelahanka & Jakkur)	Peripheral locations currently account for 70 – 75% of the city's absorption due to availability of large contiguous spaces.  As of Q1 2020, the Grade A stock in these markets is approximately 114.14 million sq. ft. Vacancy in these markets as of Q1 2020 is approximately 7%. During 2020, the peripheral market attracted rentals in the range of INR 60 – 110 / sq. ft. / month, based on the type of property and the location.



## Supply, absorption and vacancy Trends –

There has been steady addition and absorption of office spaces in Bangalore and in the micro market since 2006. In the last 6-7 years, as compared to the major cities in India like, Mumbai, Delhi, Pune, Kolkata, Chennai & Hyderabad, Bangalore has witnessed the highest quantum of office space absorption. The below chart represents the Grade A supply, absorption and vacancy trend for the city since 2014.

### Grade A – Supply, Absorption and Vacancy



A snapshot of the supply, absorption and vacancy trend (only **Grade A**) for the city is as below –

- The total stock of non - captive commercial office space in Bangalore as of Q1 2020 is approximately 147.75 million sq. ft. (Grade A office space).
- The total gross absorption of commercial office space in Bangalore during 2019 has been approximately 16.46 million sq. ft. and as of Q1 2020 the city witnessed a gross absorption of approximately 3.74 million sq. ft.
- The supply of commercial office space during the calendar year 2019 was approximately 8.8 million sq. ft. and as of Q1 2020 there was a supply of approximately 4.51 million sq. ft.
- The expected commercial office space supply in Bangalore in the next 2 – 3 years is expected to be approximately 40 million sq. ft.
- The vacancy level for office space in Bangalore as of Q1 2020 was approximately 6.34%.



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## 6 Bangalore City residential market overview

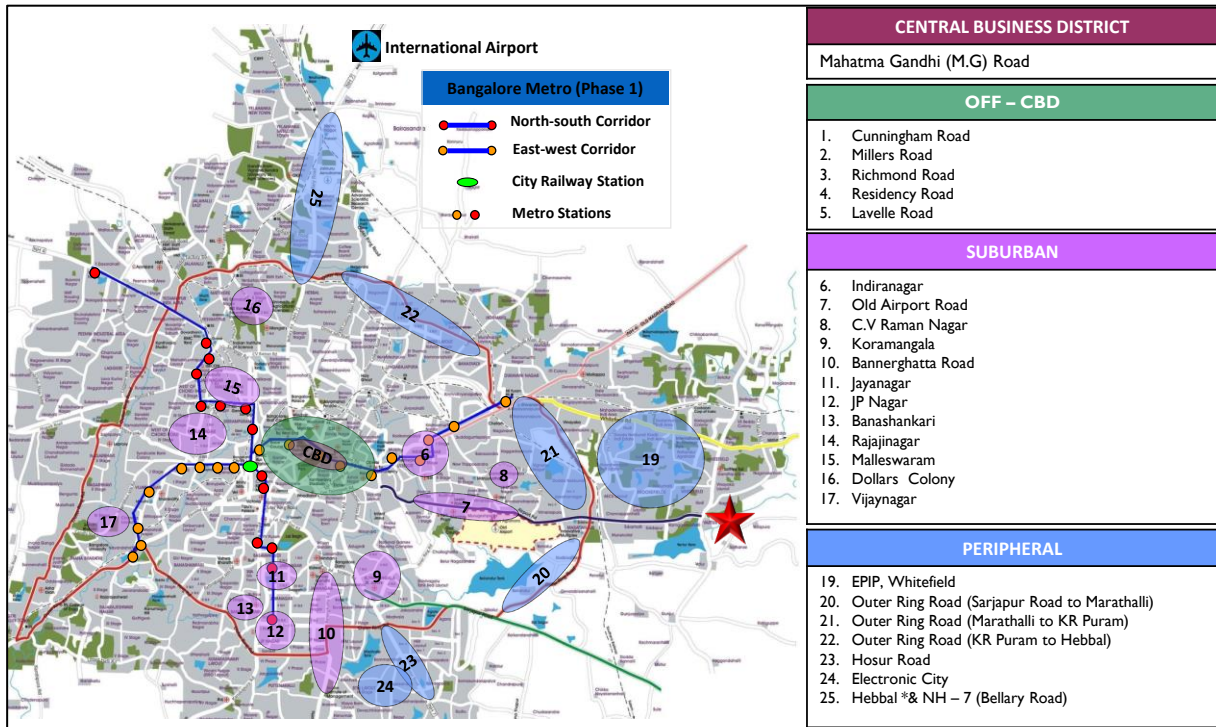
Bangalore is a favoured IT/ITES destination in India. A combination of various factors has led to the current high economic activity levels in the city – the government initiatives to attract investments, significant improvement in the quality of real estate developments and the favourable business environments especially for the IT/ITES sector.

The rapid economic and commercial development driven by IT/ITES sector has created large sized middle and upper middle level social group with high disposable income level. The emergence of this social group (higher disposable income) has triggered demand for residential properties. This increasing local and expatriate population in the city has necessitated the development of a large number of residential developments around the city. Developers have sensed the demand and thus it has resulted in large scale residential development. These developments can be segregated into multi-storey apartment developments, plotted developments, independent bungalows and villa development.

Due to limitation of space and increasing capital values in the CBD/Off CBD/Suburban areas, new residential developments have been witnessed in the peripheral regions. This is a parallel development with shifting away of commercial development from Central Bangalore towards peripheral locations. The peripheral areas have the availability of land for lifestyle developments in terms of theme-based projects. Demand for residential space in the peripheral areas has increased during the last few years, primarily due to the preference of immigrating IT/ITES professionals for proximity to work places and lesser expensive accommodation as compared to central areas of the city.



The classification of residential market of Bangalore is as under:



★ Subject Property



In the current scenario the walk-to-work concept has been gaining relevance specially to overcome the traffic difficulties of the city. Large integrated developments have been planned in the city to cater to such demand.

The residential developments in Bangalore can be categorized as under:

Location	Profile	Capital Value (INR per sq. ft)
Central	The central part of Bangalore includes micro markets like Lavelle Road, Off Palace Road, Off Cunningham Road, Ulsoor Road and Richmond Road. Central Bangalore comprises a mix of independent bungalows and flats and apartment projects. The apartment projects are majorly concentrated off Cunningham Road and Off Palace Road.	High End Development Capital value – 18,000 – 30,000 and Mid End Development Capital value – 9,500 – 15,000
Off Central	Micro markets like Frazer town, Benson Town, Richards Town, Dollars Colony, Cox Town, Indiranagar, Vasanth Nagar and HRBR form the Off Central Suburbs of Bangalore. The above micro markets are some of the oldest developed micro markets of Bangalore and comprise majorly independent bungalows and flats with a very few apartment projects. The residential developments in these micro markets are relatively old owing to the paucity in availability of land parcels to facilitate any new development.	Mid End Development Capital value – 7,500 – 12,000
South	Areas like Koramangala, Outer Ring Road, Bannerghatta Road, JP Nagar, Sarjapur Road, HSR Layout and BTM Layout form the prominent South, South Eastern and South Western micro markets of Bangalore. Micro market locations of Koramangala, JP Nagar, HSR and BTM Layout comprise of independent houses and flats while locations like Bannerghatta Road, Outer Ring Road and Sarjapur Road have witnessed the development of large apartment projects. Most of the newer developments are concentrated towards Outer Ring Rd & Sarjapur Rd.	High End Development Capital value – 9,000 – 12,500 and Mid End Development Capital value – 5,500 – 7,500.
East	Marathahalli, Whitefield and Old Airport Road fall in East Bangalore, Old Airport road comprise independent houses and apartments and Whitefield and Marathahalli comprise a good blend of independent	High End Development Capital value – 7,500 – 11,500 and Mid End





Location	Profile	Capital Value (INR per sq. ft)
	houses, flats, apartments, villaments and villa projects. The high-end developments in Whitefield are majorly in the form of villa developments.	Development Capital value – 4,600 – 6,600
North	Hebbal, Yelahanka, Jakkur, Devanahalli, Bellary Road, Jalahalli, Doddaballapur Road, Malleshwaram and Rajajinagar fall in the Northern part of the city. While Malleshwaram and Rajajinagar are some of the oldest developments in Bangalore comprising majorly independent houses, flats and apartment projects; micro markets like Hebbal, Devanahalli, Doddaballapur Road, Yelahanka and Jakkur are considered as the upcoming growth corridors of the city (after the relocation of Bangalore International Airport to Devanahalli) and comprise a good blend of independent houses, apartment, villas and plotted developments majorly in the mid – luxury segments.	High End Development Capital value – 8,000 – 12,500 and Mid End Development Capital value – 5,500 – 7,500
West	Mysore Road and Uttarahalli Main Road fall in the western part of the city.	Mid End Development Capital Value – 4,000 – 5,000





## **C      MICRO-MARKET OVERVIEW**



## I Micro-market Overview

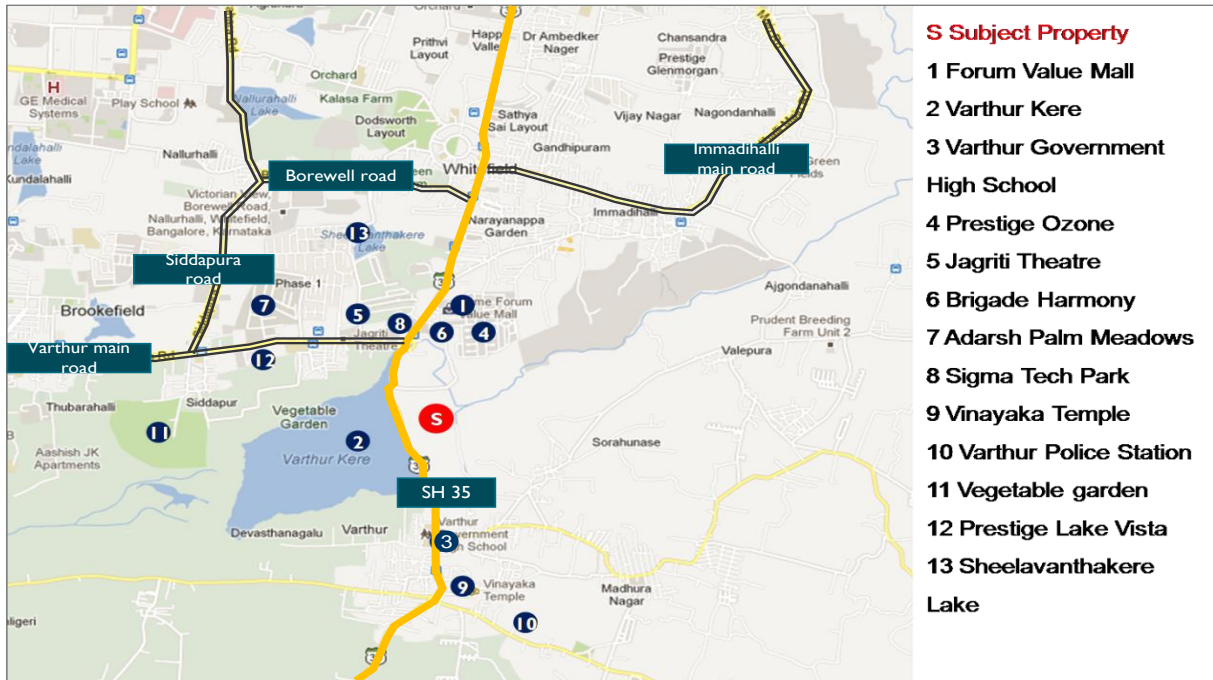
Whitefield located in East Bangalore has the presence of the Export Promotion Industrial Park zone (Approximately 650 Acres) with the existence of companies in the field of IT/ITES and manufacturing. The area houses over 400 companies, prominent amongst which are Oracle, SAP, TCS, Cap Gemini, GM, Nipuna, GE, HUL, iGate, Aviva, 24\*7, HCL Perot Systems, Intel etc. Development in Whitefield was initiated by Karnataka Industrial Area Development Board (KIADB) by forming a consortium with Singapore based developer Ascendas to develop International Tech Park Limited (ITPL), which is now known as International Tech Park Bangalore (ITPB). ITPB was the first Grade A office space development in the country. Since then the micro-market has been one of the most prominent commercial micro-markets of the city, accounting for as high as 40 – 50% of city's commercial absorption during the initial period.

In terms of commercial development, the micro market has campus style developments and standalone commercial establishments. The campus style developments are both captive and non-captive in nature. Some of the prominent commercial developments in the micro market are HM Tech Park, Kalyani Platina Tech Park, Sigma Soft Tech Park, International Tech Park Bangalore (ITPB), RMZ NXT, and GR Tech Park among others.

The commercial development led to a series of residential, retail and hospitality developments. The residential development includes a mix of villas, plotted development and apartments by both big and small developers like Brigade, Sobha, Prestige, Adarsh, Citilight, Kristal and Golden Nest among others in mid and high end segment. Some of the prominent development in the micro market would include Veracious Rosedale, Veracious Lansdale, Brigade Harmony, Brigade Cosmopolis, Habitat Crest, Sobha Habitech, Adarsh Palm Meadows, Prestige Park view and Alembic Urban forest among others.

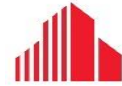
In terms of retail, the micro-market has a mix of standalone developments and malls (at various stages of development). Currently the micro-market is self-sufficient, with the presence of good social infrastructure of schools, colleges and hospitals.

The micro market also has several hospitality developments in both 4-star and 5-star segment. Some of the prominent hospitality developments in the micro market are Holiday Inn & suites, Sherwood Suites Hotel, Oakwood Residences, MGM Mark and Royal Orchid Suites among others. Whitefield is connected to the major parts of the city through Old Airport Road and Outer Ring Road. The connectivity of the micro market is slated to improve after the construction of the Peripheral Ring Road.



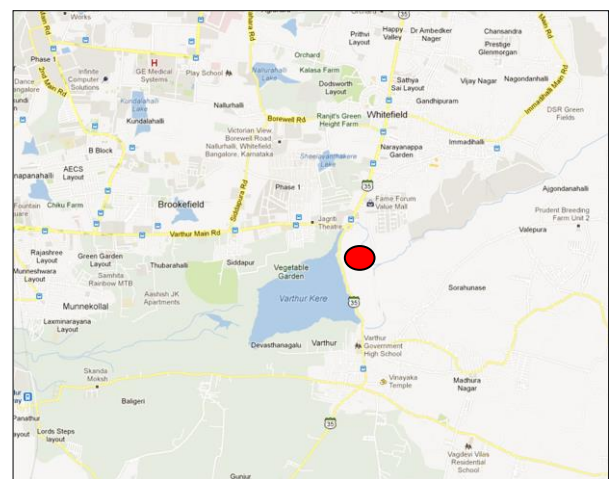
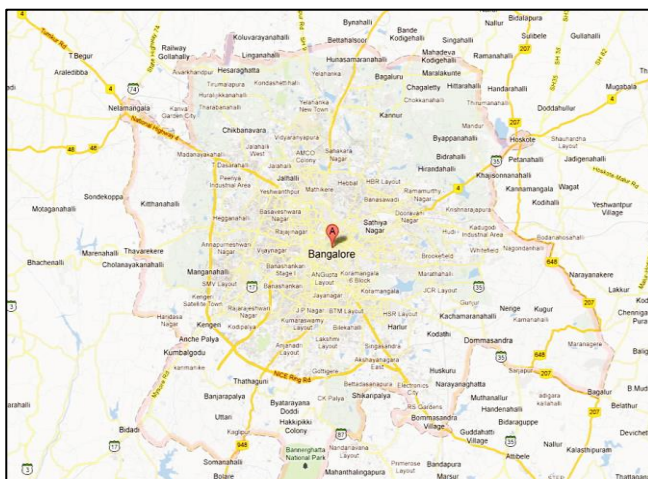


## **D      PROPERTY REPORT**



## I Property located on Whitefield Road, Bangalore

In light of the current scenario (COVID 19 related alert), and in line with the discussion with Client; we have not inspected the property. (This is a desktop-basis study). However, the site was inspected externally from ground level on 7<sup>th</sup> January 2020 by Rutika Ganvir and Aditya Patil – Cushman & Wakefield (India) Pvt. Ltd. for the previous valuation update.



### I.1 Location General

The land parcel admeasuring 54.38 acres, located on Varthur Road, Whitefield (hereafter refer as ‘the subject property’). The subject property is a part of Whitefield micro market. Sobha Dream acres,



Prestige Ozone, Prestige lakeside Habitat, Brigade Cosmopolis are some of the prominent residential developments in the vicinity of the subject property. The subject micro market is self-sufficient in nature with a good mix of commercial, residential and hospitality developments and quality social infrastructure.

### Communications

The subject property is well connected to major locations in the city via road networks. The distance of the subject project from major developments in its vicinity is as follows:

- Approximately 18 km from MG Road
- Approximately 23 km from Kempegowda Bus Stand
- Approximately 23 km from Bangalore City Railway Station
- Approximately 39 km from Kempegowda International Airport (earlier known as Bangalore International Airport)

The location map of the subject property is attached in Appendix I.

## 1.2 Site Details

### Area

According to the information supplied to us by the client, the area details of the subject property are as following:

<b>Land Area</b>	54.38 acres
------------------	-------------

### Description & Layout

The subject property is currently at land stage admeasuring 54.38 acres. It is irregular in shape and has presence of drain and vegetation within the premises. The subject property currently has access through Varthur Main Road which lies towards west of the subject property. Varthur Lake is also located towards west of the subject property. The subject property enjoys good frontage (~1,100 ft.) as informed by the client.

### Services

The site is connected to roads, electricity and sewerage services.

### Ground Conditions

There is no evidence of adverse ground conditions at the property or immediate vicinity.



### 1.3 Environmental Considerations

We have not carried out any investigations or tests or been supplied with any information from client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the subject property or any other land (including any ground water).

### 1.4 Town Planning and Statutory Considerations

We have not made formal search but have generally relied on verbal enquiries and any informal information received from the Local Planning Authority. Our Report is on current use / current state basis of the subject property and we have not considered any government proposals for road widening or Compulsory Purchase / Acquisition, or any other statute in force that might affect the subject property.

### 1.5 Title

<b>a. Address</b>	Property located on Varthur Main Road, Whitefield, Bangalore
<b>b. Tenure</b>	Freehold
<b>c. Nature of use &amp; Zoning</b>	Residential Zone

Unless disclosed to us to the contrary and recorded in the Property Report – Part D, our report is on the basis that the subject property possesses a good and marketable title and is free from any unusually onerous encumbrances. We have not checked and verified the title of the subject property.

### 1.6 Strength and Weakness Analysis

The Strength and Weakness matrix below (for the subject property) is aimed at capturing the essence of the general site and location features.

<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>The subject micro market has a good blend of commercial, residential and retail segments of real estate</li> <li>Established commercial micro market of the city. Hence, it is witnessing positive residential demand and price appreciation</li> </ul>	<ul style="list-style-type: none"> <li>Subject property is located opposite to Varthur lake and has presence of Nalas, thus limiting the development due to the buffer zone as defined in Revised Master Plan (RMP) 2015</li> </ul>
<b>Opportunity</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>Connectivity to micro market is slated to improve after the completion of Peripheral Ring Road and second phase of Metro line</li> </ul>	<ul style="list-style-type: none"> <li>Increasing residential competition in the micro market</li> </ul>



## **E VALUATION METHODOLOGY AND COMMENTARY**





## I Valuation Methodology and Commentary

Subject property spread across total land extent of 54.38 acres is currently a vacant land and for the purpose of arriving at the value of the property, we have adopted the Land Sale Comparison Method and Discounted Cash Flow Method.

**Discounted Cash Flow Method (DCF):** This method has been used to arrive at the indicative value of the project. The cash flow associated with the project, for a certain period, are determined based on the supply and demand for the property in the subject micro market and the net cash flow derived are discounted at an appropriate discount rate to arrive at the Net Present Value (NPV) of the project. The project is being evaluated on an as-is where-is basis and the valuation is based on NPV of total revenue net of all operating expenses and profit margin.

Based on the information provided by client, a residential apartment development with total saleable area of 5.45 million Sq. ft is proposed on the subject property post accounting for the RMP 2015 buffer zone norms and we have considered the same to arrive at the market value using the discounted cashflow. We are of the opinion that the proposed apartment development will be the highest and best use of the property after accounting for the RMP 2015 buffer zone norms.

Further as per the information provided by client the total permissible height in the subject property is 72 metres. Considering the above-mentioned saleable area of 5.45 million sq. ft, the resultant height to be achieved is 66 metres and the same is within the permissible limit.

**Land Sale Comparison Method:** Current market value of land is arrived by benchmarking the subject land parcel with comparable land parcels quoted or transacted in that subject location. The sale price of comparable properties similar to the subject property is analyzed and the sale prices adjusted to account for differences in the comparables to the subject property to determine the value of the subject land parcel. The premiums and discounts are based on our interaction with various stake holders in the industry and our past experience of undertaking valuations and not on any scientific methods.



## Summary & Conclusion – Land sale comparison method

We have compared the site to other comparable lands in the subject micro market. Basis the premium and discount on parameters like accessibility, frontage, location, neighbourhood profile, contiguous land parcel, FSI, shape and topography etc. We have arrived at the land value of INR 5,061 Million (INR 93 Million per acre).

The subject property also has presence of Rajkulewas (Nalas) and as per Revised Master Plan (RMP) 2015 the buffer zone of 50m from the centre of the primary Rajkulewas, 25m from the centre in the case of secondary Rajkulewas and 15m from the centre in the case of tertiary Rajkulewas has to be maintained.

As there are multiple setback areas due to the presence of lake and Rajkulewas (Nalas), it is important to understand the extent of area that will be affected by the presence of lakes and Rajkulewas. We have considered two scenarios. In Scenario 1, we have assumed that the subject property is a plain land parcel and there is no buffer zone applicable on account of RMP 2015 buffer zone norms. In Scenario 2, subject property is impacted by presence of drain and lake and setback as per RMP 2015 buffer zone norms are applicable. As per the layout map and area statement shared by client, in scenario 1, total FAR area is 7,262,541 sq. ft. and in scenario 2 total FAR area is 5,451,600 sq. ft. Hence, we understand that ~25% of saleable area is getting reduced on account of RMP 2015 buffer zone norms.

Scenario	Unit	Area
FAR area without any buffer	Sq. ft.	7,262,541
FAR area with RMP 2015 buffer norms	Sq. ft.	5,451,600

We have not done any measurement or survey to verify the same and we have completely relied on information provided by client. However, based on our market experience, we are of the opinion that the information provided by client, reasonably accounts for the buffer zone requirements as per RMP 2015 buffer zone norms. Accordingly, we have taken the discount of 25% to account for the impact of RMP 2015 buffer zone norms. Hence, the land value is arrived at INR 3,796 Million (~INR 70 Mn per acre).

As informed by the client, Mantri Developers Private Limited is the minority stakeholder in the project having 10% undivided interest in the subject property. This scenario of having minority stakeholder in the project is very case specific and there may not be market benchmarks to arrive at a discount. The



transaction value will entirely depend on the negotiation between the two parties and interest level of the buyer.

To arrive at the value of subject property, a discount of 20% is applied on account of the following -

- 10% discount on account of proportionate reduction in the land area due to minority stake.
- 10% discount to be applied to account for the presence of minority stakeholder in the project.

As highlighted, the discount applied can vary depending on each situation and it is difficult to put an exact number, however we believe this is an indicative discount percentage which can be used. Post applying the discount of 20%, the land value is arrived at INR 3,037 Million (~INR 56 Mn per acre).

We understand from the client (Aayas Trade Services Private Limited) that it has filed a petition/application with NCLT as an operational creditor, to initiate corporate insolvency resolution process under Chapter II of Part II of the Insolvency and Bankruptcy Code, 2016 against Mantri Developers Private Limited (Developer) for non-fulfilment of its payment obligations to the client. The litigation does not have any bearing on the title of the subject property as it is a litigation arising out of contractual obligation for payments, therefore the litigation could delay the marketability of the subject property but it would not impact the intrinsic value of the property.

We are of the opinion that it would take approximately 6-9 months for the settlement of issue. Hence on account of the same we have considered a discount of 15% towards the pending NCLT issue. Post applying discount of 15%, the land value is arrived at INR 2,581 Million (~INR 45 Mn. per acre)

Due to the high uncertainty due to the outbreak of the Novel Coronavirus (COVID-19), it is difficult to ascertain the short-term economic impact on land prices, market rentals for the office, retail, etc. It is expected that the prices will stabilize, and the market will go back to normal once the COVID situation improves. However, the size of interested market players would be smaller and, in our opinion, a discount of approx. 15% would be required to incentivise the buyers to purchase the subject property in near term.

Hence, the land value is arrived at INR 2,194 Million (~INR 40 Mn per acre).



Comparable Method	Subject Property	Comparable 1	Premium (+)/ Discount (-)	Comparable 2	Premium (+)/ Discount (-)	Comparable 3	Premium (+)/ Discount (-)
<b>Location and Address</b>	Varthur Main Road	Near Galaxy Trillium		Near Disha Central Park		Near Gunjur Palya	
<b>Land Area (in Acres)</b>	54.38	12		8		9	
<b>Distance from the Subject Property</b>	N/A	5.5 km		6.2 km		7.2 km	
<b>Land Use</b>	Residential	Residential		Residential		Residential	
<b>Conversion</b>	Converted	Converted		Converted		Converted	
<b>Abutting Road Width</b>	100 ft.	40 ft.		40 ft.		30 feet	
<b>Accessibility</b>	SH 35	Internal Road		Balagere Road		Internal Road - Gunjur Palya Road	
<b>Frontage (approx.)</b>	1100 feet	100 feet		500 feet		500 feet	
<b>Shape of Property</b>	Irregular	Irregular		Regular		Regular	
<b>FSI permissible</b>	3.25	2.25		2.25		2	
<b>Per SFI</b>	840.06	1136		1728		1389	
<b>Freehold/Leasehold</b>	Freehold	Freehold		Freehold		Freehold	
<b>Quoted/Transacted</b>		Quoted Q2 2020		Quoted Q2 2020		Quoted Q2 2020	
<b>Capital Rate (INR Mn/ Acre)</b>		100		152		109	
<b>Premium / Discount</b>							
<b>Freehold/Leasehold</b>	Freehold	Freehold	0%	Freehold	0%	Freehold	0%
<b>Frontage (approx.)</b>	1100 feet	100 feet	10.0%	500 feet	5%	500 feet	5.0%
<b>Accessibility</b>	100 ft.	Internal road	15.0%	Balagere Road	5.0%	Internal Road - Gunjur Palya Road	10%
<b>FSI permissible</b>	3.25	2.25	10.0%	2.25	10%	2.00	15%
<b>Location and Neighbourhood profile</b>	Opposite to Varthur Lake	near Sobha Precast	5%	near ORR	-5%	Near Gunjur Palya	10%
<b>Contiguous Land Parcel</b>	Non Contiguous	Contiguous	-5%	Contiguous	-5%	Contiguous	-5%
<b>Size</b>	54.38	12.0	-20%	8.0	-25%	9.0	-25%
<b>Land Use</b>	Residential	Residential	0%	Residential	0%	Residential	0%
<b>Negotiation (Trans/Quote)</b>		Quoted Q2 2020	-20.0%	Quoted Q2 2020	-20.0%	Quoted Q2 2020	-20.0%
<b>Total Premium/ Discount</b>			-5.0%		-40.0%		-15.0%
<b>Approximate Value (INR Million/Acre)</b>		<b>95</b>		<b>91</b>		<b>93</b>	
<b>Approximate value per FSI</b>		<b>1079</b>		<b>1037</b>		<b>1181</b>	
<b>Applicable Land Value (INR Mn./acre)</b>							<b>93</b>
<b>Applicable FSI Value (INR/sft)</b>							<b>1,099</b>
<b>Total land value (INR Mn)</b>							<b>5,061</b>
<b>Discount on account of RMP 2015 Buffer zone norms (%)</b>							<b>25%</b>
<b>Land Value after discount for RMP 2015 Buffer zone norms (INR Mn / acre)</b>							<b>70</b>
<b>Presence of minority share holder (Mantri Developers Pvt. Ltd.) in the project</b>							<b>20%</b>
<b>Applicable Land Value after discount (INR Mn /acre)</b>							<b>56</b>
<b>Total land value (INR Mn)</b>							<b>3,037</b>
<b>Discount on account of NCLT</b>							<b>15%</b>
<b>Total land value (INR Mn)</b>							<b>2,581</b>
<b>Marketability discount on account of COVID-19 situation</b>							<b>15%</b>
<b>Total land value (INR Mn)</b>							<b>2,194</b>



The following parameters have been considered to arrive at the land value of the subject property.

- **Freehold/ Leasehold:** A freehold property commands a premium over a leasehold property. The subject property and all the comparables are freehold in nature. Therefore, no premium/ discount has been provided to the subject property.
- **Frontage** – Property with a higher frontage commands a premium vis-a-vis a property with lower frontage. The subject property has a frontage of approximately 1,100 feet and the comparable 2 and 3 have frontage of approx. 500 feet. which is less than half the frontage of subject property. Therefore, a premium of 5% has been provided to the subject property to account for Frontage. Comparable 1 has a frontage of approx. 100 feet which is significantly lower than that of subject property. Therefore, a premium of 10% has been accorded to the subject property for higher frontage.
- **Accessibility** - A good accessibility facilitates commercial and residential development. Therefore, a property with better accessibility trades at a premium in the market. Subject property has a road width of approx. 100 ft. and the accessibility attributes are superior than that of comparable 1 & 3. Hence, subject property would command a premium of 15% over comparable 1 and approx. 10% over comparable 3. Further, comparable 2 has slightly inferior accessibility attributes vis-à-vis subject property in terms of road width. Therefore, a premium of 5% has been accorded to the subject property.
- **FSI** – Typically a higher FSI will draw higher floor area in the development which commands a premium over a lesser FSI. As per the BDA Revised Master Plan-2015<sup>2</sup> and information shared by the client, we understand that the proposed width of road abutting the subject property is 45 m. and hence an FSI of 3.25 is applicable. However, comparables 1 & 2 have lower FSI. Therefore, the subject property would command a premium of approx. 10%. Further, comparable 3 has significantly lower FSI vis-à-vis the subject property. Therefore, subject property would command a premium of approx. 15% on account of the same.
- **Location and Neighbourhood Profile** - Proximity of the property to benchmark sites, view facets, etc. determine the attractiveness of the location. Neighbourhood profile is determined by the presence of irregular / unorganized activities around the subject property. The neighbourhood profile and location of the comparable 3 is inferior to that of subject

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<sup>2</sup> Please find attached the Map in Appendix I

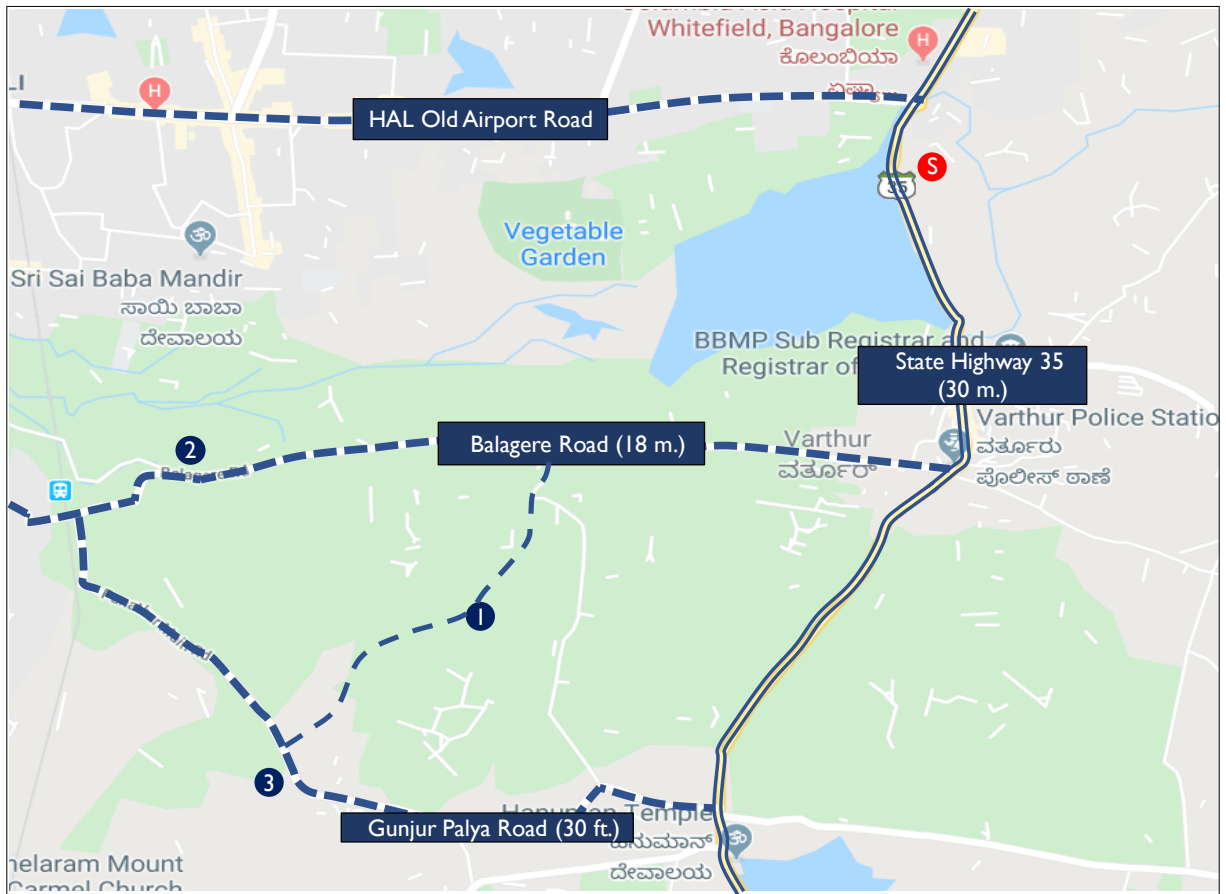


property. Therefore, a premium of 10% has been given to the subject property to account for the same. The neighbourhood profile and location of subject property is slightly better than that of comparable 1. Hence, it would command a premium of 5%. However, Comparable 2 is located closer to Outer Ring Road and thus enjoys superior neighbourhood profile vis-à-vis the subject property. Therefore, subject property would attract a discount of approx. 5% on account of the same.

- **Contiguous Land Parcel-** A contiguous property trades at a premium as compared to a non-contiguous property. All the Comparables are contiguous land parcels while the subject property is non-contiguous. Therefore, the subject property has been discounted by 5% on account of the same.
- **Size -** A larger property due to its ticket size trades at a discount as compared to a smaller property. Comparable 1, 2 & 3 are all significantly smaller in size than the subject property. Therefore, the subject property has been discounted by 20%, 25% & 25% respectively on account of the same.
- **Zoning & Conversion –** Conversion of a property involves time and cost and therefore a property which is already converted for the intended use, trades at a premium vis-a-vis a property which is not converted. The subject property and comparables 1, 2 and 3 are having same land use. Hence, no adjustment has been done.
- **Negotiation -** Typically, the quoted prices in the market have a negotiation margin of 15% - 20% incorporated (based on our discussion with brokers). The prices of the comparables 1, 2 and 3 are quoted in nature. Therefore, the subject property has been discounted by 20% to account for the negotiation margin in the price for all the comparables.



**Land Comparable Map:**





## Summary & Conclusion - Discounted Cash Flow Method

To arrive at the market value of the subject property using the DCF method, we have made the following assumptions -

- As per area statement and layout map shared by the client, the subject property is spread over a total of 54.38 acres of which total area of 14 acres and 38.8 Guntas fall under buffer zone.
- As per area statement shared by the client, the subject property will have apartment development with total saleable area 5,451,600 sq. ft.
- The FSI of the land which is falling under buffer zone (14 acres and 38.8 Guntas) is loaded on to the apartment development.
- As informed by the client, permissible FSI is 3.25 (considering the widening of the existing access road), however, FSI of 2.44 is achieved after accounting for the RMP 2015 Buffer zone requirements.
- For the pending NCLT issue. We are of the opinion that it would take approximately 6-9 months for the settlement of issue. Hence on account of the same we have considered a delay of 6 months to commence the construction work.
- As informed by the client, the minority share of the developer is 10% of the share of the total saleable area and the same is accounted in the current valuation.
- Basis the assumptions mentioned above and elaborated further in the report, the Net Present Value for Owner is arrived at INR 2,073 Million.





### Spatial Assumptions

SPATIAL ASSUMPTIONS		
Component	Unit	Apartments
% age composition	%	100%
Land Area	Acres	54.00
Land Area (Developable)	sq. ft.	23,52,240
FSI	#	3.25
Total Developable area	sq. ft.	54,51,600
Total Developable area	sq. ft.	54,51,600
Minority Share of Mantri	%	10.0%
Net Saleable BUA - Owner	sq. ft.	49,06,440
# of Units	#	3,802
No. of units	#	3,802
Built Up Area per Unit	sq. ft.	1,291
Car parkings	Total No.of Car parks	5,702

### Cost Assumptions

COST ASSUMPTIONS		
Component	UNIT	Apartments
Base cost of Construction	INR/sq. ft. (Saleable)	2,700
Overheads	% of Base Cost	5.0%
Contingency	% of Base Cost	5.0%
Professional Fees	% of Base Cost	2.0%
Yearly escalation in cost	% of Base Cost	3.0%
Total construction cost	INR Million	<b>19,535</b>
Wt avg construction cost	INR/sq. ft. (Saleable)	<b>3,982</b>
Administration / Marketing costs	% of sale consideration	2%
Total Operating Cost	INR Million	<b>1,116</b>
Total Project Cost	INR Million	<b>20,651</b>

### Revenue Assumptions

REVENUE ASSUMPTIONS		
Component	Unit	Apartments
Current Sale Rate	INR/sq. ft.	5,280
% Rise in Saleprice YoY	%	5%
Parking Sale Value	INR/Unit	1,50,000
Club House and other charges	INR/unit	2,50,000
Initial deposit	% of sale value	20%
Average selling price	INR/sq. ft. (Saleable Area)	<b>7,403</b>



## Discount Rate

Discount Rate	
Component	
Discount Rate	25.0%

## Cash Flow

CASHFLOWS	Period	0	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
		Year	31-06-2020	31-06-2021	31-6-2022	31-6-2023	31-6-2024	31-6-2025	31-6-2026	31-6-2027	31-6-2028	31-6-2029	31-6-2030	31-6-2031	
<b>CAPEX</b>															
Apartments	INR Million	-	-	(424.5)	(1,530.3)	(1,576.3)	(1,623.5)	(1,672.2)	(1,968.5)	(2,027.5)	(2,088.4)	(2,419.9)	(2,492.5)	(1,711.5)	(19,535.1)
<b>OPEX</b>															
Apartments	INR Million	-	-	(21.1)	(66.6)	(93.3)	(97.9)	(102.8)	(121.5)	(127.5)	(119.0)	(109.4)	(98.4)	(86.1)	(1,116.1)
<b>TOTAL OUTFLOW</b>	INR Million	-	-	<b>(445.7)</b>	<b>(1,597.0)</b>	<b>(1,669.5)</b>	<b>(1,721.5)</b>	<b>(1,775.1)</b>	<b>(2,089.9)</b>	<b>(2,155.1)</b>	<b>(2,207.4)</b>	<b>(2,529.2)</b>	<b>(2,590.9)</b>	<b>(1,797.6)</b>	<b>(20,651.2)</b>
<b>DEPOSITS</b>															
Apartments	INR Million	-	-	141.0	444.1	621.8	652.9	685.5	809.8	850.3	793.6	729.1	656.2	574.2	7,440.7
<b>Revenue</b>															
Apartments	INR Million	-	-	78.9	1,067.6	2,659.2	2,833.1	1,931.8	2,670.3	3,668.1	2,159.6	3,523.3	4,127.1	3,534.5	30,066.6
<b>TOTAL INFLOW</b>	INR Million	-	-	<b>219.8</b>	<b>1,511.7</b>	<b>3,281.0</b>	<b>3,486.0</b>	<b>2,617.3</b>	<b>3,480.1</b>	<b>4,518.4</b>	<b>2,953.2</b>	<b>4,252.4</b>	<b>4,783.3</b>	<b>4,108.7</b>	<b>37,507.3</b>
<b>NET CASHFLOWS</b>	INR Million	-	-	<b>(225.8)</b>	<b>(85.3)</b>	<b>1,611.5</b>	<b>1,764.5</b>	<b>842.3</b>	<b>1,390.1</b>	<b>2,363.3</b>	<b>745.8</b>	<b>1,723.1</b>	<b>2,192.4</b>	<b>2,311.1</b>	<b>16,856.1</b>
<b>PROJECT CASHFLOWS</b>	INR Million	-	-	<b>(225.8)</b>	<b>(85.3)</b>	<b>1,611.5</b>	<b>1,764.5</b>	<b>842.3</b>	<b>1,390.1</b>	<b>2,363.3</b>	<b>745.8</b>	<b>1,723.1</b>	<b>2,192.4</b>	<b>2,311</b>	<b>16,856.1</b>
<b>NPV</b>	INR Million		<b>2073</b>												

## Scheduling

SCHEDULING	Period	0	1	2	3	4	5	6	7	8	9	10	11	12
		million sq. ft. Year	31-06-2020	31-06-2021	31-6-2022	31-6-2023	31-6-2024	31-6-2025	31-6-2026	31-6-2027	31-6-2028	31-6-2029	31-6-2030	31-6-2031
<b>CONSTRUCTION</b>														
<b>Apartments</b>														
Phase I	1.23	0%	0%	3%	9%	9%	9%	9%	10%	10%	10%	11%	11%	8%
Phase II	1.23	0%	0%	10%	35%	35%	20%	0%	0%	0%	0%	0%	0%	0%
Phase III	1.23	0%	0%	0%	0%	0%	15%	35%	30%	20%	0%	0%	0%	0%
Phase IV	1.23	0%	0%	0%	0%	0%	0%	0%	10%	20%	25%	25%	20%	0%
<b>Total</b>	<b>4.91</b>	-	-	<b>0.12</b>	<b>0.43</b>	<b>0.43</b>	<b>0.43</b>	<b>0.43</b>	<b>0.49</b>	<b>0.49</b>	<b>0.49</b>	<b>0.55</b>	<b>0.55</b>	<b>0.37</b>
<b>PROJECT TOTAL</b>	<b>98% %</b>	0%	0%	3%	9%	9%	9%	9%	10%	10%	10%	11%	11%	8%
<b>SALES</b>														
<b>Apartments</b>	<b>4.91</b>													
Phase I	1.23	0%	0%	3%	8%	10%	10%	10%	11%	11%	10%	9%	8%	6%
Phase II	1.23	0%	0%	10%	30%	35%	25%	0%	0%	0%	0%	0%	0%	0%
Phase III	1.23	0%	0%	0%	0%	5%	15%	40%	20%	20%	0%	0%	0%	0%
Phase IV	1.23	0%	0%	0%	0%	0%	0%	0%	25%	25%	20%	20%	10%	0%
<b>Total</b>	<b>4.91</b>	0.00	0.00	<b>0.12</b>	<b>0.37</b>	<b>0.49</b>	<b>0.49</b>	<b>0.49</b>	<b>0.55</b>	<b>0.55</b>	<b>0.49</b>	<b>0.43</b>	<b>0.37</b>	<b>0.31</b>
<b>PROJECT TOTAL</b>	<b>4.91 million sq. ft.</b>	-	-	<b>0.12</b>	<b>0.37</b>	<b>0.49</b>	<b>0.49</b>	<b>0.49</b>	<b>0.55</b>	<b>0.55</b>	<b>0.49</b>	<b>0.43</b>	<b>0.37</b>	<b>0.31</b>



## Apartment sale price analysis:

Comparable Method	Subject Property	Comparable 1	Premium(+)/ Discount(-)	Comparable 2	Premium(+)/ Discount(-)	Comparable 3	Premium(+)/ Discount(-)	Comparable 4	Premium(+)/ Discount(-)
Name of Development		Incor Carmel Heights		Prestige Fontaine Bleu		Myhna Maple		Brigade Utopia	
Developer		Incor Infrastructures		Brigade Group		Myhna Properties		Brigade Group	
Base Rate(INR/sq. ft.)		6,200		6,500		4,615		5,100	
Quote/Transacted		Quote		Quote		Quote		Quote	
<b>Parameters to arrive at premium(+)/discount(-)</b>									
Location	Opp Varthur Lake	Near Forum Value Mall	0%	ITPL Main Road	-5.0%	Varthur	10%	Varthur	10%
Neighbourhood Profile	Mixed	Mixed	0%	Mixed	0%	Residential	5%	Residential	5%
Quote/Sale/Lease		Quote	-5.0%	Quote	-5.0%	Quote	-5.0%	Quote	-5.0%
Ready/ Under Construction	Under Planning	Under Construction	-5.0%	Under Construction	-5.0%	Under Construction	-5%	Under Construction	-5%
Developer Grade	Grade A	Grade A	0.0%	Grade A	0%	Grade A	5.0%	Grade A	0.0%
Quality of Development	Good	Good	0%	Good	0%	Average	5%	Good	0%
Approvals & Infrastructure inside the site	Not Available	Approval obtained	-10.0%	Approval obtained	-10.0%	Approval obtained	-10.0%	Approval obtained	-10.0%
Accessibility	Good	Good	0%	Average	10.0%	Average	10%	Average	10%
Total premium/discount			<b>-20.0%</b>		<b>-15.0%</b>		<b>15.0%</b>		<b>5.0%</b>
Approximate Capital value (on carpet area) (INR/ sq. ft.) for subject property			4,960		5,525		5,307		5,355
Average Capital value (INR/ sq. ft.)	5,287								

The following parameters have been considered to arrive at the value of apartment units in subject property:

- Location** - A good location facilitates commercial and residential development. The subject property and Comparable 1 are located in a similar location and hence no premium or discount has been provided. Comparables 3 & 4 have inferior locational attributes vis-à-vis subject property. Therefore, subject property would command a premium of approx. 10%. However, comparable 2 has superior locational attributes vis-à-vis subject property. Therefore, subject property has been discounted by 5%.
- Neighbourhood Profile** - Proximity of the property to benchmark sites, view facets, etc. determine the attractiveness of the location. Neighbourhood profile is determined by the presence of irregular / unorganized activities around the subject property. Comparable 1 & 2 have mixed developments in neighbourhood and are similar to that of subject property. Hence, no premium or discount has been provided. However, comparable 3 & 4 have few residential and unorganized retail developments in neighbourhood while the subject property has organized mixed developments in the surrounding. Therefore, subject would command a premium of approx. 5% on account of the same.
- Quote / Sale / Lease** - Generally a negotiation is available on the quoted price for properties. Since, all the comparables are quoted in nature, we have given a 5% discount on the quoted price.



- **Ready / Under Construction** - Generally, ready to move in properties command a premium over under construction properties. All the comparable properties are under construction and the subject property is still in the planning stage. Therefore, we have provided a discount of 5% on account of construction status.
- **Developer Grade** - Projects by established Grade A developers command a premium over projects by Grade B developers in the same location. Comparables 1, 2 and 4 are projects by reputed Grade A developers. Therefore, no premium or discount is assigned to the subject property over these comparables. However, comparable 3 is being developed by a developer who is less established compared to that of subject property. Therefore, we have provided a premium of 5% to the subject property.
- **Quality of Development** - Projects with better quality of construction and the fit and finish of the units command a premium over projects with lower quality. Comparables 1, 2 and 4 have good quality and we expect a similar product in the subject property. Therefore, no premium or discount is assigned to the subject property over these comparables. However, subject property is expected to have better quality than comparable 3. Hence, a premium of 5% has been provided to subject property.
- **Approvals & Infrastructure**– Obtaining approvals for development of a property involves time and cost and therefore a property which is already approved by authorities for the intended use, can command a premium as there might not be any delays in the project completion due to approvals. All the comparable properties are under various stages of construction and hence would have already received approvals. The subject property is yet to receive approvals in order to begin the construction. Therefore, we have provided a discount of 10% to subject property considering the cost and time involved in getting approvals.
- **Accessibility & Frontage** – The subject property has a good frontage along its access road. Comparable 1 also has similar accessibility attributes to that of subject property. Hence, no premium or discount has been provided. However, comparables 2, 3 & 4 have inferior accessibility attributes vis-à-vis the subject property. Therefore, subject property would command a premium of approx. 10% on account of the same.



### Valuation of property from sale of CCD to developer

Particulars	Upto 30 Jun, 2020
Payment by MDPL - As per Client info	870
Total Payment yet to be received	2690
Discount for presence of minority share in the property	10%
<b>Realizable value</b>	<b>2421</b>

- As per the Restated Amendment Agreement dated 16th March 2018 provided to us by the client, the developer Mantri Developers Private Ltd (MDPL) had agreed to purchase CCDs from the client.
- As informed by the client, the developer had agreed to pay a total of INR 3,560 Million through the purchase of CCDs for acquiring the 90% stake the client holds in the SPV. Further, approx. INR 870 Million has already been paid by the developer as on 30th June 2020 and INR 2,690 Million is yet to be received by the Client. The same was supposed to be paid by August 2019 but developer has not made the payment. For the non- payment of the payment obligations, client has filed a petition/application with NCLT as an operational creditor to initiate corporate insolvency resolution process under Chapter II of “The Insolvency and Bankruptcy Code, 2016” for non-payment of payment obligations by the Developer (Mantri developers Private Limited) to client.
- Further, we have considered a discount of 10% due to the presence of minority shareholding in the SPV keeping in mind the reservations of a third-party buyer to deal with such a structure.
- Based on these above assumptions, the fair value of the proposed interest in the SPV is INR 2,421 Million.



## 1.1 Valuation

### Market Value Assuming Vacant Possession

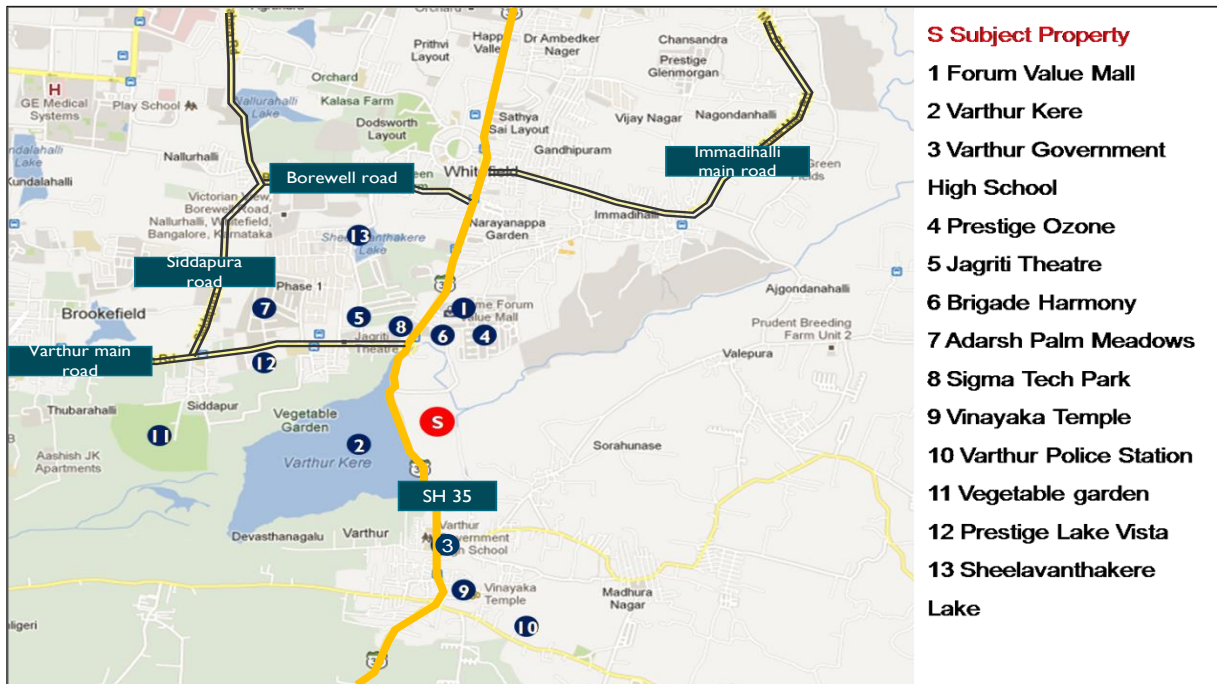
In our opinion, the market value of the proposed freehold interest in the property:

<b>Market Value the Property</b>	
<b>Discounted Cash Flow Method</b>	<b>INR 2,073 Million</b>
<b>Land Comparable Method</b>	<b>INR 2,194 Million</b>
<b>Mantri Deal Value</b>	<b>INR 2,421 Million</b>

It may be noted that this is approximate value estimation. Actual achievable value may vary in the range of +/- 5 % depending on space usage, buyer profiles, and case-to-case transaction peculiarities



**Appendix I: Property Location Map**



**Revised Master Plan 2015- Proposed land use map – Planning district 316 (Varthur)**







**Appendix 2: Property Photographs**



*View of the entrance for subject property*



*Internal view of the subject property*



*View of the drain inside subject property*



*Internal view of the subject property*



*Internal road of the subject property*



*Access road of the subject property*



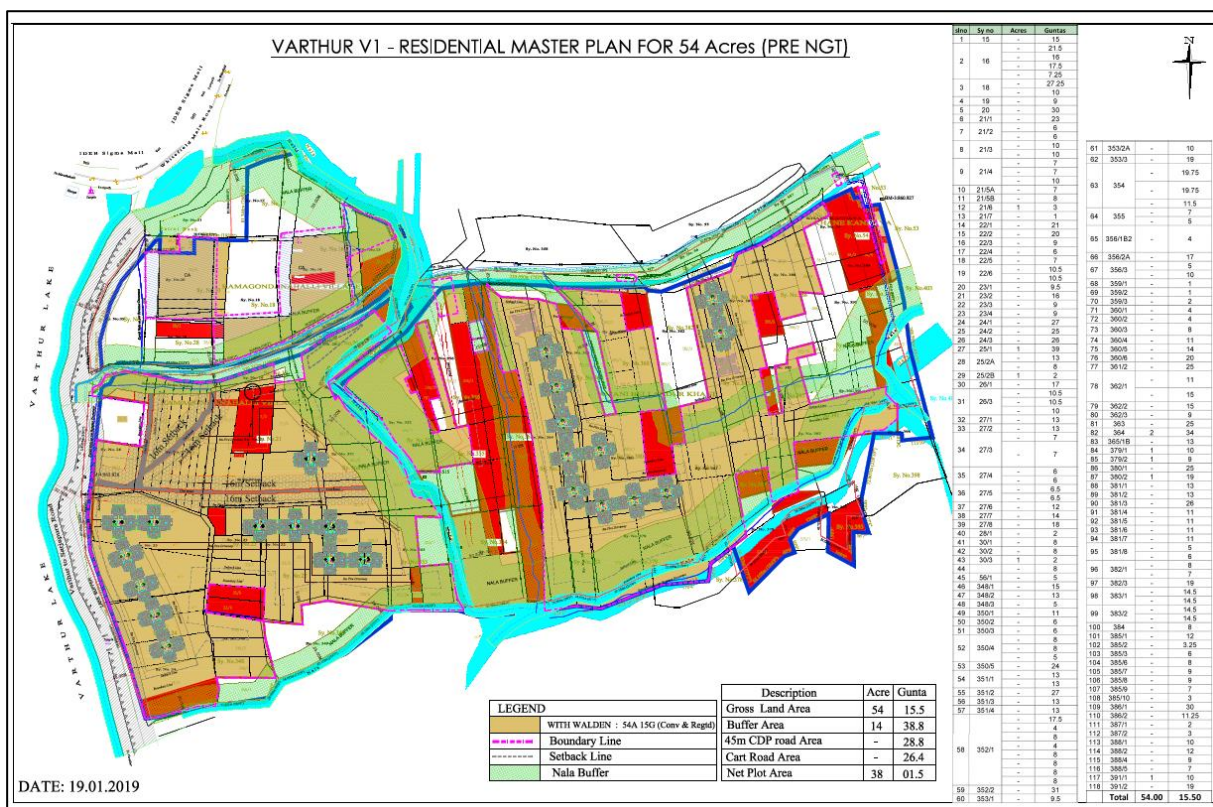


**Appendix 3: Information Supplied**

We have been supplied with the following information by the client:

Sr. No	Information	Source
1	Area Statement	Client
2	Property Address	Client
3	Property Layout Map	Client

**Property Layout Map as per Revised Master Plan (RMP) 2015 Buffer Zone Norms**





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#### **Appendix 4: Instructions (Caveats & Limitations)**

1. The Valuation Report (hereafter referred to as “Report”) will not be based on comprehensive market research of the overall market for all possible situations. Cushman & Wakefield India (hereafter referred to as “C&WI”) will cover specific markets and situations, which will be highlighted in the Report. C&WI will not be carrying out comprehensive field research based analysis of the market and the industry given the limited nature of the scope of the assignment. In this connection, C&WI will rely solely on the information supplied to C&WI and update it by reworking the crucial assumptions underlying such information as well as incorporating published or otherwise available information.
2. In conducting this assignment, C&WI will carry out analysis and assessments of the level of interest envisaged for the property under consideration and the demand-supply for the commercial sector(s) as applicable in general. C&WI will also obtain other available information and documents that are additionally considered relevant for carrying out the exercise. The opinions expressed in the Report will be subject to the limitations expressed below.
  - a. C&WI has adopted valuation method based on its own expertise and knowledge and endeavors to develop forecasts on demand, supply and pricing on assumptions that would be considered relevant and reasonable at that point of time. All of these forecasts will be in the nature of likely or possible events/occurrences and the Report will not constitute a recommendation Aayas Trade Services Pvt. Ltd, (hereafter referred to as the “Client”) or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which forecasts have been generated and is not recommended as an input to a financial decision.
  - b. It should be noted that C&WI's value assessments will be based upon the facts and evidence available at the date of assessment. It is therefore recommended that the value assessments be periodically reviewed.
  - c. Changes in socio-economic and political conditions could result in a substantially different situation than those presented at the stated effective date. C&WI assumes no responsibility for changes in such external conditions.
  - d. In the absence of a detailed field survey of the market and industry (as and where applicable), C&WI will rely upon secondary sources of information for a macro-level analysis. Hence, no



- direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis.
- e. The services provided will be limited to assessment and will not constitute an audit, a due diligence, tax related services or an independent validation of the projections. Accordingly, C&WI will not express any opinion on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report will be prepared solely for the purpose stated, and should not be used for any other purpose.
  - f. While the information included in the Report will be believed to be accurate and reliable, no representations or warranties, expressed or implied, as to the accuracy or completeness of such information is being made. C&WI will not undertake any obligation to update, correct or supplement any information contained in the Report.
  - g. In the preparation of the Report, C&WI will rely on the following information:
    - i. Information provided to us by the Client and its affiliates and subsidiaries and third parties;
    - ii. Recent data on the industry segments and market projections;
    - iii. Other relevant information provided to us by the Client and its affiliates and subsidiaries at C&WI's request;
    - iv. Other relevant information available to C&WI; and
    - v. Other publicly available information and reports.
3. The Report will reflect matters as they currently exist. Changes may materially affect the information contained in the Report.
  4. All assumptions made in order to determine the Valuation of the identified property(ies) will be based on information or opinions as current. In the course of the analysis, C&WI would be relying on information or opinions, both written and verbal, as current obtained from the Clients as well as from third parties provided with, including limited information on the market, financial and operating data, which would be accepted as accurate in bona-fide belief. No responsibility is assumed for technical information furnished by the third party organizations and this is bona-fidely believed to be reliable.
  5. No investigation of the title of the assets will be been made and owners' claims to the assets will be assumed to be valid. No consideration will be given to liens or encumbrances, which may be against the assets. Therefore, no responsibility is assumed for matters of a legal nature.
  6. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from C&WI for any purpose and should take all



reasonable precautions to protect such information from any sort of disclosure. The information or data, whether oral or in written form (including any negotiations, discussion, information or data) forwarded by C&WI to the Client may comprise confidential information and the Client undertakes to keep such information strictly confidential at all times.

**Strictly Confidential  
For Addressee Only**

**Cover Letter for the  
Valuation conducted as of 30<sup>th</sup>  
June 2020 for property  
located in Varthur Road,  
Whitefield, Bangalore**

**Report for**

**Aayas Trade Services Pvt Ltd**

**Report Date**

**12<sup>th</sup> August 2020**



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**Cushman & Wakefield (India) Pvt Ltd**

No # 111, Maximus 2B building, Mindspace  
IT Park, HITEC city, Madhapur, Hyderabad  
Tel +91 040 40405555  
Fax +91 040 40405566

**To: Aayas Trade Services Pvt Ltd**

**Property: 54.38 acres land parcel located in Varthur  
Road, Whitefield, Bangalore**

**Report Date: 24<sup>th</sup> July 2020**

**A Background of the Cover Letter**

Aayas Trade Services Private Limited (Hereinafter referred to as “Client”) has engaged Cushman & Wakefield (India) Pvt Ltd (“C&WI”) for valuation 54.38 acres land parcel (“Subject Property”) located in Varthur Road, Whitefield, Bangalore in the years 2016, 2017, 2018 ,2019 and 2020 for the purpose of financial reporting (In reference to the engagement letters dated 22<sup>nd</sup> November 2016, 28<sup>th</sup> March 2018, 21<sup>st</sup> December 2018 and 24<sup>th</sup> December 2019). Further Client has entered in to an agreement with C&WI dated 03<sup>th</sup> July 2020 for publishing of the valuation report dated 30<sup>th</sup> June 2020 (valuation dated 30<sup>th</sup> June 2020) in prospectus being issued by Elbit Imaging Ltd (Parent Company of Aayas Trade Services Pvt Ltd).

In the above context the current cover letter is being prepared to highlight the appraiser details, details of the nature of valuation conducted for the Aayas Trade Services Pvt Ltd, valuation of the land, Significant changes in valuation and sensitivity analysis.

**B Appraiser Details**

**I Mr. Somy Thomas**

Mr. Somy Thomas is the lead appraiser of the subject property. Mr. Somy Thomas is the Managing Director and heads the Valuation & Advisory Services in India.

<b>Name of Appraiser</b>	Mr. Somy Thomas – Managing Director, Valuation & Advisory Services
<b>Professional Qualification</b>	Member of Royal Institution of Chartered Surveyor (MRICS) Membership Number: 1296618
<b>Educational Qualification</b>	Master of Business Administration, XLRI Jamshedpur Master’s in commerce from Pondicherry Central University
<b>Professional Experience</b>	Under Somy Thomas leadership, the valuation practice has grown across various Indian cities and across Clients such as FII, NBFCs, Banks, leading real-estate developers, large Indian and global MNCs, Government and some of the most prominent public-sector undertakings. My inputs have been critical for disposition / acquisition decisions, investment advisory, listing in global financial exchanges, litigation support etc.  Key Projects: Citibank N.A, Air India, JP Morgan, Bain Capital, HSBC, Ascends India Trust, Hindustan Unilever, Pfizer Ltd, DLF Ltd, K Raheja Corp among others

**2 Other Appraisers**

**Details of other Appraisers in the Assignment**

<b>Name of Appraiser</b>	Mr. Joseph Ajith, CFA, MRICS – Assistant Vice President, Valuation & Advisory Services
<b>Educational Qualification</b>	Chartered Financial Analyst (CFA) Post Graduate Diploma in Business Administration – VJIM Hyderabad Graduation in Mathematics, Andhra University, Andhra Pradesh
<b>Name of Appraiser</b>	Mr. Vishal Deore– Assistant Manager, Valuation & Advisory Services
<b>Educational Qualification</b>	Post Graduate Program in Advanced Construction Management – NICMAR Pune B. Tech in Civil Engineering, NMIMS Mumbai



<b>Name of Appraiser</b>	Mr. Aditya Patil– Assistant Manager, Valuation & Advisory Services
<b>Educational Qualification</b>	Post Graduate Program in Infrastructure Finance Development & Management – NICMAR (Pune) B. E. in Civil Engineering, Jain College of Engineering, Belgaum

### C Details of the Valuation Conducted

Client has engaged C&WI in 2016, 2017, 2018, 2019 and 2020 for the valuation of the subject property for the purpose of financial reporting purpose. Below are the details of the valuation conducted:

<b>Date of Valuation</b>	<b>Method of Valuation and Land Value (INR Million)</b>	<b>Purpose of Valuation</b>
30 June 2020	Land Sale Comparable Method – INR 2,194 Million	Financial Reporting Purposes
31 December 2019	Land Sale Comparable Method – INR 2,061 Million	Financial Reporting Purposes
31 December 2018	Land Sale Comparable Method – INR 2,350 Million	Financial Reporting Purposes
31 December 2017	Land Sale Comparable Method – INR 2,091 Million	Financial Reporting Purposes
31 December 2016	Land Sale Comparable Method – INR 2,738 Million	Financial Reporting Purposes

### D Valuation of the Land

Subject property is currently at land stage and the property value is considered the same as land value

<b>Date of Valuation</b>	<b>Method of Valuation and Land Value (INR Million)</b>
30 June 2020	Land Sale Comparable Method – INR 2,194 Million
31 December 2019	Land Sale Comparable Method – INR 2,061 Million
31 December 2018	Land Sale Comparable Method – INR 2,350 Million
31 December 2017	Land Sale Comparable Method – INR 2,091 Million
31 December 2016	Land Sale Comparable Method – INR 2,738 Million

## E Significant Changes in Valuation

Date of Valuation	Property Value- INR Million	% Change in Value as compared to previous year	Reason for Significant Change in Valuation
30-Jun-20	2,194	6.5%	Due to withdrawal of Draft RMP-2031 Bangalore and due to the impact of COVID-19 pandemic situation, there is a net increase of 6.5% in the value of subject property.
31-Dec-19	2,061	-12%	Due to the NCLT issue arising on the subject property, the value decreased by 12% as compared to previous year.
31-Dec-18	2,350	12%	Due to the increase in demand and repeal of the NGT buffer zone requirements, subject property value is increased by 12% as compared to previous year
31-Dec-17	2,091	-24%	Valuation of the subject property is decreased by 24% as compared to 31 December 2016 valuation as the subject property is re-zoned as Open Space/Park use from the earlier residential use of the subject property.
31-Dec-16	2,738	NA	NA

## F Sensitivity Analysis

We have conducted the following scenario analysis considering major factors such as RMP Buffer Zone, minority shareholder presence in the property, COVID-19 impact, NCLT issue and negotiation margin.

	RMP-2015 Buffer zone				
Discount	15%	20%	25%	30%	35%
Land Value (INR Million)	2487	2340	2194	2048	1902
	Minority share				
Discount	10%	15%	20%	25%	30%
Land Value (INR Million)	2468	2331	2194	2057	1920
	NCLT				
Discount	5%	10%	15%	20%	25%
Land Value (INR Million)	2452	2323	2194	2065	1936
	Marketability Discount (COVID-19 impact)				
Discount	5%	10%	15%	20%	25%

Land Value (INR Million)	2452	2323	2194	2065	1936
	Negotiation				
Discount	10%	15%	20%	25%	30%
Land Value (INR Million)	2478	2336	2194	2052	1910

**G Statement of significant change in valuation from 31 December 2019 to 30 June 2020**

Due to withdrawal of draft RMP-2031 of Bangalore, there is positive impact on the value of subject property. However, due to the impact of COVID-19 pandemic situation, there is a negative impact on the value of subject property. Overall, the value of subject property has increased by 6.5%

**H Disclaimer**

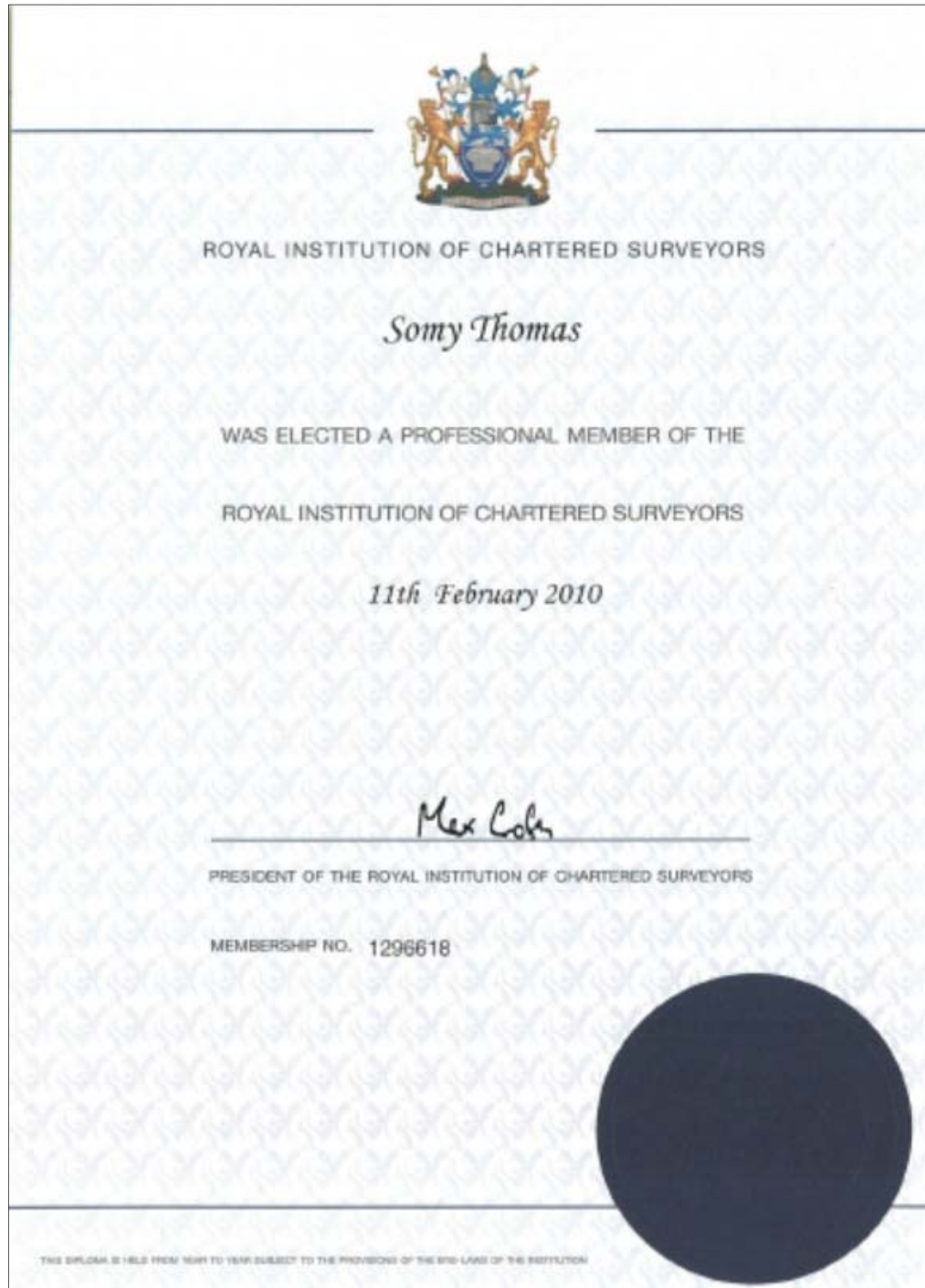
All the other terms and conditions shall be governed by the relevant engagement letters dated 22<sup>nd</sup> November 2016, 28<sup>th</sup> March 2018, 21<sup>st</sup> December 2018, 24<sup>th</sup> December 2019 and 3<sup>rd</sup> July 2020.

**Signed For and on Behalf of Cushman & Wakefield India Pvt. Ltd**



**Somy Thomas, MRICS**  
**Managing Director, Valuation & Advisory**  
**Membership No: 1296618**

I **Annexure: Somy Thomas RICS Certificate**



**PROPERTY  
ADDRESS  
VALUATION DATE**
**Residential Project  
Thalambur and Siruseri Village  
30 June 2020**
**A Valuation Report**

To: Elbit Plaza India Management Services Private Limited and Plaza Centers N.V  
 Attention: Mr. Hemant Kohari  
 Property: 74.73 Acres Land- Thalambur  
 Report Date: Wednesday, 12 August 2020  
 Valuation Date: Tuesday, 30 June 2020

**1 Instructions**
**Appointment**

We are pleased to submit our report to Elbit Plaza India Management Services Pvt Ltd. and Plaza Centers N.V. which has been prepared for financial reporting purposes. The property and interests valued are detailed in Part C of this report.

The exercise has been carried out in accordance with the instructions (Caveats & Limitations) detailed in Part D of this report. The extent of our professional liability to you is also outlined within these instructions.

**2 Background to the Valuation**

You have told us that the valuation report is required for financial reporting purposes and that these financial statements are being prepared in accordance with IFRS. You have also confirmed the properties have been classified for this purpose as shown in Part C.

**3 Conflict of Interest**

We confirm that there are no conflicts of interest in our advising you on the value of the subject property under the assumed conditions as instructed.

**4 Bases of Valuation**

We understand from the discussion with the client, that the basic intention of the exercise is to assess the value of the property on an existing use basis. Hence, the valuation of the subject property is assessed on the basis of "Land Sale Comparison Method" as applicable for each properties. Further as per the instruction received from the client, we have conducted the valuation on "Desktop Basis"

Properties classified as investments or surplus to requirements have been valued on the basis of Market Value / Fair Value.

**5 Assumptions, Departures and Reservations**

We have prepared our report on the basis of the assumptions within our instructions (Caveats & Limitations) detailed in Part D of this report. The land area details of the subject property has been provided by Client. We have made no other assumptions, departures or reservations. We have not deviated from the Red Book. The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. Market activity is being impacted in many sectors. As at the valuation date, C&W considers that less weight can be attached to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to COVID-19 means that C&W is faced with an unprecedented set of circumstances on which to base a judgement. C&W valuation(s) is / are therefore reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of [this property] under frequent review.

**6 Inspection**

In light of the current scenario (COVID 19 related alert), and in line with the discussion with Client; we have not inspected the property. (This is a desktop-based study). However the site was inspected externally from ground level on 05th December 2019 by Mr. Ashwin Thenappan – Cushman&Wakefield India Pvt Ltd (C&W) for the previous valuation update. No measurement survey has been carried out by C&W. We have relied entirely on the site areas provided to us by the Client. We have assumed that these are correct

**7 Sources of Information**

Information on comparable properties is generally gathered from various reliable sources. However, for the purpose of this study the information on comparable properties has been gathered from C&W research team and internal brokers and local commercial brokers.

**8 General Comment**

A valuation is a prediction of price, not a guarantee. By necessity it requires the valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values. The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and so our valuation could differ significantly if the date of valuation was to change. If you wish to rely on our valuation as being valid on any other date you should consult us first.

Should you or the borrower contemplate a sale, we strongly recommend that the property is given proper exposure to the market. You should not rely on this report unless any reference to tenure, tenancies and legal title has been verified as correct by your legal advisers.

**9 Confidentiality**

The contents of this Valuation Report are intended to be confidential to the addressees and for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents. Before the Valuation Report or any part of its contents are reproduced or referred to in any document, circular or statement or disclosed orally to a third party, our written approval as to the form and context of such publication or disclosure must first be obtained. For avoidance of doubt, such approval is required whether or not this firm is referred to by name and whether or not our Valuation Report is combined with others.

**10 Disclosure & Publication**

You must not disclose the contents of this valuation report to a third party in any way without first obtaining our written approval to the form and context of the proposed disclosure. You must obtain our consent, even if we are not referred to by name or our valuation report is to be combined with others. We will not approve any disclosure that does not refer sufficiently to any Special Assumptions or Departures that we have made.

**11 Authority**

Client acknowledges and agrees that C&W's services hereunder (including, without limitation, the Reports itself and the contents thereof) are being provided by C&W solely to and for the benefit of Client and no other party. If Client desires to use the Report or C&W's name in any offering or other investment material, then (a) C&W will require, and Client must provide or cause to be provided, an indemnification agreement in C&W's favor, given by parties reasonably satisfactory to C&W, and (b) Client will obtain C&W's consent to the references in such materials to the Report.

**12 Third Claim Party Identity**

C&W endeavors to provide services to the best of its ability and in bonafide good faith. The Report issued shall be only for the use by Client. In the event Client provides a copy of the Report to, or permits reliance thereon by, any person or entity not authorized by C&W in writing to use or rely thereon, Client hereby agreed to indemnify and hold C&W, its affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including reasonable attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the Report by any such unauthorized person or entity. C&W disclaims any and all liability to any party other than Client.

**13 Limitations of Liability**

Subject to the terms and conditions of the engagement letter / master agreement, C&W's total aggregate liability to Client arising in connection with the performance or contemplated performance of the services herein, regardless of cause and/or theory of recovery, shall be limited to an aggregate sum not exceeding the total fees paid to C&W by Client hereunder. C&W shall not be liable under any circumstances for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.

Client acknowledge and agree that C&W's responsibility is limited to Client and use of C&W's work product (including, without limitation, the Report and contents therein) by third parties shall be solely at the risk of Client and/or any such third parties.

**14 Anti Bribery and Anti Corruption**

Both Parties represents, warrants and undertakes that:

They are familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws;

The Client has been duly intimated of C&W's Global anti-corruption policies ("C&W Anti-Corruption Policies") and both the Parties shall comply with the same at all times during the term of this Agreement;

The Client has been duly intimated that C&W is governed by the Foreign Corrupt Practices Act, 1977 (FCPA) and UK Bribery Act 2010 (UKBA) which are United States Federal Law and an act of Parliament of the United Kingdom respectively, that prohibits companies and their employees worldwide from any form of bribing foreign government officials (including facilitation payments, etc.) to obtain or retain business or otherwise. It is further stated that C&W does not give or receive improper payments, facilitation payments to/from any organization or person including a government official and does not do so during the course of providing services to its Clients.

It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case C&W is insisted upon or asserted by Client to violate any of the above said undertakings including C&W Anti-Corruption Policies in any form or manner, on pretext of business relationship or otherwise, C&W shall have a discretionary right to terminate this Agreement without any liability or obligation on part of C&W.

Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to C&W, prior to such termination

**PROPERTY  
ADDRESS  
VALUATION DATE**

**Residential Project  
Thalambur and Siruseri Village  
30 June 2020**

#### 14 Valuation

The valuation is prepared in accordance with the definition of Appraisal and Valuation Standards published by the Royal Institution of Chartered Surveyors ("RICS") "The Red Book" by a valuer acting as an External Valuer, as defined within the Red Book. We confirm that the valuer conforms to the stipulated requirements. The valuation and report has been prepared in accordance with the IVS 300 – Valuations for Financial Reporting. Market Value is defined as "The estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion." (VS 3.2 Redbook 7th Edition). Properties classified as investments or surplus to requirements have been valued on the basis of Market Value / Fair Value.

##### Market Value Assuming Vacant Possession

In our opinion, the market value of the proposed freehold interest in the property, assuming vacant possession is:

**INR 988 Million  
(Indian Rupees Nine Hundred and Eighty Eight Million only)**

It may be noted that this is approximate value estimation. Actual achievable value may vary in the range of +/- 5 % depending on space usage, buyer profiles, and case-to-case transaction peculiarities.

##### Value of Cashflows to the Owner

In our opinion the value of the Cashflows attributable to the Owner of the property assuming JDA signed as of July 2016 is executed shall be

**INR 1,074 Million (Discounted)  
(Indian Rupees One Thousand and Seventy Four Million only)**

**INR 3,400 Million (Undiscounted)  
(Indian Rupees Three Thousand and Four Hundred Million only)**

It may be noted that this is approximate value estimation. We have assumed the absorption, discount rates, capital values and price escalations based on market factors. The product mix for development has been provided by the client. Any change in these assumptions shall have a significant impact on the valuation.

##### Value of Share Purchase Agreement

The purchase price based on the Share purchase agreement signed as of 4th June 2019 between the Owner and developer is

**INR 1082 Million\*  
(Indian Rupees One Thousand and Eighty Two Million only)**

Signed for and on behalf of Cushman & Wakefield

  
**Somy Thomas MRICS**  
RICS Registered Valuer



**Name** Somy Thomas MRICS  
**Position** Managing Director of Valuation & Advisory India  
**Office** Bangalore, India

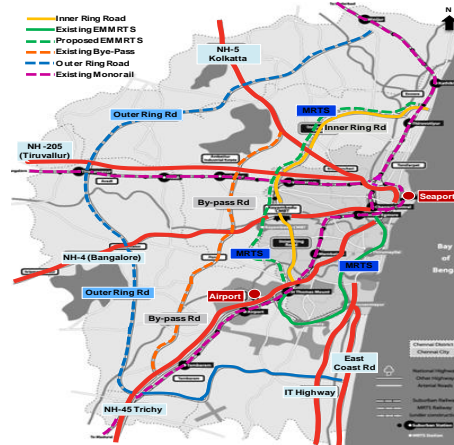
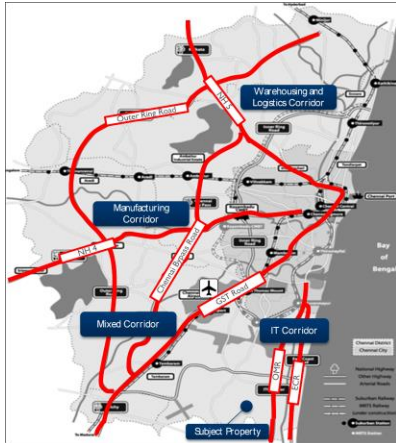
\* Subject property measuring approximately 74.73 acres is held by Kadavanthara Builders Private Limited (Kadavanthara), which is owned by Elbit Plaza India Real Estate Holdings limited and Vilmadoro Limited. The share purchase agreement executed on 4th June 2019 to sell the securities held by Elbit and Vilmadoro in Kadavanthara to Pacifica and Aavan developers for an amount of INR 1,082 million. The same is agreed between the above mentioned parties based on their commercial understanding. The subject property is a part of the Share purchase agreement and is valid till 02 Sept 2020.

**PROPERTY ADDRESS VALUATION DATE**

**Residential Project**  
Thalambur and Siruseri Village  
30 June 2020

## B CHENNAI CITY OVERVIEW

Chennai, the capital city of Tamil Nadu, is spread over a total area of 1,189 sq km<sup>[1]</sup> (Metropolitan Area), with an estimated population of approximately 8.70 million<sup>[2]</sup> in 2011 and a decadal growth of approximately 33%. The physical infrastructure of the city is fairly well developed with good road, rail, air and sea transport networks. Chennai's airport provides both domestic and international connectivity. Chennai Airport is located off GST Road (NH 45) and 16 km from the city centre. Chennai is the third largest commercial and industrial centre in India, and is known for its cultural heritage and temple architecture. The city, known as the 'automobile manufacturing hub' of India, is a preferred manufacturing destination with over 60% share of India's automobile exports. According to the survey by Cyber Media and Tholons, Chennai is one of the 6 cities from India and one in top 8 cities in the world, featured in the emerging outsourcing destinations. Chennai serves as the manufacturing base of large multinationals like Ford Motors, Hyundai, Saint-Gobain. It is also home to IT/ITES majors like Infosys, Wipro, Accenture, TCS, Cognizant, etc.



## CHENNAI CITY REAL ESTATE MARKET OVERVIEW

Anna Salai, Nungambakkam High Road, T.Nagar, Cathedral Road & Radhakrishnan Salai form the CBD area of Chennai primarily comprising retail and commercial developments. Off-CBD areas like Nandanam, TTK Road, PH Road and Egmore are largely retail and commercial areas with residential development in the close vicinity. Boat Club, Poes Garden, East Coast Road, MRC Nagar, etc. are the prime residential areas preferred by the city's elite. Old Mahabalipuram Road is a government-declared IT corridor which is also generating growth in the residential sector in the surrounding areas.

Growth Corridors  
CBD areas viz., Anna Salai, Nungambakkam High Road and Radhakrishnan Salai have exhibited scarce supply whilst being a preferred destination for Corporate/Non-IT/ BFSI firms. The major part of the expansion of IT/ITES firms continues along the IT corridor i.e. the Old Mahabalipuram Road (OMR). Local and national real estate developers are expanding operations into newer locations and improving development standards by forming joint ventures with other domestic and international developers, thus gaining access to their technical expertise and additional finance.

The trend for new developments/ projects is largely concentrated in the South/ South-West precincts of the city, mainly along the following locations:

- **Along GST Road (NH 45):** Chennai has witnessed its growth along GST Road which connects the southern cities of Tamil Nadu. Maraimalai Nagar is located 40 km from the city where Ford India has operations along with large numbers of Auto Ancillary units. The other major developments are Mahindra World City SEZ, The Gateway (IT SEZ), Gold Souk and Estancia residential township by Arun Excello. This corridor has adequate supply of trained and skilled manpower apart from a large number of educational and technical institutions. This corridor is well-connected by road and rail transport and has easy access to the Chennai International Airport, Chennai Port and the Ennore port.
- **Along the Bangalore Highway (NH4) and Oragadam:** Chennai-Bangalore Highway and Oragadam have been identified as the major growth corridors as they house many upcoming industrial establishments and residential townships. Sriperumbudur and Oragadam are located approximately, 45 kms from Chennai. These growth corridors are already an established industrial and auto ancillary destination. It houses major industries like Foxconn, Saint Gobain, Tussels, Hyundai, Renault Nissan and Daimler due to their good access to CBD, Airport and Sea Port with a well-developed road network. This micro market is also witnessing some residential townships by developers like HIRCO, ETA Star, Arun Excello, VGN etc.
- **Old Mahabalipuram Road (IT Corridor):** Old Mahabalipuram Road, also termed as the IT Corridor, is located in the southern part of the city. The corridor extends from Madhya Kailash to Siruseri in the 1st Phase and extends up to Mahabalipuram in the 2nd Phase. Due to better connectivity with CBD, linkages with East Coast Road and GST Road this corridor provides a potential destination for new residential developments. The micro market has an established road infrastructure with a six lane highway and MRTS network connecting Phase 1 of the corridor.
- **Along NH 5 (Logistics and Warehousing Corridor):** The NH 5 is also known as the logistics and warehousing hub due to its proximity to the Chennai port and Ennore port in addition to its access to good road infrastructure. The corridor is home to first SIPCOT industrial park established – Gummudiipoondi SIPCOT. Apart from the SIPCOT industrial park, the corridor also houses Thervali Kandigai SIPCOT Expansion and Sri City.



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## CHENNAI CONNECTIVITY

Transport Mode	Details
<b>Rail</b>	<p>Rail connectivity within Chennai is through the suburban railway network. It consists of three lines:</p> <ol style="list-style-type: none"> <li><b>Beach to Tambaram</b> (30km, 18 stations): This section is parallel to but completely separate from the long-distance tracks of Indian Railways. The Trisulam station on this line is 100m from the Chennai International Airport terminal.</li> <li><b>Chennai Central to Pattabiram</b> (25km, 15 stations): This section is again parallel to but completely separate from long-distance tracks. Services run for a further 34km (14 stations) on this line on tracks shared with long-distance tracks.</li> <li><b>Chennai Central-Gummidipoondi</b> (48km, 16 stations) - This line currently shares tracks with long-distance trains but there are plans to build exclusive tracks in the future.</li> </ol> <p>In addition to the above rail network, the Chennai Metro Rail Project is underway. The DPR envisages the creation of 2 initial corridors under the proposed Chennai Metro Rail Project as shown below</p> <ul style="list-style-type: none"> <li>Corridor-1: Washermenpet- Chennai Airport.</li> <li>Corridor-2: Chennai Fort – St. Thomas Mount.</li> </ul> <p>The first phase of Chennai Metro Rail became operational in January 2019 and the second phase is in soil testing stages and would begin commencement of work by Q2 2020.</p>
<b>Road</b>	<p>Road network in Chennai City is dominated by a radial pattern converging at George Town, which forms the Central Business District ("CBD") of the entire Chennai Metropolitan Area. Road transport is the dominant mode of transportation in the city both for moving goods and passengers, thereby assuming a pivotal role in development of the city.</p> <p>The Chennai Metropolitan Development Authority ("CMDA") proposed to develop an Outer Ring Road alignment as an express way with Rapid Rail system from Vandalur to Minjur for a length of 60 kms with inter-change facilities at five major road crossing at an estimated cost of INR 4 billion. The project is being executed under BOT ("Build, Operate and Transfer") concept over a period of 8 years with commercial exploitations along the transportation corridors. The width of the Outer Ring Road is approximately 122 meters comprising 36.36 meters width for necessary two-way transportation having six lanes and two service lanes.</p>
<b>Air</b>	<p>Chennai's airport provides both domestic and international connectivity and is located off GST Road, 16 km from the CBD. Chennai is currently serviced by 19 international and 9 domestic airlines.</p>
<b>Sea</b>	<p>The city is served by two major ports namely Chennai Port (one of the largest artificial ports in India) and Ennore Port. The Chennai port is the largest in Bay of Bengal, with an annual cargo tonnage of 61.46 million (2010–2011), and second busiest container hub in India. The port handles transportation of automobiles, motorcycles and general industrial cargo. The Ennore Port with an annual cargo tonnage of 11.01 million (2010–2011) handles cargo such as coal, ore and other bulk and rock mineral products.</p>

Source : C&W Research

## CHENNAI INFRASTRUCTURE INITIATIVES

Government of Tamilnadu has initiated various infrastructure projects which are expected to have significant impact on the growth of Chennai city. At present, some of these projects are still in the planning stage. The projects are aimed at introducing international standard infrastructure into the city, which is also a key necessity for the balanced growth of the city. The same has been highlighted in the table below.

Initiatives for Development	Present Status
<b>Outer Ring Road (ORR):</b>	<p>The Chennai Metropolitan Development Authority (CMDA) proposed to develop an Outer Ring Road alignment as an express way with Rapid Rail system from Vandalur to Minjur for a length of 60 kms with inter-change facilities at five major road crossing at an estimated cost of INR 4 billion. The project is being executed under BOT (Build, Operate and Transfer) concept over a period of 8 years with commercial exploitations along the transportation corridors. The width of the Outer Ring Road is approximately 122 meters comprising 36.36 meters width for necessary two-way transportation having six lanes and two service lanes.</p> <p><b>Phase I – Vandalur to Nemilicherry (via Nazarethpet along NH4)</b> <b>Phase II – Nemilicherry to Minjur</b></p> <p>The Project is being developed in 2 phases with 2 segments each. The Phase 1 of the project covers a distance of 29.65 km. It also includes 50 bus bays on both sides and also truck lay-bys for parking of around 100 trucks. The Phase I project is being implemented by GMR and opened to public on 29th August 2014. The Ph-II is expected to be completed by Second half of 2020.</p> <p>The ORR upon its completion would reduce the time taken to commute to various parts of the city by providing an alternative route for heavy vehicles which would otherwise pass through the city. As a result of this, the micro market is likely to see improved connectivity to other parts of the city.</p>
<b>Metro Rail Corridor</b>	<p>A Detailed Project Report (DPR) relating to the Chennai Metro Rail Project was prepared and submitted by the Delhi Metro Rail Corporation Limited (DMRC). The DPR envisages the creation of 2 initial corridors under the proposed Chennai Metro Rail Project as shown below</p> <ul style="list-style-type: none"> <li>Corridor-1: Washermenpet- Chennai Airport.</li> <li>Corridor-2: Chennai Fort – St. Thomas Mount.</li> </ul> <p><b>Phase I</b> The first phase has become completely operational by January 2019</p> <p><b>Phase II</b> Chennai Metro Rail Ltd (CMRL) has zeroed in on three corridors for the Phase-II development covering a stretch of 104 km. Soil testing is currently underway along the various corridors. The phase II is likely to begin the construction activity by second half of 2020.</p>
<b>Elevated corridor along OMR</b>	<p>To facilitate a smooth ride for thousands of people commuting along the IT corridor, the Tamil Nadu government has announced an elevated corridor along the 45km Old Mahabalipuram Road.</p> <p>It would be the country's longest such corridor, much longer than the Hyderabad airport-city link which is 11.6km. Tenders are to be floated soon to appoint consultants for preparing a detailed project report for the elevated corridor from Taramani to Mamallapuram on Rajiv Gandhi Salai.</p> <p>On completion, this project is likely to improve connectivity in the micro market by decongesting the traffic on OMR.</p>
<b>ECR-OMR Link Roads</b>	<p>As an initiative to improve connectivity between OMR and ECR, the State Government has proposed three link roads connecting OMR and ECR. The bridges are to be built at Neelankarai, Palavakkam and Kottivakkam. Administrative sanction for preparation of detailed project report for the roads has been provided</p> <p>On completion, these projects are likely to improve connectivity in the micro market by decongesting the traffic on OMR.</p>
<b>Flyovers on OMR</b>	<p>In an effort to decongest the traffic on OMR, five flyover projects have been proposed. The flyovers are to be constructed at Tiruvanmiyur-Taramani junction, on SRP tools-Taramani link road, at the Perungudi junction, at the Thorapakkam-Pallavaram road junction and Sholinganallur junction. The project is in proposal stage.</p> <p>The flyovers are likely to improve connectivity and reduce congestion in the micro market.</p>

Source : C&W Research



**PROPERTY ADDRESS VALUATION DATE**

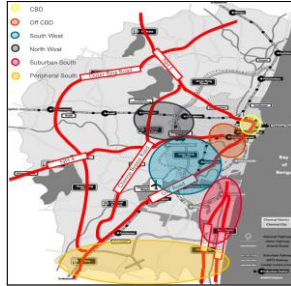
**Residential Project**  
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**CHENNAI CITY COMMERCIAL MARKET OVERVIEW**

Chennai has emerged as a favoured investment destination for Manufacturing, IT/ITES and Logistics by virtue of its strategic location and government subsidies, making it one of the most lucrative locations in the country. A permutation of various factors has led to the current activity levels in the city viz., government initiatives to attract investments, significant improvement in the quality of real estate developments and the favourable business environment. Real estate with respect to commercial space post year 2000 has witnessed healthy demand and supply. The OMR also known as Rajiv Gandhi Salai is home to a number of IT developments. Since the development of TIDEL Park (one of the earliest developments set up through a joint venture between TIDCO and ELCOT) in 2000, office market along the corridor has registered tremendous growth. The major players in the IT arena have their own campuses while the SMEs occupy the multi-tenanted structures. In addition to TIDEL Park, other initiatives by the government along this corridor include the ELCOT SEZ and SIPCOT IT Park.

**Commercial Corridors**

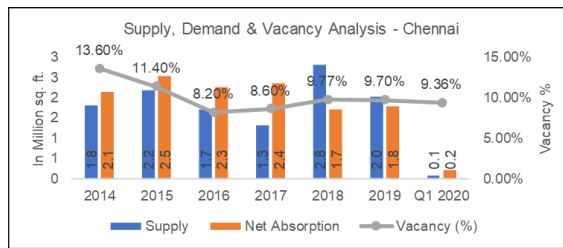
There are primarily five commercial clusters in the city; all clusters are a mix of commercial and retail developments. Retail developments in the peripheral areas of Old Mahabalipuram Road & GST Road are at a very nascent stage.



Cluster	Locations	Nature
Central Business District ("CBD")	Anna Salai, Nungambakkam and R.K. Salai.	As of Q1,2020, the CBD market has a Grade A stock of approximately 2.65 million sq ft. The vacancy rate during Q1 2020 was estimated at 11.8%. CBD markets consists of limited supply of Grade A buildings. During Q1 2020, the CBD market attracted rentals in the range of INR 75-85/sq ft/month.
Off CBD	T.Nagar, Alwarpet, Kilpauk	These markets account for a Grade A stock of approximately 0.54 million sq ft. Off CBD markets registered a vacancy of around 29% during Q1 2020. Off CBD markets command a rental range of INR 65-75/sq ft/month.
Suburban Markets	Guindy, Ambattur and OMR (upto Perungudi Toll)	These clusters are the emerging office markets with significant demand. With limited availability of space in CBD and off-CBD markets, suburban markets are registering buoyant demand from occupiers. Grade A Stock in suburban markets can be estimated as 31 million sq ft during Q1 2020. Vacancy in the suburban markets as of Q1 2020 was registered at approximately 5%. Suburban markets attract rentals ranging between INR 60and 90/sq ft/month in Guindy, Taramani-Perungudi market and INR 30/sq ft/month to INR 35 /sq ft/month for Ambattur market.
Peripheral Markets	Locations from Thoraipakkam in OMR and after Perungulathur in GST	While GST has very limited stock of office buildings, OMR has ample stock of the same. The Grade A stock in these markets is estimated to be around 16 million sq ft. Vacancy in these markets as of Q1 2020 is approximately 15%. Office rentals in the peripheral districts range between INR 35/sq ft /month and 45/sq ft/month.

**Supply, Absorption and Vacancy trends of the City**

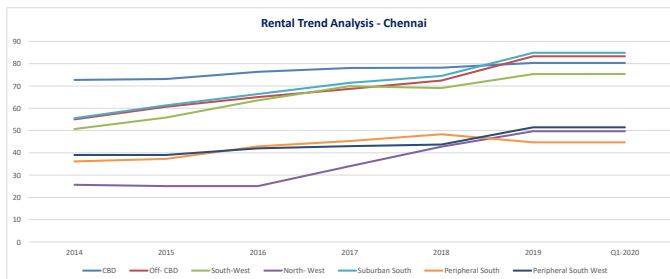
The average commercial office space absorption in Chennai has been approximately 2.5-3 million sq ft of Grade A space per year during the past few years. Due to the high vacancy witnessed during 2013-2014 there was decline in supply of commercial office space in 2014- 2017 in comparison to 2013-2014. During 2019, Chennai witnessed a supply of 2.0 million sq ft. net absorption for the year was at 1.8 mn sft .



A snapshot of the supply, absorption and vacancy trend for the city is as below (as per C&W research) –

- Office space supply during 2019 was registered at 2.0 million sft
- Vacancy levels decreased from 13.6% in 2014 to 9.4% in Q1 2020

**Office Rental Value Trends**



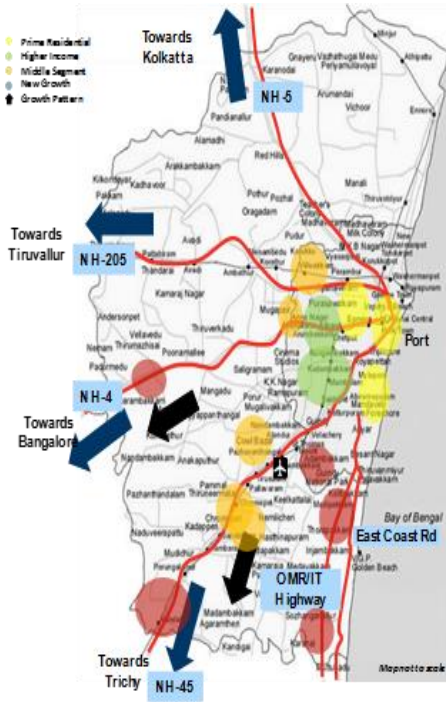
**PROPERTY ADDRESS VALUATION DATE**

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**CHENNAI CITY RESIDENTIAL MARKET OVERVIEW**

Chennai's growth over the past several years, spurred by heavy migration to the city of skilled and educated work force in the services and manufacturing sector, has created significant demand for housing. In addition to this, proliferation of an upwardly mobile population and increasing number of nuclear family structures has driven the demand for residential apartments.

**Residential Pockets**



**Prime Residential**

- Locations like Poes Garden, Boat Club
- Preferred location by the elite group of Chennai & expatriates
- Dearth of availability of land

**Higher Income**

- Locations like Adayar, Kilpauk, Anna Nagar, Besant Nagar, Mylapore
- Ideal alternative to the prime location
- Preferred due to the proximity to social infrastructure & entertainment

**Middle Segment**

- Locations like Ashok Nagar, K.K. Nagar, Mogappair, Tambaram
- Catering to the middle & upper middle income group

**New Growth**

- Locations like OMR, GST, Sriperumbudur
- Proximity to the IT & manufacturing development promoting 'Walk to Work' culture
- Lower cost in comparison to the city

As completed residential units become more attractive investment options to Chennai's large investor base, the absorption volume of residential units is likely to increase. The western and south western quadrants of Chennai are amongst the fastest growing residential locations. In south, it is areas like Tambaram, Velachery, Palikaranai, and Old Mahabalipuram Road (OMR – selected projects). Along GST Road and Oragadam, areas close to the industrial/ IT-ITES hub are amongst the growing residential hubs. Similarly in west, suburban markets comprising of areas like Mogappair, Porur, Manappakkam, Virugambakkam and Nandambakkam are prominent residential hubs. The northern part of Chennai is witnessing some action from prominent developers like Casa grand, Prince, Land Marvel, and Arihant. There is gradual albeit slow shift from preference for independent houses to apartments. Though there are takers for both high income as well as middle income housing, the recent supply is mostly restricted to middle income projects.

The rapid economic and commercial development driven by IT/ITES sector and manufacturing sector has created large sized social groups with disposable income level. The emergence of this social group has triggered demand for residential properties in the city. This increasing resident and immigrant population in the city necessitated the development of large number of residential developments around the city. These developments can be segregated into multi – storied apartment developments, plotted developments, independent bungalows and villa development.

**Key Residential Trends**

- Increased interest for ready residential units
- South West and South Western regions are among the fastest growing corridors
- Demand in the growth corridors driven by IT/ITES and industrial workforce
- Change of preference from independent houses to apartments
- Major infusion of supply to cater to middle income segment

**Outlook**

The outlook for Chennai's residential property market will remain subdued in 2020-21. The disruption caused due to the pandemic has affected the buyer sentiment and the developers are facing issues due to capital being stuck in finished inventory and delay in projects due to labour shortages. Due to the current pandemic situation we foresee that in the short term that the buyers are likely to defer purchase in line with economic sentiments and job security concerns. Further we foresee that the developers giving discounts, offers to attract end users and interest rate being at an all time low might help in the absorption of units in the medium to long term.

**PROPERTY VALUES IN THE MICRO MARKET**

Development	Developer	Location	Completion	Supply	Capital Value
				(No of Units)	(INR per sq ft)*
Flamenco	XS Real	Siruseri	2022	126	4400
Today	Akshaya	Kelambakkam	2020	1612	3400
Codefield	Isha	Pudupakkam	2020	155	4500
Gayathri	Darshan	Siruseri	2019	17	4900
Pacifica Aurum	Pacifica	Padur	2019	374	5030

**PROPERTY  
ADDRESS  
VALUATION DATE**

**Residential Project  
Thalambur and Siruseri Village  
30 June 2020**

## C Property Details



India



City of Chennai



Chennai City Centre



Micro Location

## LOCATION

Chennai, the capital city of Tamil Nadu, is spread over a total area of 1,189 sq. km. (Metropolitan Area) with an estimated population of approximately 8.70 million in 2011 and a decadal growth of approximately 33%. The physical infrastructure of the city is fairly well developed with good road, rail, air and sea transport networks. Chennai's airport provides both domestic and international connectivity. Chennai Airport is located off GST Road (NH 45) and 16 km from the city centre.

Chennai is the third largest commercial and industrial centre in India, and is known for its cultural heritage and temple architecture. The city, known as the 'automobile manufacturing hub' of India, is a preferred manufacturing destination with over 60% share of India's automobile exports. According to the survey by Cyber Media and Tholons, Chennai is one of the 6 cities from India and one in top 8 cities in the world, featuring in the emerging outsourcing destinations. Chennai serves as the manufacturing base of large multinationals like Ford Motors, Hyundai, Saint-Gobain. It is also home to IT/ITES majors like Infosys, Wipro, Accenture, TCS, Cognizant, etc.

The subject property is a vacant land admeasuring approximately 74.73\* acres. The subject property is located off Old Mahabalipuram Road (OMR) which is home to a number of IT and SEZ establishments. The access to the subject property is through a 30 ft wide road. The subject property is irregular in shape.

OMR became to be known as the IT corridor since 2000 with the Government of Tamil Nadu promoting IT/ITES industry along the corridor. Till the year 2006, growth in OMR was predominantly driven by government establishments such as TIDCO, ELCOT and SIPCOT. Post 2006, the market saw entry of many major players such as Ascendas, RMZ, Prince Foundations.

## LOCATION DETAILS

City Population	8,653,521
Local Land Uses	Residential areas & IT Buildings
Distance to Centre	31 km
Distance to Highway	2 km
Distance to National Road	19 km
Public Transport	Road Transportation
Plot area	302,419* sq m
Waterfront	No

## PROPERTY DETAILS

Property Type/ Use	Land
Occupation	Single Occupancy
Historic monument	No
Site area	302,419* sq m
Parking Places (closed)	No
Access	Panchayat Road
Utilities	No
Legal issues	Not checked

**PROPERTY  
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**PROPERTY DATA**

PLOT OF LAND		INSPECTION	
Site area, total	74.73 Acres*	Inspection Type	In light of the current scenario (COVID 19 related alert), and in line with the discussion with Client; we have not inspected the property. (This is a desktop-based study). However the site was inspected externally from ground level on 05th December 2019 by Mr. Ashwin Thenappan – Cushman&Wakefield India Pvt Ltd (C&WI) for the previous valuation update.
Surplus Land	-	Inspection Date	
Developed area (% total site)	N/A	Inspected by	

**PROPERTY DESCRIPTION**

The subject property is vacant land admeasuring 74.73\* acres of land. The subject property is located off OMR (also known as the IT corridor) and can be accessed through a Panchayat Road. The subject site is proposed to be a residential development comprising of plots and villas.

The shape of the subject property is irregular. The topography of the land is such that there are high tension power lines passing through the property. Moreover the property has water bodies like ponds and lakes on the North and West. The access to the property is through thalambur village, the property has a 30 ft access road.

On the east the property abuts connecting road to OMR, while on the west, south and north the property is surrounded by vacant land.

\* Based on the information from the client, we understand that the subject property is vacant land admeasuring 74.73 acres and is non-contiguous in nature. An area of about 1.92 acres corresponding to Survey nos 17/1E/1F/1G/1H, 52/3B and 54/3C/3D/3E1/3E2 is litigated hence the same has not been considered for the purpose of this appraisal. Further we understand that a land parcel of approx. 8 acres inside the property has not been acquired by the Owner and there have been illegal excavation at the site. Hence additional cost needs to be spent towards levelling the site and laying out roads for the landowners whose land fall inside the development as their lands will be landlocked otherwise and hence, we have considered only 95% of the total land area (72.81 acres (excluding the litigated area)) for the purpose of this appraisal.


**Restrictions and encumbrances**

We have not checked title documentation but assume the property is an unencumbered effective freehold\*.

We have relied entirely on the site areas / built up area and other property details including the master plan provided to us by the Client. We have assumed that these are correct. We confirm that there are no conflicts of interest in our advising you on the value of the subject property under the assumed conditions as instructed. Based on information from the client we understand that the land parcel (subject property) has not been leased and is non-contiguous in nature and the same has been considered in the valuation.

C&WI has adopted valuation method based on its own expertise and knowledge and endeavours to develop forecasts on demand, supply and pricing on assumptions that would be considered relevant and reasonable at that point of time. The product mix and JDA cashflow ratio has been incorporated according to the joint development agreement between Kadavanthara builders Pvt Ltd (owner) and Pacifica Hdia Projects Pvt Ltd (Builder) dated 20 July, 2016.

\* Based on the information from the client, we understand that the subject property is vacant land admeasuring 74.73 acres and is non-contiguous in nature. An area of about 1.92 acres corresponding to Survey nos 17/1E/1F/1G/1H, 52/3B and 54/3C/3D/3E1/3E2 is litigated hence the same has not been considered for the purpose of this appraisal. Further we understand that a land parcel of approx. 8 acres inside the property has not been acquired by the Owner and there have been illegal excavation at the site. Hence additional cost needs to be spent towards levelling the site and laying out roads for the landowners whose land fall inside the development as their lands will be landlocked otherwise and hence, we have considered only 95% of the total land area (72.81 acres (excluding the litigated area)) for the purpose of this appraisal.

**Comments**

The report has been prepared for audit of financial statements prepared in accordance with International Financial Reporting Standards (IFRS) carried out for the year as on June 30, 2020. The valuation has been carried out in accordance with the definition of Appraisal and Valuation Standards published by the Royal Institution of Chartered Surveyors ("RICS"). As per RICS (VS 3.2 Redbook 7th Edition), Market Value is defined as "The estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

**PLANNING ISSUES**

Zoning	Residential	Based on the information provided by the client the subject property is converted . We were informed by the developer is taking necessary steps get approval and the cost of approvals shall start to accumulate in 6 months from Jan 2021. The client has informed us that the project shall commence on Dec 2021.
Minimum plot size		
Maximum footprint		
Minimum green area		
Permitted height range		

The approvals for the land development shall be subject to acquisition and laying of access road to the property. Given the size of the property the development by laws state that there needs to be atleast two different access to the property. However as on date of valuation only one access has been obtained.

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## ENVIRONMENTAL

We have not carried out any investigations or tests, nor have been supplied with any information from the client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances or any other land (including any ground water).

In view of the characteristics and history of the property we would not expect there to be any outstanding environmental or archaeological issues.

## PROPOSED SCHEME

The client is planning to develop a residential project. The development is likely to consist of villas and plots with a net saleable area after accounting for OSR, roads and other infrastructure is approximately 175,681 sqm.

The aggregate proceeds from sale of units shall be shared between the developer and the owner in ratio 27:73 for plots and 60:40 for villas respectively. The developer shall bear all the cost of construction.

At present, the site is a vacant land. We are not informed of any legal or environmental issues raised.

We are of an opinion that there is a high level of competition for residential, however due to thrust provided by the IT/ITES (Information Technology and Information Technology Enabled Services) industry, there is substantial demand for residential developments.



## SWOT-ANALYSIS

### STRENGTHS

Located off OMR (IT corridor) and in close proximity to major commercial establishments like SIPCOT IT Park

Well connected to other parts of the city through road network

Serene location which is conducive for villa developments

### WEAKNESSES

Distance from the city might act as deterrent

Current status of the access road to the subject property

### OPPORTUNITIES

Expansion of the IT/ITES companies resulting in increased IT workforce who in turn will drive the demand in the micro market

Improving physical and social infrastructure

### THREATS

Competition from other upcoming residential developments by both reputed and local developers

Currently we understand that the Property is non-contiguous which might impede the immediate developability of the land parcel

**PROPERTY ADDRESS VALUATION DATE**

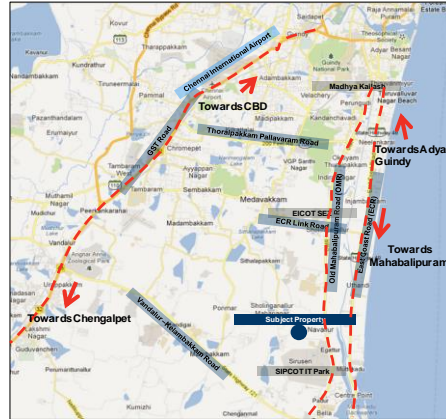
**Residential Project  
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**REAL ESTATE MARKET FOR THE SUBJECT PROPERTY**

Old Mahabalipuram Road is one of the major arterial roads in Chennai connecting the city with Mahabalipuram. The road spans over a length of 45 Kms and is split into two phases. The subject micro-market's economy, population and infrastructure are growing at a rapid pace due to the high concentration of IT and business Parks and dedicated Special Economic Zones (SEZs). The corridor is also home to a number of BPO and IT/ITES companies. All major IT/ITES companies like Tech Mahindra, Wipro, HCL Tech, Tata Consultancy Services, Accenture India, eBay, Infosys, are situated in the subject micro-market. IT SEZ developments such as Ramanujam IT SEZ, ETL Chennai One, ELCOT SEZ, ETA Technopark and SIPCOT IT Park are also located along the corridor. IT companies like Wipro, Infosys, TCS, HCL Tech, CTS and Tech mahindra have their own facilities in the micro-market.

As of Q1 2020, OMR had a Grade A office stock of approximately 28 million sq.ft. Total net absorption in OMR was registered at 0.8 million sq.ft. in 2019. As a result of increasing demand, substantial absorption in the market was registered during this time period. OMR also houses a number of captive space developments. Around 6.5 million sq.ft. of captive space established by major players such as TCS, CTS, Infosys and Wipro can be seen along this corridor.

Spurred by the demand from IT/ITES workforce, the micro market also witnessed increasing demand for other real estate development - predominantly residential. Some of the major developers in the micro market include Casa Grande, DLF, Appaswamy Real Estates, Ramaniyam Developers, Jain Housing and Pacifica. Factors such as proximity to workplace, prevailing infrastructure, proximity to ECR (entertainment corridor) etc. continue to attract more buyers to the micro market.



The project's primary catchment covers workforce from SIPCOT IT SEZ and IT developments situated along OMR. Secondary catchment for the project would be investor market across Chennai.

**COMPETITION**

The subject site has good competition from various players in the micro market. At present, the micro market has a good supply of both completed and under construction residential units. Prominent local developers in the micro market include Isha Homes, Vijay Shanthi Builders, Shri Janani Homes, Casa Grande, Arihant Foundations etc.

Building / Address	Date of Completion	Value (INR/sm)	Comments
Isha Code field	2020	48,438	155 villas
Darshan gayathri	2019	52,744	17 villas
Aparah Villa	2019	53,820	50 villas
Wing Haven Gardens (Plots)	NA	31,216	500 plots in the size range of 140 sqm - 558 sqm spread across 55 acres.
Midhun Garden	NA	32,292	8 plots in the size range of 130 sqm - 167 sqm spread across 1 acre
Premier Engineers Park (Plots)	NA	31,754	69 plots in the size range of 140 sqm - 163 sqm spread across 2 acres.

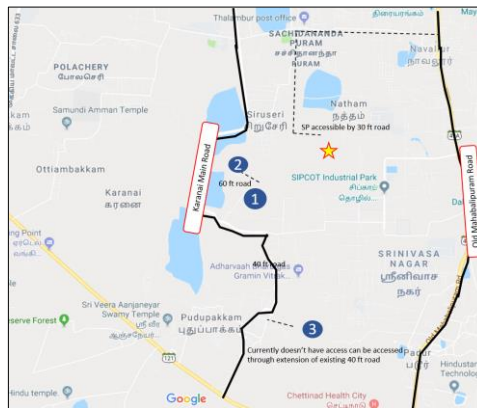
**COMPARABLE SITES**

Whilst each development plot is unique and offers different attributes and opportunities, set out below are the key sites that are most comparable to the subject property.

Address:	Siruseri
	Land Area 10.1 acres
	Price INR/acre 48.5 million per acre
	Price/sqm (INR) 11,985
	Asking or sale Sale
	Planning Vacant Land
	Date Transacted Q2 2019

Address	Pudupakkam
	Land Area 30 acres
	Price INR/acre 35 million per acre
	Price/sqm (INR) 8,649
	Asking or sale Asking
	Planning Vacant Land
	Date Quoted June 2020

Address:	Siruseri
	Land Area 40 acres
	Price INR/acre 40 million per acre
	Price/sqm (INR) 9,884
	Asking or sale Asking
	Planning Vacant Land
	Date Quoted June 2020





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**VALUATION**
**VALUATION METHODOLOGY**

It is practically impossible to value most development properties on a straightforward comparison basis, due to their highly individual characteristics. We have therefore used the average of the Discounted Cash flow method (DCF) and Land Sales Comparable method to arrive at the market value of the property.

**DISCOUNTED CASH FLOW METHOD**

The DCF approach assumes the property's capital value equates to the end value of the property once developed, less the costs of realisation (which may include site assembly and purchase, demolition, build costs, professional fees, planning, finance and marketing costs and developer's profit). However, as per the JD agreement shared with us, we understand that the client is the land lord and per the JD terms, the client is due to receive revenue share of 73% for Plots, Villas: 40% and Club House: 50%. The cost to be incurred by the client is limited to operational cost of INR 50 million which includes cost incurred towards cover costs of Road approval, surveyor, security of site, title issues, and pleader along with a 4 year cover of head office for their monitoring staff. The rest of the cost is being borne by the developer as is in any typical JD agreement. The valuation of the SPV has been arrived at by taking these in to consideration.

The land owners share of profits based on the cashflows to be received from the SPV are as per the JDA terms and hence we have not accounted for any cost. The advance receipt of INR 355,000,000 has been incorporated in to the cashflows receivable by the owner and subsequent set-off against the aggregate sale proceeds received from SPV in the ratio as specified in the JDA ( 73% for plots and 40% for Villas). Further a sum of INR 50,000,000 is to be paid by the owner to the developer for acquiring the access road to the subject property.

To form an opinion of value we have had to make certain assumptions for the input variables. We consider these assumptions are appropriate and reasonable, but they cannot be guaranteed. You should therefore satisfy yourself that our assumptions are appropriate and consistent with your own knowledge of the actual costs and input variables. If there is any difference, you should inform us as the value reported is only valid within the context of the assumptions that we have adopted.

You should also be aware that the DCF value is highly sensitive to even small movements in the input variables. Accordingly, the result must be treated with caution, as a small correction to even a single input could have a disproportionately adverse effect on the outcome.

**LAND SALES COMPARISON METHOD**

Current market value of land is arrived by benchmarking the subject land parcel with comparable land parcels quoted or transacted in that subject location. The sale price of comparable properties similar to the subject property is analyzed and the sale prices adjusted to account for differences in the comparables to the subject property to determine the value of the subject land parcel. The premiums and discounts are based on our interaction with various stake holders in the industry and our past experience of undertaking valuations and not on any scientific methods.

**VALUATION CONSIDERATIONS**

The proposed scheme for the subject property is residential project comprising Plots and Villas. We are also of the opinion that this is the highest & best use of the land as there is considerable demand for villas and plots in the micro market. We also assumed the construction will commence on obtaining necessary approvals. The cost of approvals will start to accumulate in 6 months from Jan 2021. This has been communicated by the client.

In order to assess the value of the subject property, we have used the Cashflow Approach. Various assumptions have been made in terms of the sale price, interest rate, construction & sale phasing and discount rate in order to arrive at the value of the subject property, keeping in mind the JD agreement. However, as per the information provided by the client, the client has a JD share in the project and the cost incurred for the construction is being borne by the developer.

The site details, built up area details, FSI, development mix, number of units, size of the units, the joint development ratio and the operation cost has been provided to us by the client. The inputs on market related assumptions of sales price (obtained from marketing office of the projects and / or property websites ), sales phasing, interest rate, discount rate and developer's margin has been based on market information. We have cross verified the market sales price with our internal sales team and also based on our experience of doing valuation of properties in the micro-market for the last few years. We have not collected any documentary evidences of the sales price.

**Discount rate** - The cash flows have been discounted at 25%, which incorporates the profit and risk factor for the SPV development to be undertaken as per the JDA dated 20 July, 2016

**OTHER VARIABLES**

We have derived costs from our market knowledge and applied other soft and hard cost elements according to prevalent norms in the market.

We have compared the project with developments like Isha Codefield, Gayathri Darshan and Aparah villa for villas and Wing Haven Garden, Midhun Garden and Engineers Park for plots to arrive at the sale price for by assigning some premium / discount on various attributes like location, accessibility, stage of construction, amenities provided etc.

We have assumed a base sale rate of INR 39,719 per sqm and INR 22,281 per sqm for villas and plots respectively. The same has been adopted after assuming a 10% discount on account of the current pandemic situation which will have an impact on the demand due to economic uncertainty. We have also assumed no escalation till March 21 and then an escalation of 3% per annum for the sale price and 3% for cost of construction.

Sales Fees	2% Sale price
Fund infused by owner for access road	INR 50,000,000

**PROPERTY ADDRESS VALUATION DATE**

Residential Project  
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**MARKET VALUE OF THE PROPERTY AS PER 'LAND SALES COMPARABLE METHOD'**

**INR 988,204,624**

**PRESENT VALUE OF CASHFLOWS ATTRIBUTABLE TO THE OWNER (Kadavanthara Builders Private Limited)**

**INR 1,073,639,139**

As can be seen in the chart below, after obtaining opinion from developer we assume development will commence after 18 months. Based on the business plan provided by the Client, the development is likely to consist of villas and plots with a total saleable area of 175,681 sqm. The payment schedule for Villas has been 20% on booking and 80% on completion. On an average it takes 12 months to complete a villa after booking. The receivable for plots are booked 100% at the time of sale.

The project is estimated to be completed over the period of 10 years from the date of launch. Both the plots and villas will be launched simultaneously.

**SUMMARY & CONCLUSION**

We have compared the site to other residential lands in the subject micro market. However, we have also Computed the value using a Discounted Cash flow method calculation to assess the value of the subject property. The capital values for the proposed development was arrived at after taking into consideration the capital values of the similar developments in the subject micro market and running a sales comparison calculation on the same. The cost and construction and sales phasing assumption have been assumed based on market research and trends and the same have been deployed in the current workings

In summary, using the above assumptions and variables we have arrived at the market of the property by using Direct Sale Comparable method at INR 988 Million.

We have arrived at the value of Owner's cashflows using Discounted Cash Flow method at INR 1,074 Million (Rounded Off)

The purchase price based on the Share purchase agreement signed as of 4th June 2019 between the Owner and developer is INR 1082 Million\*.

<b>MARKET VALUE</b>	<b>INR</b>	<b>988,204,624</b>	<b>say</b>	<b>INR</b>	<b>988,200,000</b>
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Signed for and on behalf of Cushman & Wakefield India Pvt. Ltd.



Somy Thomas, MRICS  
Managing Director, India  
Valuation & Advisory



Anuradha Vijay  
Assistant Vice President, Chennai  
Valuation & Advisory



Ashwin Thenappan  
Manager, Chennai  
Valuation & Advisory

\* Subject property measuring approximately 74.73 acres is held by Kadavanthara Builders Private Limited (Kadavanthara), which is owned by Elbit Plaza India Real Estate Holdings limited and Vilmadoro Limited. The share purchase agreement executed on 4th June 2019 to sell the securities held by Elbit and Vilmadoro in Kadavanthara to Pacifica and Avan developers for an amount of INR 1,082 million. The same is agreed between the above mentioned parties based on their commercial understanding. The subject property is a part of the Share purchase agreement and is valid till 02 Sept 2020.



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#### D Caveats and Limitations

- 1 The Valuation Report (hereafter referred to as "Report") will not be based on comprehensive market research of the overall market for all possible situations. Cushman & Wakefield India (hereafter referred to as "C&WI") will cover specific markets and situations, which will be highlighted in the Report. C&WI will not be carrying out comprehensive field research based analysis of the market and the industry given the limited nature of the scope of the assignment. In this connection, C&WI will rely solely on the information supplied to C&WI and update it by reworking the crucial assumptions underlying such information as well as incorporating published or otherwise available information.
- 2 In conducting this assignment, C&WI will carry out analysis and assessments of the level of interest envisaged for the property(ies) under consideration and the demand-supply for the hospitality / retail / land / commercial sector in general. C&WI will also obtain other available information and documents that are additionally considered relevant for carrying out the exercise. The opinions expressed in the Report will be subject to the limitations expressed below.
  - a. C&WI has adopted valuation method based on its own expertise and knowledge and endeavours to develop forecasts on demand, supply and pricing on assumptions that would be considered relevant and reasonable at that point of time. All of these forecasts will be in the nature of likely or possible events/occurrences and the Report will not constitute a recommendation to Elbit Plaza India Management Services Pvt Ltd. and Plaza Centers N.V. (hereafter referred to as the "Client") or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which forecasts have been generated and is not recommended as an input to a financial decision.
  - b. It should be noted that C&WI's value assessments will be based upon the facts and evidence available at the date of assessment. It is therefore recommended that the value assessments be periodically reviewed.
  - c. Changes in socio-economic and political conditions could result in a substantially different situation than those presented at the stated effective date. C&WI assumes no responsibility for changes in such external conditions.
  - d. In the absence of a detailed field survey of the market and industry (as and where applicable), C&WI will rely upon secondary sources of information for a macro-level analysis. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis.
  - e. The services provided will be limited to assessment and will not constitute an audit, a due diligence, tax related services or an independent validation of the projections. Accordingly, C&WI will not express any opinion on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report will be prepared solely for the purpose stated, and should not be used for any other purpose.
  - f. While the information included in the Report will be believed to be accurate and reliable, no representations or warranties, expressed or implied, as to the accuracy or completeness of such information is being made. C&WI will not undertake any obligation to update, correct or supplement any information contained in the Report.
  - g. In the preparation of the Report, C&WI will rely on the following information:
    - i. Information provided to us by the Client and its affiliates and subsidiaries and third parties;
    - ii. Recent data on the industry segments and market projections;
    - iii. Other relevant information provided to us by the Client and its affiliates and subsidiaries at C&WI's request;
    - iv. Other relevant information available to C&WI; and
    - v. Other publicly available information and reports.
- 3 The Report will reflect matters as they currently exist. Changes may materially affect the information contained in the Report.
- 4 All assumptions made in order to determine the Valuation of the identified property(ies) will be based on information or opinions as current. In the course of the analysis, C&WI would be relying on information or opinions, both written and verbal, as current obtained from the Clients as well as from third parties provided with, including limited information on the market, financial and operating data, which would be accepted as accurate in bona-fide belief. No responsibility is assumed for technical information furnished by the third party organizations and this is bona-fidely believed to be reliable.
- 5 No investigation of the title of the assets will be made and owners' claims to the assets will be assumed to be valid. No consideration will be given to liens or encumbrances, which may be against the assets. Therefore, no responsibility is assumed for matters of a legal nature.
- 6 C&WI's total aggregate liability to the Client including that of any third party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum not exceeding the total fees paid for each instructions accepted. C&WI shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
- 7 C&WI endeavors to provide services to the best of ability and in bona-fide good faith. The proposed services and/or work product of C&WI shall be only for the use of the Client and no other party. However C&WI disclaims any and all liability to any party other than client. If the client allows any third party to use or rely thereon the work product of C&WI, it shall be at the sole risk of the Client and there shall be no liability on C&WI (including its Directors, and employees) towards any third party claim for damages, economic loss or damage suffered arising out of or in connection with the services proposed to be rendered, direct or indirect due to whatsoever reasons and however the loss or damage is caused. The Client shall assist and cooperate with C&WI to defend any third party claim before any court of law or authorities, and indemnify C&WI of the cost of such proceedings.
- 8 The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from C&WI for any purpose without prior written consent from C&WI and should take all reasonable precautions to protect such information from any sort of disclosure. The information or data, whether oral or in written form (including any negotiations, discussion, information or data) forwarded by C&WI to the Client may comprise confidential information and the Client undertakes to keep such information strictly confidential at all times unless prior written consent from C&WI has been obtained.
- 9 In the event of any party wants to disclose any information it shall take prior written consent of C&WI and shall make only such disclosures as allowed by the C&WI. However, the non-disclosure condition shall not apply to any information that is already in the public domain or required by any court of law or authorities under any law. In such an event the disclosing party shall intimate the other party before making such disclosure.
- 10 This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in Mumbai.

Appendix : 1 Land Comparable details and premium/discounting

Particulars	Subject property	Comparable -1	Comparable-2	Comparable 3
Location	Thalambur, Off OMR	Siruseri	Siruseri	Pudupakkam
Land size (Acres)	72.8	10.1	40.0	30.0
Distance from the subject property	N/A	2-3 kms	2-3 kms	4-5 kms
Accessibility/Abutting Road width	30 feet road	60 Feet road	60 Feet road	40 Feet road
Land Use	Residential	Residential	Dry Argicultural	Dry Argicultural
Conversion	Converted	Converted	Not Converted	Not Converted
Frontage sq ft (approx)		60 ft	60 ft	80 ft
FSI permissible	2	3.25	3.25	2
Shape of the property	Irregular	Regular	Regular	Regular
Tenure	Freehold	Freehold	Freehold	Freehold
Transacted/ Quote		Transacted Q2 2019	Quoted June, 2020	Quoted June, 2020
Capital Rate INR million/acre		48.5	40.0	35.0
Premium/discount on account of				
Accessibility		-5.0%	-2.5%	5%
Discount for shape & Contiguity		-20%	-20%	-20%
FSI		-10%	-10%	0%
Location and Neighbourhood Profile		0%	0%	0%
Size		-20%	-10%	-15%
Negotiation		0%	-10%	-10%
Conversion		0%	5%	5%
Topography		-5%	-5%	-5%
Time of Transaction		0%	0%	0%
Additional cost to be incurred at the site due to illegal excavation and land to be left for landlocking		-5%	-5%	-5%
Total		<b>-65%</b>	<b>-58%</b>	<b>-45%</b>
Applicable Land Value INR million/acre	17.74	16.98	17.00	19.25
Land Value (INR Mn)	1,292			
Time delay for project and JDA exit formalities for prospective buyer	10%			
Marketability discount due to Covid-19	15%			
Total land value INR Mn	988			

Current market value of land is arrived by benchmarking the subject land parcel with comparable land parcels quoted or transacted in that subject location. The sale price of comparable properties similar to the subject property is analyzed and the sale prices adjusted to account for differences in the comparables to the subject property (like accessibility, neighborhood profile, size etc.) to determine the value of the subject land parcel. The premiums and discounts are based on our interaction with various stake holders in the industry and our past experience of undertaking valuations and not on any scientific methods.

\* Based on the site map received from the client, the subject property is a non-contiguous land parcel. However, the shape of the property is irregular, which might not be ideal for large development projects. Also, we understand from the client that there are at least 8 acres inside the property that belongs to third parties and owner of these pockets might not be interested to sell the land. In this regard, any potential future developments planned in the subject property might have a challenge as owners of these pockets have the right to challenge the development in court on the basis of "land locking" claim. In other words, owners of these pockets might claim that the planned development will lock them inside the project.

\*\*\* Please note - there is a High Tension line running on the right side of the plot. Though it would not affect the value of the subject property, but as per building bye laws, developements should not occur within 15 meter from high tension lines. As a result, to acheive the optimum use of this land (land located within 15 meter from high tension lines), developers typically allocate this land for developing greenery.

^Based on the information received from the client we understand that there have been illegal excavation at the site and additional costs need to be spent towards levelling the site

- The following parameters have been considered to arrive at the land value of the subject property:

**Accessibility** - A good accessibility facilitates commercial and residential development. Therefore, a property with better accessibility trades at a premium in the market. Currently, there is a 30ft road access to the subject property. Comparable 1 is accessible through a 60ft road and comparable 2 is accessible through untarred/unlaid 60 ft road, therefore a discount of 5% and 2.5% has been given to the subject property to account of the same. Further Comparable 3 doesn't have access to the comparable but can be extended from the current 40ft road hence a premium of 5% has been adopted on the subject property.

**Shape of the property** – Typically a regular shape property and a contiguous land parcel commands a premium over an irregular shaped property. The subject property is irregular as compared to 1, 2 and 3. We also understand that the land is non-contiguous with parcels of land inside the property yet to be acquired by the owner. Hence a discount of 20% has been provided to the comparable 1, 2 and 3 over the subject property.

**FSI** – Typically a higher FSI will draw higher floor area in the development which commands a premium over a lesser FSI. Comparable 3 has a similar FSI when compared to subject property, therefore no premium or discount has been given. Comparable 1 and 2 have a higher FSI hence a discount of 10% has been given to the subject property on account of the same.

**Location and Neighbourhood Profile** - Proximity of the property to benchmark sites, view facets, etc. determine the attractiveness of the location. Neighbourhood profile is determined by the presence of irregular / unorganized activities around the subject property. The neighbourhood profile and location of the comparable 1, 2 and 3 is similar to the subject property, therefore no premium/discount has been given to the subject property on account of the same.

**Size** - A larger property due to its ticket size trades at a discount as compared to a smaller property. The comparables 1, 2 & 3 are smaller in size than subject property, therefore the subject property has been discounted by 20%, 10% and 15% respectively on account of the same.

**Negotiation** - Typically, the quoted prices in the market have a negotiation margin of 0% - 10% incorporated (based on our discussion with brokers). The prices of the comparables 2 and 3 are quoted in nature, therefore the subject property has been discounted by 10% to account for the negotiation margin in the price for all the comparables. Comparable 1 is transacted in Q2 2019 hence no premium/discount has been assigned on account of the same.

**Zoning & Conversion** – Conversion of a property involves time and cost and therefore a property which is already converted for the intended use, trades at a premium vis-a-vis a property which is not converted. Comparable 2 and 3 are inferior to that of subject property, hence a premium of 5% has been accounted for the same. Comparable 1 is similar to that of the subject property hence no premium/discount has been assigned on account of the same.

**Topography** – Property which is regular commands higher premium over a property with irregular topography. The Comparables 1, 2 and 3 are premium in nature. The subject property is bounded by water bodies and ponds hence a discount of 5% has been provided to the comparables 1, 2 and 3 over the subject property as this will impact the buyers' sentiment as observed post the Chennai floods in 2015 for lands close to water bodies.

**Time of Transaction** - Typically if an old transaction is taken into consideration a margin of 5% – 15% is incorporated (based on the market scenario). The subject site and comparables 1, 2 and 3 are all new in the market therefore, no premium or discounting has been given.

**Additional cost to be incurred at the site due to illegal excavation and land to be left for landlocking** - Additional costs need to be spent on the subject property due to illegal excavation at the site and some portion of land needs to be left for roads to landlocked parcels. Hence a discount of 5% has been provided to the comparables 1, 2 and 3 over the subject property on account of the same.

**A further additional 10% Discount on account of Time delay for project of 6 months and JDA exit formalities for prospective buyer has been factored in.**

**“Due to the high uncertainty due to the outbreak of the Novel Coronavirus (COVID-19), it is difficult to ascertain the short-term economic impact on land prices, market rentals for the office, retail, etc. It is expected that the prices will stabilize, and the market will go back to normal once the COVID situation improves. However, the size of interested market players would be smaller and, in our opinion, discount of approx. 15% would be required to incentivise the buyers to purchase the subject property in the near term”**



30-09-24	30-12-24	30-03-25	30-06-25	30-09-25	30-12-25	30-03-26	30-06-26	30-09-26	30-12-26	30-03-27	30-06-27	30-09-27	30-12-27	30-03-28	30-06-28	30-09-28	30-12-28	30-03-29	30-06-29
51	54	57	60	63	66	69	72	75	78	81	84	87	90	93	96	99	102	105	108

INR 52,364,268	INR 52,752,658	INR 53,143,928	INR 53,538,101	INR 53,935,197	INR 54,335,238	INR 54,738,246	INR 55,144,244	INR 55,553,252	INR 21,266,812	INR 21,424,550	INR 21,583,457	INR 21,743,543	INR 32,857,225	INR 33,100,929	INR 33,346,441	INR 58,936,445	INR 59,373,581	INR 59,813,959	INR 60,257,604
INR 6,004,054	INR 6,048,587	INR 6,093,450	INR 6,138,645	INR 6,184,176	INR 6,230,044	INR 6,276,253	INR 6,322,805	INR 6,369,701	INR 2,502,609	INR 2,521,171	INR 2,539,871	INR 2,558,709	INR 3,866,531	INR 3,895,209	INR 3,924,100	INR 6,757,616	INR 6,807,738	INR 6,858,231	INR 6,909,099
INR 23,316,716	INR 23,489,657	INR 23,663,882	INR 23,839,399	INR 24,016,217	INR 24,194,347	INR 24,373,798	INR 24,554,581	INR 24,736,704	INR 24,920,178	INR 25,105,012	INR 25,291,218	INR 25,478,805	INR 10,010,435	INR 10,084,683	INR 10,159,482	INR 10,234,836	INR 15,466,123	INR 15,580,836	INR 15,696,400
INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185	INR 1,272,185
INR 82,957,223	INR 83,563,087	INR 84,173,445	INR 84,788,329	INR 85,407,775	INR 86,031,814	INR 86,660,483	INR -	INR 40,225,656	INR 49,961,783	INR 50,322,918	INR 50,686,731	INR 51,053,242	INR 48,006,376	INR 48,353,006	INR 48,702,208	INR 77,201,082	INR 82,919,627	INR 83,525,212	INR 84,135,288

INR -	INR -	INR -	INR -	INR -	INR -	INR -	INR -	INR -	INR -	INR -	INR -	INR -	INR -	INR -	INR -	INR -	INR -	INR -	INR -
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INR 82,957,223	INR 83,563,087	INR 84,173,445	INR 84,788,329	INR 85,407,775	INR 86,031,814	INR 86,660,483	INR -	INR 40,225,656	INR 49,961,783	INR 50,322,918	INR 50,686,731	INR 51,053,242	INR 48,006,376	INR 48,353,006	INR 48,702,208	INR 77,201,082	INR 82,919,627	INR 83,525,212	INR 84,135,288
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51	54	57	60	63	66	69	72	75	78	81	84	87	90	93	96	99	102	105	108
INR 82,957,223.44	INR 83,563,087.24	INR 84,173,444.76	INR 84,788,329.36	INR 85,407,774.60	INR 86,031,814.30	INR 86,660,482.56	INR 0.00	INR 40,225,655.98	INR 49,961,783.46	INR 50,322,917.71	INR 50,686,730.52	INR 51,053,241.75	INR 48,006,375.58	INR 48,353,006.43	INR 48,702,208.26	INR 77,201,082.35	INR 82,919,626.64	INR 83,525,211.57	INR 84,135,288.17
INR 0.39	INR 0.37	INR 0.35	INR 0.33	INR 0.31	INR 0.29	INR 0.28	INR 0.26	INR 0.25	INR 0.23	INR 0.22	INR 0.21	INR 0.20	INR 0.19	INR 0.18	INR 0.17	INR 0.16	INR 0.15	INR 0.14	INR 0.13
INR 32,135,617.73	INR 30,613,953.49	INR 29,164,365.95	INR 27,763,439.76	INR 26,467,921.48	INR 25,214,711.89	INR 24,020,858.68	INR 0.00	INR 9,972,764.27	INR 11,714,475.50	INR 11,158,947.28	INR 10,629,777.83	INR 10,125,715.70	INR 9,004,794.81	INR 8,577,700.56	INR 8,170,874.68	INR 12,249,427.22	INR 12,442,917.66	INR 11,853,728.36	INR 11,292,447.22



## Villas - Sale price analysis

Comparable Method	Subject Property	Comparable 1	Premium(+)/Discount(-)	Comparable 2	Premium(+)/Discount(-)	Comparable 3	Premium(+)/Discount(-)
Name of Development		Codefield		Gayathri		Aparah Villa	
Developer		Isha		Darshan		Kuladevatha Constructions	
Base Rate(INR/sq. ft.)		4,500		4,900		5,000	
Quote/Transacted		Q		Q		Q	
<b>Parameters to arrive at premium(+)/discount(-)</b>							
Location	Thalambur	Pudupakkam	0%	Siruseri	0%	Thalambur	0%
Neighbourhood Profile	Near Sipcot	Residential	0%	Residential	0%	Residential	0%
Approvals & Infrastructure inside the site	Not Available	Approval obtained	-5%	Approval obtained	-5%	Approval obtained	-5%
Access Road	Poor	Good	-5%	Good	-5%	Good	-5%
Negotiation Margin		Quoted	-5%	Quoted	-5%	Quoted	-5%
Total premium/discount			<b>-15%</b>		<b>-15%</b>		<b>-15%</b>
Approximate Capital value (on carpet area) (INR/ sq. ft.) for subject property			3,825		4,165		4,250
Market Uncertainty	10%						
Average Capital value (INR/ sq. ft.)	3,690						

The following parameters have been considered to arrive at the Villas value of the subject property:

**Location** - A good location facilitates commercial and residential development. Comparables 1,2 &3 are located in a similar location as subject property hence no premium/discount has been assigned on account of the same

**Neighbourhood Profile** - Proximity of the property to benchmark sites, view facets, etc. determine the attractiveness of the location. Neighbourhood profile is determined by the presence of irregular / unorganized activities around the subject property. The neighbourhood profile and location of comparable 1,2 and 3 is similar to the subject property, hence no adjustment has been made to it.

**Approvals & Infrastructure**— Obtaining approvals for development of a property involves time and cost and therefore a property which is already approved by authorities for the intended use, can command a premium as there might not be any delays in the project completion due to approvals. Comparable 1,2 and 3 have already gotten approvals, hence a discount of 5% has been provided to the subject property over comparable 1, 2 and 3.

**Access road & Frontage** – The subject property has poor frontage and the access road is a 30ft road and secondary access road is yet to be obtained. The current access is through 30ft wide road. Hence we have provided a discount of 5% to the subject property against the comparable 1, 2 and 3

**Negotiation Margin**— All the properties are quoted in nature hence a discount of 5% has been assigned on account of the negotiation margin

**Market Uncertainty** - A 10% discount has been assumed on account of the current pandemic situation which will have an impact on the demand due to economic uncertainty



Plots - Sale price analysis

Comparable Method	Subject Property	Comparable 1	Premium(+)/Discount(-)	Comparable 2	Premium(+)/Discount(-)	Comparable 3	Premium(+)/Discount(-)
Name of Development		Wing Haven Gardens		Midhun Garden		Engineers Park	
Developer		ETA Star		Helen Rumah		Premier Housing	
Plot Size (sq. ft.)		1,000-7,000		1,400 -1,800		570-3658	
Base Rate(INR/sq. ft.)		2,900		3,000		2,950	
Quote/Transacted		Q		Q		Q	
<b>Parameters to arrive at premium(+)/discount(-)</b>							
Location	Thalambur	Thalambur	0%	Pudupakkam	0%	Thalambur	0%
Neighbourhood Profile	Near Sipcot	Residential	5%	Near Sipcot	0%	Near Sipcot	0%
Size	74.73	55	0%	1	-15%	4.5	-15%
Approvals	Not Available	Approved Layouts	-5%	Approved Layouts	-5%	Approved Layouts	-5%
Infrastructure within the site	Not Available	Developed Site	-5%	Developed Site	-5%	Developed Site	-5%
Construction status	Project yet to commence	Ready to Occupy	-5%	Ready to Occupy	-5%	Ready to Occupy	-5.0%
Brand Name		Prominent Developer	0%	Local Promoter	5%	Local Promoter	5%
Accessibility	Average	Average	0%	Average	0%	Average	0%
Negotiation		Quote	-2.5%	Quote	-2.5%	Quote	-2.5%
<b>Total premium/discount</b>			<b>-13%</b>		<b>-28%</b>		<b>-28%</b>
Approximate Capital value (INR/ sq. ft.) for subject property			2,538		2,175		2,139
Covid Discount	10%						
Average Capital value (INR/ sq. ft.)	2,070						

The following parameters have been considered to arrive at the Plot value of the subject property:

**Location** - A good location facilitates commercial and residential development. Therefore a property with better location trades at a premium in the market. Comparable 1,2 and 3 have similar location attributes when compared to subject property, therefore no premium/discount has been given to the subject property to account of the same.

**Neighbourhood Profile** - Proximity of the property to benchmark sites, view facets, etc. determine the attractiveness of the location. Neighbourhood profile is determined by the presence of irregular / unorganized activities around the subject property. The neighbourhood profile and location of the comparable 1 is inferior to the subject property, therefore a premium of 5% has been given to the subject property on account of the same. The neighbourhood profile and location of comparable 2 and 3 are similar to the subject property, hence no adjustment has been made to it.

**Size** - A larger property due to its vast supply trades at a discount as compared to a smaller property. The comparables 2 & 3 are smaller in size than subject property, therefore the subject property has been discounted by 15% and 15% respectively on account of the same.

**Approvals** - Obtaining approvals for development of a property involves time and cost and therefore a property which is already approved by authorities for the intended use, can command a premium as there might not be any delays in the project completion due to approvals. Comparable 1,2 and 3 have already gotten approvals and hence a discount of 5% has been accounted for the same.

**Infrastructure** - The Comparables 1,2 and 3 have developed infrastructure inside as compared to the subject property. Hence a discount of 5% has been attached to the subject property over the comparables.

**Construction status** - A completed project commands a premium as compared to a property under construction which commands a premium when compared to the subject project which is yet to commence. Since the comparables 1,2 and 3 are completed we have provided a discount of 5% to the subject property against comparable 1,2 and 3.

**Developer profile / Brand** - A developer with a brand image and larger presence commands a premium over a local developer. Hence a premium of 5% has been provided to the subject property over the comparable 2 and 3. Comparable 1 is from a developer of a similar size and profile.

**Accessibility** - A good accessibility facilitates commercial and residential development. Therefore a property with better accessibility trades at a premium in the market. Comparable 1,2 and 3 have similar accessibility when compared to subject property, therefore no premium/discount has been given to the subject property to account of the same.

**Negotiation Margin** - All the properties are quoted in nature hence a discount of 2.5% has been assigned on account of the negotiation margin

**Market Uncertainty** - A 10% discount has been assumed on account of the current pandemic situation which will have an impact on the demand due to economic uncertainty





Date: 12<sup>th</sup> August 2020

**Kadavanthara Builders Pvt. Ltd.,  
No:45, 2<sup>nd</sup> Floor, 2<sup>nd</sup> Main,  
41<sup>st</sup> Cross, Jayanagar, 8<sup>th</sup> Block,  
Bengaluru-560070**

**Sub: Cover Letter to the Valuation Report dated 23 July 2020 and valuation conducted as of 30 June 2020 for 74.73-acre property located in Chennai.**

Kadavanthara Builders Private Limited (Hereinafter referred to as “Client”) has engaged (Engagement letters dated 3<sup>rd</sup> July 2020, 24<sup>th</sup> December 2019, 21<sup>st</sup> June 2019 and 28<sup>th</sup> March 2018) Cushman & Wakefield (India) Pvt Ltd (“C&WI”) for valuation 74.73 acres land parcel (“Subject Property”) located in Thalambur and Siruseri, Chennai as on valuation date of 30 June 2020. Valuation report for the subject property is submitted on 23 July 2020. Further C&WI also conducted valuation of the subject property as of 31 December 2019, 31 December 2018, 31 December 2017 and 31 December 2016.

In reference to the above mentioned report, the current cover letter is presented to provide the additional details of appraiser details, significant changes in valuation and sensitivity analysis.

## A Appraiser Details

### I Mr. Somy Thomas

Mr. Somy Thomas is the lead appraiser of the subject property. Mr. Somy Thomas is the Managing Director and heads the Valuation & Advisory Services in India.

<b>Name of Appraiser</b>	Mr. Somy Thomas – Managing Director, Valuation & Advisory Services
<b>Professional Qualification</b>	Member of Royal Institution of Chartered Surveyor (MRICS) Membership Number: 1296618
<b>Educational Qualification</b>	Master of Business Administration, XLRI Jamshedpur Master's in commerce from Pondicherry Central University
<b>Professional Experience</b>	Mr. Somy Thomas has total experience of 15 years in Cushman & Wakefield and he heads the Valuation & Advisory Services Practise in India.  Prior to C&WI, Somy has worked with PricewaterhouseCoopers in the management consulting division.  Somy has worked with wide spectrum of clients including FIs, NBFCs, Banks, leading real-estate developers, large Indian and global MNCs, Government and some of the most prominent public-sector undertakings. Mr. Somy Thomas inputs have been critical for disposition / acquisition decisions, investment advisory, listing in global financial exchanges, litigation support etc.

## 2 Other Appraisers

### Details of other Appraisers in the Assignment

<b>Name of Appraiser</b>	Ms. Anuradha Vijay – Assistant Vice President, Valuation & Advisory Services
<b>Educational Qualification</b>	Master In Planning– School of Planning and Architecture New Delhi  Bachelor of Architecture, Thiagarajar College of Engineering
<b>Total Experience</b>	13 years in real estate field and 7 years in C&WI
<b>Name of Appraiser</b>	Mr. Ashwin Thenappan- Manager, Valuation & Advisory Services
<b>Educational Qualification</b>	MBA Finance – ICFAI Hyderabad

	B. Tech in Information Technology, Anna University Coimbatore
<b>Total Experience</b>	6 years in real estate field and 3 years in C&WI

## B Sensitivity Analysis

We have conducted the following scenario analysis considering major factors such as discount for the shape and contiguity of the property, additional cost to be incurred at site to fill-up excavation and negotiation margin.

	Discount for Shape and Contiguity				
Discount	10%	15%	20%	25%	30%
Land Value (INR Million)	1,218	1,103	988	874	759
	Additional cost to be incurred at site to fill-up the excavation*				
Discount	0%	2.5%	5%	7.5%	10%
Land Value (INR Million)	1,103	1,046	988	931	874
	Negotiation				
Discount	0%	5%	10%	15%	20%
Land Value (INR Million)	1,127	1,058	988	919	849

*\*Part of the subject property is excavated and the same needs to be filled-up to bring it to the ground level*

## C Disclaimer

All the other terms and conditions shall be governed by the relevant engagement letter Engagement letters dated 3<sup>rd</sup> July 2020, 24<sup>th</sup> December 2019, 21<sup>st</sup> June 2019 and 28<sup>th</sup> March 2018

**Signed For and on Behalf of Cushman & Wakefield India Pvt. Ltd**




**Somy Thomas, MRICS**

**Managing Director, Valuation & Advisory**

**Membership No: 1296618**

**D Mr. Somy Thomas RICS Certificate**

