

CA JAYESHKUMAR SHAH

REGISTERED VALUER FOR SECURITIES AND FINANCIAL ASSETS

ADDRESS: B2-601, KUTCHI SARVODAY NAGAR, NR. ASSISI NAGAR, P L LOKHANDE MARG,
CHEMBUR, MUMBAI – 400 043

IBBI REG NO:- IBBI/RV/07/2020/13066

GST NO. 27BOPPS7411R1ZW

16th March 2026

To,

Anzen India Energy Yield Plus Trust

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

Plot 294/3, Edelweiss House, Off CST Road, Kalina,

Santacruz (E), Mumbai - 400 098,

Maharashtra, India

EAAA Real Assets Managers Limited

(acting as the Investment Manager to Anzen India Energy Yield Plus Trust)

Plot 294/3, Edelweiss House, Off CST Road, Kalina,

Santacruz (E), Mumbai - 400 098,

Maharashtra, India.

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

Dear Sir(s)/Madam(s),

In accordance with instructions of EAAA Real Assets Managers Limited (“ERAML” or “the Investment Manager” or “Client” or “you” or), I, Mr. Jayeshkumar Shah (“Registered Valuer” or “RV” or “I” or “My” or “Me”), holding IBBI registration number IBBI/RV/07/2020/13066 have performed the work set out in our Engagement Agreement dated 2nd January 2026 (“Engagement Agreement”). I have conducted the Fair enterprise valuation of the special purpose vehicle (“SPV”) proposed to be acquired, as defined in subsequent para, as required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended (“SEBI InvIT Regulations”). The Investment Manager, ERAML, manages Anzen India Energy Yield Plus Trust, an infrastructure investment trust registered with SEBI on 18th January 2022, under registration number IN/InvIT/21-22/0020, with Axis Trustee Services Limited acting on behalf of the Trust.

We refer to the Right of First Offer Agreement dated December 19, 2024 (the “Agreement”) executed between, inter alia, Infrastructure Yield Plus II, Infrastructure Yield Plus IIA, India Infrastructure Yield Plus II, Axis Trustee Services Limited (on behalf of Anzen India Energy Yield Plus Trust) and EAAA Real Assets Managers Limited (acting as an Investment Manager of the Anzen India Energy Yield Plus Trust), as amended on September 26, 2025. According to it the Trust has Right of First offer over below SPV held by IYP II. The Trust has proposed to purchase 100% of the Equity shareholding and other instruments in the SPV from IYP II:

Sr. No.	Name of SPV	Abbreviation
1	Kudgi Transmission Limited	KTL

(hereinafter KTL will be referred to as “the SPV”)

Attached is the Report providing my opinion on the fair enterprise value of the SPV as defined hereinafter on a going concern basis as of 31st December 2025 (“Valuation Date”). Enterprise Value (“EV”) refers to the total value of a business, including the value of its equity, debt, and debt-related liabilities, minus any cash or cash equivalents used to meet those liabilities.

The Report outlines the valuation methodologies used, calculations performed, and the final conclusions.

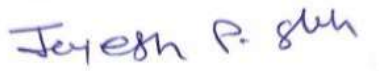
This analysis should be considered in its entirety. Selecting only portions of the analysis or factors without considering all components together may lead to a misleading interpretation of the valuation process. Valuation is a complex process and cannot be accurately captured in a partial or summary form. Isolating individual elements could unduly emphasize particular factors or analyses.

The valuation provided by me, as the Registered Valuer ("RV"), along with the valuation conclusion, is included in this Report, which complies with the SEBI InvIT Regulations, as well as the relevant guidelines, circulars, or notifications issued by the Securities and Exchange Board of India (SEBI) time to time.

I also draw your attention to the limitation of liability clauses in "Section 7" of this Report, including those related to Limitation and Uncertainty in Valuation.

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

Yours faithfully,



CA Jayesh kumar Shah

Registered Valuer

IBBI Registration No.: IBBI/RV/07/2020/13066

Asset Class: Securities or Financial Assets

Place: Mumbai

UDIN: 26147216XDSSYG5273

Table of Contents

Section	Particulars	Page No.
1	Executive Summary	4
2	Overview of the Industry	10
3	Overview of the InvIT & the SPVS	15
4	Valuation Methodology	18
5	Procedures adopted for Valuation and Key Assumptions	20
6	Valuation Conclusion	25
7	Exclusions & Limitations	26
	Appendices	
8	Appendix 1: Brief about Registered Valuer	30
9	Appendix 2: Valuation of the SPV as on 31 st December 2025	31
10	Appendix 3: Calculation of Beta	32
11	Appendix 4: Weighted Average Cost of Capital of the SPV	34
12	Appendix 5: Sources of Information	35
13	Appendix 6: Additional procedures for compliance with InvIT Regulations	36
14	Appendix 7: Statement of Assets	37
15	Appendix 8: Breakup of Operating Expenses	37
16	Appendix 9: WACC Sensitivity	38
17	Appendix 10: Disclosures of Interest of InvIT	38
18	Appendix 11: Summary of Ongoing Litigation & Arbitration Matters	39
19	Appendix 12: Summary of Tax Notices	42
20	Appendix 13: Summary of License and approvals	43

Executive Summary

Background of the Trust

Anzen India Energy Yield Plus Trust ("the Trust" or "InvIT") was established as an irrevocable trust on 1st November 2021 under the provisions of the Indian Trusts Act, 1882. It is registered as an Indian Infrastructure Investment Trust with the Securities and Exchange Board of India ("SEBI") since 18th January 2022, under registration number **IN/InvIT/21-22/0020**, in accordance with the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended.

The Trust primarily invests in infrastructure assets, focusing on the transmission and solar power generation sector in India. All transmission and solar power generation projects within the Fund's portfolio are implemented and held through special purpose vehicles. Currently, the InvIT owns, operates, and maintains 2 transmission SPVs and 1 solar SPV. The Trust has also acquired 74% stake in 12 solar SPVs on 2nd March 2026.

The objective of the Trust is to undertake activities as an infrastructure investment trust in accordance with the provisions of the InvIT Regulations and the Trust Deed. The principal activity of the Trust is to own and invest in power transmission assets and renewable energy assets in India with the objective of producing stable and sustainable distributions to unitholders. The units of the Trust have been listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") since 16th November, 2022.

Unitholding of the Trust as on 31st December 2025 is as under:

Particulars	Number of Units	Percentage
Sponsor & Sponsor Group	4,17,00,000	21.25%
Institutional investors	104,85,100	5.34%
Non-institutional investors	14,40,08,800	73.40%
Total	19,61,93,900	100%

Source: Investment Manager

The Sponsor

SEPL Energy Private Limited ("the Sponsor" or "SEPL" or "the project manager") has floated an infrastructure investment trust under the SEBI InvIT Regulations called Anzen India Energy Yield Plus Trust. SEPL is a portfolio company of **Edelweiss Infrastructure Yield Plus fund** ("EIYP Fund"). EIYP Fund is an alternative investment fund having SEBI Registration Number IN/AIF1/17-18/0511 dated 9th January 2018. EIYP Fund is mainly engaged in investment activities primarily with an objective of generating stable returns and earning long-term capital appreciation.

Shareholding of the Sponsor as on 31st December 2025 is as under:

Particulars	Number of Shares	Percentage
Edelweiss Infrastructure Yield Plus*	87,50,000	100.00%
Total	87,50,000	100.00%

Source: Investment Manager

* Includes Shares held by nominees of EIYP Fund

Investment Manager

EAAA Real Assets Managers Limited ("ERAML" or "the Investment Manager") has been appointed as the Investment Manager to the Trust by the Trustee and will be responsible to carry out the duties of such person as mentioned under the SEBI InvIT Regulations.

Shareholding of the Investment Manager as on 31st December 2025 is as under:

Particulars	Number of Shares	Percentage
EAAA India Alternatives Limited*	62,000	100.00%
Total	62,000	100.00%

Source: Investment Manager

* Includes Shares held by nominees of EAAA India Alternatives Limited

Scope and Purpose of Valuation

Financial Assets to be Valued

Enterprise Value (“**EV**”) refers to the total value of a business, including the value of its equity, debt, and debt-related liabilities, minus any cash or cash equivalents used to meet those liabilities.

The Trust intends to acquire 100% equity stake in the following SPV engaged in power transmission and for this purpose intends to value the SPV as per Regulation 22(4)(b) of the SEBI InvIT Regulations:

The Special Purpose Vehicle under consideration is valued based on this Fair Enterprise Value.

Name of SPV	Abbreviation
Kudgi Transmission Limited	KTL

(KTL is hereinafter referred to as “the SPV”)

Purpose of Valuation

As per Regulation 22(4)(b) of the SEBI InvIT Regulation, in case of any transaction, other than any borrowing, value of which is equal to or greater than twenty-five per cent of the InvIT assets, to determine if the said limits are met, and to provide the unitholders the valuation report to facilitate the decision making. As per regulation 21(8) of the SEBI InvIT Regulations: “For any transaction of purchase or sale of infrastructure projects, whether directly or through holdco and/or SPV, for publicly offered InvITs - a full valuation of the specific project shall be undertaken by the valuer”.

I understand that the trust is proposing to acquire 100% equity stake and other instruments of the SPV under Right of First Offer (ROFO) from IYP2, a related party. Accordingly, the proposed acquisition constitutes a related party transaction. In this regard, the Investment Manager intends to undertake the fair enterprise valuation of the SPV as on 31st December 2025 for the purpose of the proposed acquisition of the SPV by the InvIT.

In this regard, the Investment Manager has appointed Mr Jayeshkumar Shah (“**Registered Valuer**” or “**RV**” or “**I**” or “**My**” or “**Me**”) bearing IBBI registration number IBBI/RV/07/2020/13066 to undertake the fair valuation at the enterprise level of the SPV as per the SEBI InvIT Regulations as on 31st December 2025. Enterprise Value (“**EV**”) refers to the total value of a business, including the value of its equity, debt, and debt-related liabilities, minus any cash or cash equivalents used to meet those liabilities.

I declare that:

- I am competent to undertake the financial valuation in terms of the SEBI InvIT Regulations;
- I am not an associate of the Sponsor or the Investment Manager, or the Trustee and I have not less than five years of experience in valuation of infrastructure assets.
- I am independent and have prepared the Report on a fair and unbiased basis.
- I have valued the SPV based on the valuation standards as specified / applicable as per SEBI InvIT Regulations.

This Report covers all the disclosures required as per the SEBI InvIT Regulations and the valuation of the SPV is impartial, true and fair and in compliance with the SEBI InvIT Regulations. *(Refer Appendix 1 for further information about myself)*

Scope of Valuation

Nature of the Asset to be Valued

I have been mandated by the Investment Manager to arrive at the Fair EV of the SPV. Enterprise Value (“EV”) refers to the total value of a business, including the value of its equity, debt, and debt-related liabilities, minus any cash or cash equivalents used to meet those liabilities.

Valuation Base

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

Fair Value

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

Valuation Date

Valuation date is the specific date at which the valuer estimates the value of the underlying asset. Valuation is time specific and can change with the passage of time due to changes in the condition of the asset to be valued and/or market.

Accordingly, valuation of an asset as at a particular date can be different from other date(s). The Valuation Date considered for the fair enterprise valuation of the SPV is 31st December 2025 (“**Valuation Date**”). The attached Report is drawn up with reference to accounting and financial information as on 31st December 2025. The RV is not aware of any other events having occurred since 31st December 2025 till date of this Report which he deems to be significant for his valuation analysis. For the amount pertaining to the operating working capital, management of the Investment Manager has acknowledged to consider the Provisional financial statements as on 31st December 2025 to carry out the valuation of the SPV.

Premise of Value

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

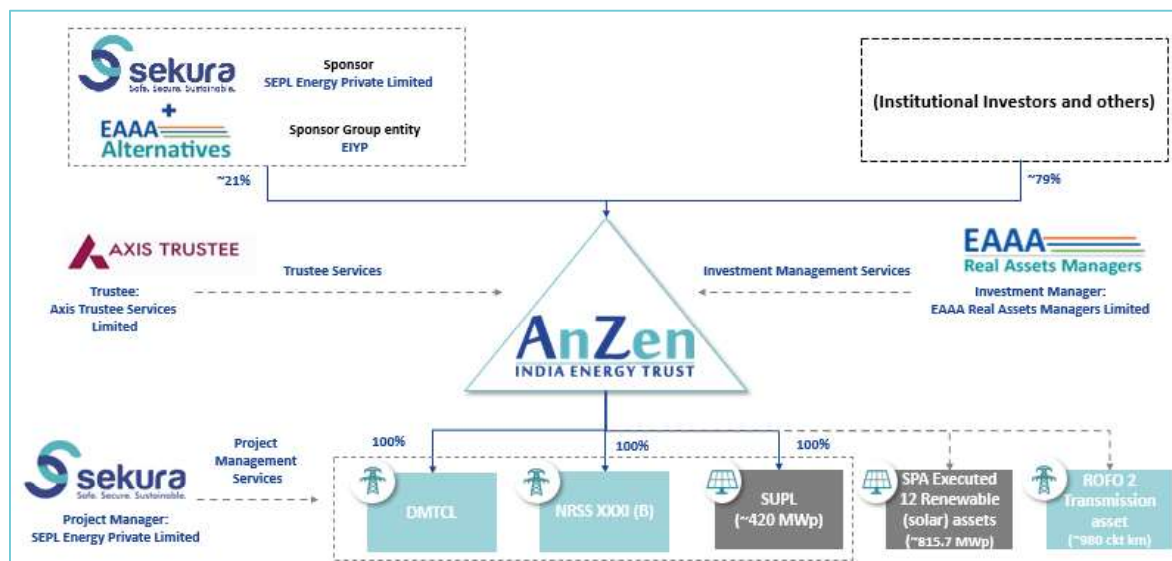
Going Concern Value

Going Concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained work force, an operational plant, necessary licenses, systems, procedures in place, continued validity and enforceability of the Transmission service Agreement (TSA), the timely receipt of transmission revenue, the non-termination of the TSA, and the non-occurrence of any material event that could potentially lead to its termination supported by established systems, operational infrastructure, and regulatory compliance by the SPV.

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Structure of the Trust

Following is the structure of Anzen InvIT as on 31st December 2025:



Purchase Price of the existing SPVs:

Anzen India Energy Yield Plus Trust, acting through the Trustee, has acquired the equity held by EIYP Fund in the 2 SPVs following which units had been issued to EIYP Fund by the Trust in 2022, the Trust also acquired 1 SPV from ReNew Private Limited in 2025. Additionally, the Trust acquired 74% stake in 12 solar SPVs as on 2nd March 2026. Accordingly, the Purchase Price of the SPVs are as follow:

INR Mn						
Sr. No.	Acquisition Date	SPVs	Previous Owner	Whether seller is related party of Trust at acquisition date.	Equity Stake Acquired	Acquisition Cost of the Trust's equity stake
1	11-Nov-22	DMTCL	Edelweiss Infrastructure Yield Plus Fund*	Yes	100%	4,700 Mn
2	11-Nov-22	NRSSB	Edelweiss Infrastructure Yield Plus Fund*	Yes	100%	3,600 Mn
3	07-Mar-25	SUPL	ReNew Private Limited	No	100%	5,196 Mn**
4	02-Mar-26	12 Solar portfolio SPVs	Edelweiss Infrastructure Yield Plus	Yes	74%	12,493 Mn***

*Related Party as per SEBI InvIT regulations

**including cash and cash equivalents

*** including cash and cash equivalents, subject to closing adjustments.

Proposed Transaction

The Trust is contemplating to acquire 100% equity stake / economic interest in the following SPV from the existing shareholders along with Debt. ("Proposed Transaction"):

Sr. No.	SPV	Asset Type	Seller	Equity Stake to be Acquired	Whether Seller is a related Party	INR Mn
						Loans and other instruments Outstanding from SPV
1	KTL	Transmission	Infrastructure Yield Plus II	100%	Yes	12,000

1. Equity Interest:

I understand the Trust is proposing to acquire 100% Equity Stake in the above mentioned SPV.

2. Loans and Other Instruments :

I understand the Trust is proposed to acquire the SPV along with the above-mentioned debt in the form of Listed Non Convertible Debentures at 100% outstanding as at the Valuation Date.

3. Related Party Transaction:

I understand the Seller and the Trust are related parties as per the definition of related parties as per regulation 2(1)(zv) of SEBI InvIT regulation and hence, the above Proposed Transaction is considered as a related party transaction

Valuation Summary

The valuation of the SPV has been carried out using the Income Approach, specifically the Discounted Cash Flow (“DCF”) method. This method estimates fair value based on the financial projections provided by the Client's Management. The Free Cash Flow to Firm model (“FCFF”) under the DCF framework was employed to determine the Enterprise Value of the SPV.

The valuation process incorporates several assumptions regarding the SPV, including their current and future financial condition, business strategies, and the operating environment. These assumptions are based on the information provided by the Investment Manager and our discussions with them, reflecting our expectations for future events. However, these assumptions involve inherent risks and uncertainties, both known and unknown.

Our conclusions are drawn from the prevailing economic, industry-specific, market, regulatory, and monetary conditions at the time of this Report. As such, these factors are subject to change and may fluctuate significantly. The valuation is based on expectations regarding financial performance, credit risk, cost of debt, and other assumptions, all of which reflect reasonable judgments at the time of the valuation. However, these are not guarantees of future performance, and actual outcomes may differ considerably from the projections. I do not take responsibility for updating or modifying the findings if there are any changes or new developments after the Report's issuance, and I assume no liability for such developments.

Presented below is the enterprise value of the SPV:

Sr. No.	SPV	Projection Period (Balance Concession Period)	Project End Date	WACC	Fair Enterprise Value* (INR Mn)
1	KTL	~25 Years and 9 Months	19-Sep-2051	7.48%	20,691

(Refer Appendix 2, 3 & 4 for the detailed workings)

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

Overview of the Industry

An Introduction to India's Power Sector

India is the most populous democracy in the world with a population of more than 1.46 billion and the fourth largest economy in the world. India's GDP growth for FY26 is estimated at 7.4 per cent driven by the double engine of consumption and investment. It reaffirms India's status as the fastest-growing major economy for the fourth consecutive year. This was highlight of the Economic Survey 2025-26. India's real GDP grew by an impressive 7.8% in the first quarter of Financial Year 2026, compared to 6.5% in the first quarter of the last fiscal year. The International Monetary Fund has increased India's economic growth forecast for the fiscal year 2026 to 6.6% from 6.4%. An efficient, resilient, and financially robust power sector is essential for the growth of the Indian economy. A series of reforms in the 1990s and the Electricity Act 2003 as amended from time to time have moved the Indian power sector towards being a competitive market with multiple buyers and sellers supported by regulatory and oversight bodies

India has made significant progress in strengthening its energy sector in recent years. The country is successfully balancing the twin goals of meeting rising electricity demand and promoting sustainability. According to the International Energy Agency (IEA), 85% of the increase in global electricity demand over the next three years will come from emerging and developing economies. Consequently, India's share in global primary energy consumption is projected to double by 2035.

India is the third largest producer and third largest consumer of electricity in the world, with the installed power capacity reaching 513.73 GW as of 31st December 2025. The country has 4th ranking for renewable energy installed capacity, 4th in Wind Power and 3rd in Solar Power Capacity according to IRENA RE Statistics 2025. Power shortages dropped from around 4.2% in 2013–14 to only 0.1% in 2024–25.

India's power sector is among the most diversified in the world, with generation from conventional sources like coal, gas, hydro, and nuclear, as well as renewable sources such as solar, wind, biomass, and small hydro. With rising electricity demand, India continues to expand its energy capacity to support economic growth and sustainability goals.

As of December 2025, India's total installed power capacity has reached a significant milestone with 513.73 GW, with 246.94 GW of thermal, 135.81 GW of solar, and 54.51 GW of wind power. The total generation capacity of renewable energy sources including large hydro, reaching 258.01 GW, marking a strong shift towards renewable energy and energy security.

India's Total Installed Capacity as on 31st December 2025 (in GW):

Particulars	Total Capacity (GW)	% of Total
Thermal:		
- Coal	219.61	42.75%
- Lignite	6.62	1.29%
- Gas	20.12	3.92%
- Diesel	0.59	0.11%
Nuclear	8.78	1.71%
Hydro	50.91	9.91%
Renewable Energy Source		
- Small Hydro	5.16	1.00%
- Wind	54.51	10.61%
- Bio-power	11.61	2.26%
- Solar	135.81	26.44%
Total	513.73	100.00%

(Source: Central Electricity Authority)

Over the past decade, India's power sector has seen robust expansion driven by rising demand, infrastructure development, and strong policy support for both conventional and renewable energy sources. Electricity generation has increased from 1,168 billion units (BU) in 2015–16 to 1,829 BU in 2024–25. Electricity generation from April 2025 to December 2025 was 1,386.20 BU. Similarly, total installed capacity has grown from 305 gigawatts (GW) in 2015–16 to a 513.73 GW in 2025–26 (until December).

Electricity Generation During Apr-25 to Dec-25 in Billion Units (BU)

Particulars	Achievement (BU)	% of Total
Thermal	963.83	69.53%
Nuclear	40.16	2.90%
Hydro (Large)	142.19	10.26%
RES including Small Hydro	232.28	16.76%
Bhutan Import	7.74	0.56%
All India	1386.20	100.00%

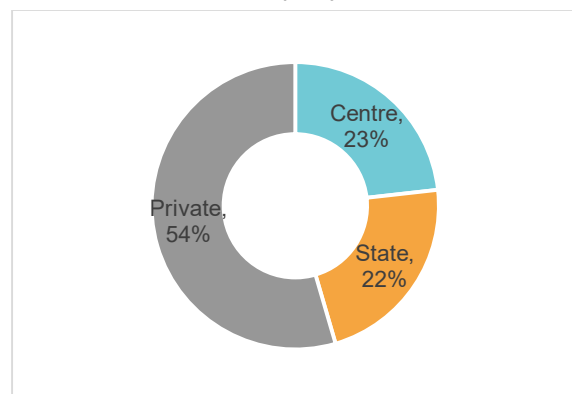
(Source: Central Electricity Authority)

During this period, the Ministry of Power implemented key reforms to improve access, efficiency, and reliability. Important initiatives include the creation of a unified national power grid, the Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) for rural electrification, and the SAUBHAGYA scheme aimed at universal household electrification.

Since 2018, over 2.8 crore households were electrified; 100% villages electrified in 2017-2018; per capita electricity consumption in India has surged to 1,395 kWh in 2023-24, marking a 45.8% increase (438 kWh) from 957 kWh in 2013-14 and Energy shortages reduced from 4.2% (2013-14) to 0.1% (2024-25) according to the Press information Bureau.

The year 2024 marked a landmark period for India's power sector, with historic advancements in energy generation, transmission, and distribution. From meeting record power demand of 250 GW to reducing energy shortages at the national level to a mere 0.1% in FY 2024-25, the sector demonstrated resilience and commitment to sustainable growth. Significant strides in energy conservation, consumer empowerment, and infrastructure development underscore the government's efforts to ensure reliable, affordable, and clean energy for all. (Source: Press Information Bureau).

Sector-wise total installed capacity as on 31st December 2025:



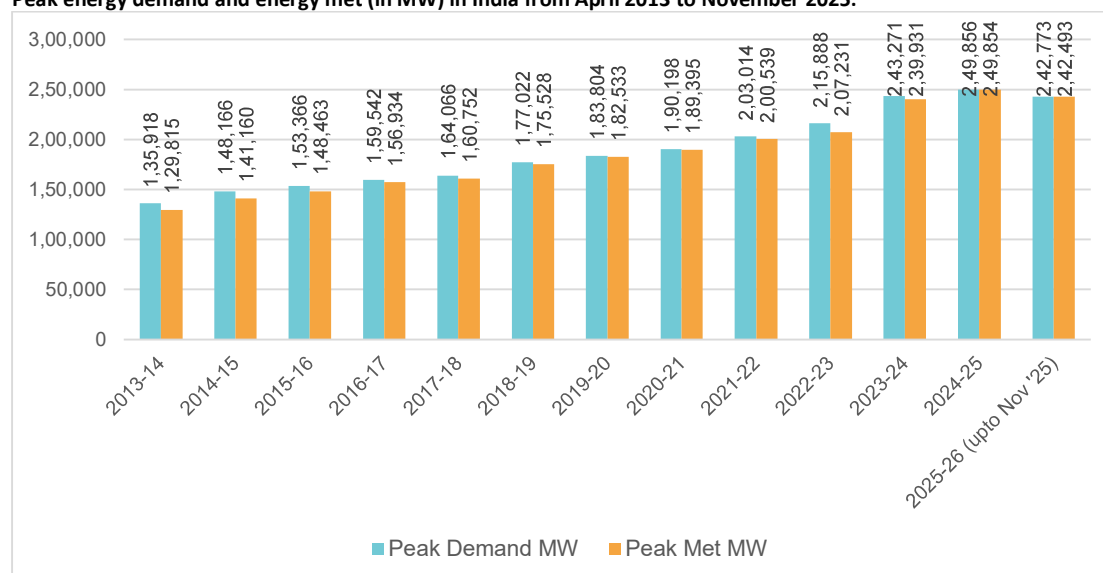
(Source: Central Electricity Authority)

Peak Energy Demand grew at a compounded annual growth rate ("CAGR") of 4.7% from 148 GW in FY 2014 to 216 GW in FY 2023, while peak supply grew at a CAGR of 5% over the same period. All India Peak Demand for FY 2025-26 (up to December 2025) was 2,42,773 MW, this peak demand was successfully met with a marginal gap of 280 MW.

As per mid-term review of 20th Electric Power Survey, the All-India Peak Demand of the country is expected to be 277 GW in 2025-26. The country is confident to meet this projected demand with optimal usage of existing and under construction capacities.

The Central Electricity Authority (CEA) estimates India's power requirement to grow to reach 817 GW by 2030. As the economy grows, the electricity consumption is projected to reach 15,280 TWh in 2040 from 4,926 TWh in 2012. Most of the demand will come from the real estate and transport sectors.

Peak energy demand and energy met (in MW) in India from April 2013 to November 2025:



(Source: Central Electricity Authority)

Power Transmission

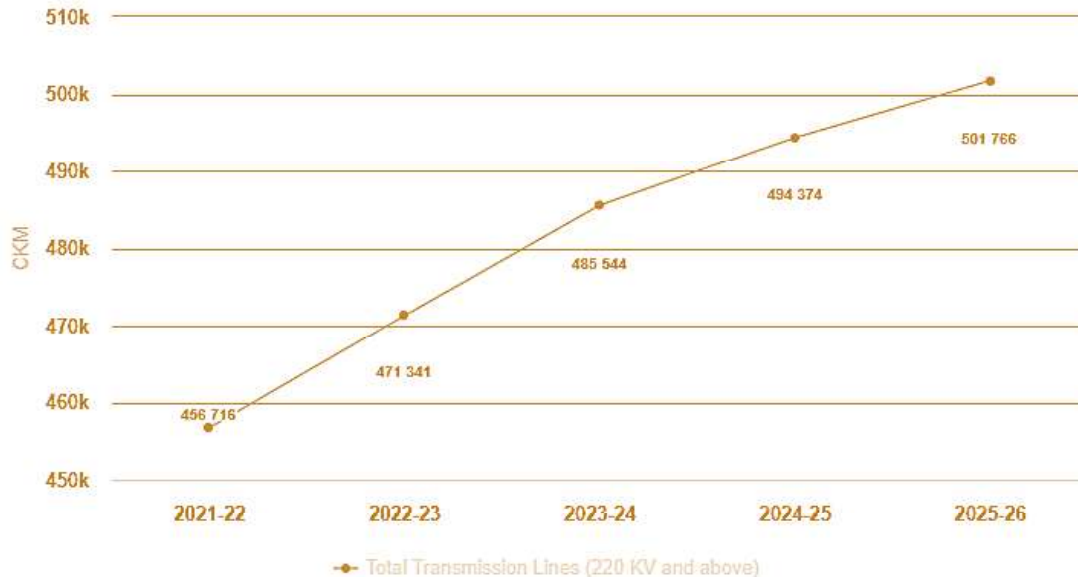
The transmission sector is divided into inter-state and intra-state transmission projects. In addition, transmission network also includes cross-border interconnections with neighboring countries viz, Bangladesh, Bhutan, Nepal and Myanmar to facilitate optimal utilization of resources.

Inter-state transmission has seen considerable growth in the past decade, which led to the creation of a synchronous National Grid, achievement of 'One Nation-One Grid-One Frequency', which has been an enabler for power markets in the country. The total inter-regional transmission capacity of the National Grid was 1,20,340 MW as on December 2025.

The government's focus on providing electricity to rural areas has led to the T&D system being extended to remote villages. Total Transformation Capacity addition during FY 2024-25 is 86,433 MVA and the Total Transformation Capacity is 13.37 Lakh MVA. The total transmission network has increased from ~3.13 Lakhs ckms in FY 2024-15 to around ~4.97 Lakhs ckms in 2025. 7,392 ckms of Transmission Lines were added during FY 2025-26 up to 31st January 2026.

Of the total capacity-addition projects in transmission during the 12th FYP, about 42% can be attributed to the state sector. The share of private sector in transmission line and substation additions since the beginning of 12th FYP is 14% and 7%, respectively, as the majority of high-capacity, long-distance transmission projects were executed by PGCIL and state transmission utilities during this period.

Total transmission lines (220KV and above in ckms) in India until 31st January 2026:



(Source: National Power Portal)

Growth Drivers for India's Power transmission Sector

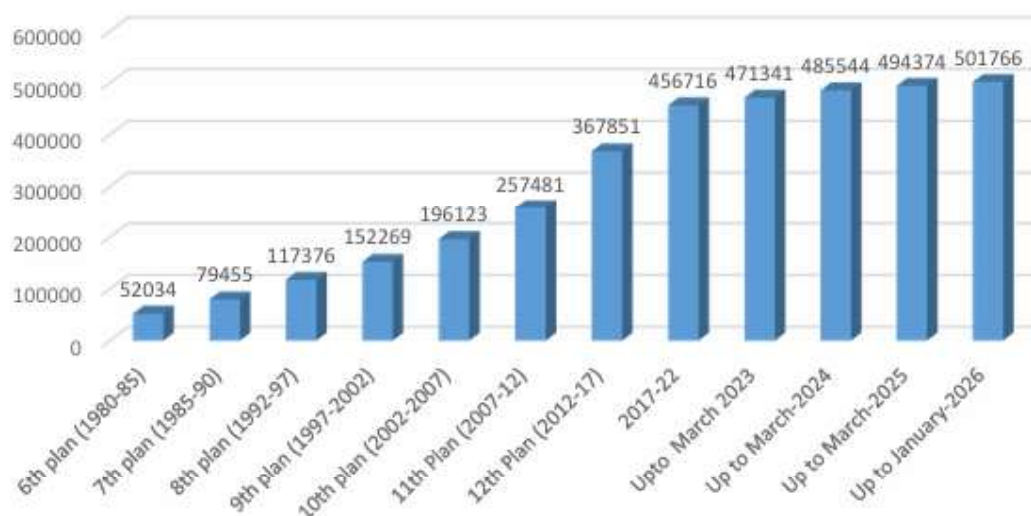
Foreign Direct Investment: The power sector remains a pivotal area for attracting Foreign Direct Investment (FDI) into India, with the government allowing 100 percent FDI in this sector. This openness to foreign investment highlights the sector's critical role in India's economic strategy.

Government Initiatives in the Power Sector: Various initiatives introduced by the GOI, such as Power for All, Deendayal Upadhyaya Gram Jyoti Yojana, Integrated Power Development Scheme (IPDS) and Ujwal DISCOM Assurance Yojana Scheme will improve and strengthen the demand and supply of electricity in India as well as assist the DISCOMs in improving operational and financial efficiencies.

National Electricity Plan: Govt. of India has finalized National Electricity Plan from 2023 to 2032 for Central and State transmission systems to meet a peak demand of 458 GW by 2032. The total cost of the plan is Rs 9.15 lakh Cr. Under the previous plan 2017-22, about 17,700 circuit kilometers (ckm) lines and 73 GVA transformation capacity were added annually. Under the new plan, transmission networks in the country will be expanded from 4.91 lakh ckm in 2024 to 6.48 lakh ckm in 2032. During the same period the transformation capacity will increase from 1,290 Giga Volt Ampere (GVA) to 2,342 GVA. Nine High Voltage Direct Current (HVDC) lines of 33.25 GW capacity will be added in addition to 33.5 GW presently operating. Inter-Regional transfer capacity will increase from 119 GW to 168 GW. This plan covers the network of

220 kV and above. This plan will help in meeting the increasing electricity demand, facilitate RE integration and green hydrogen loads into the grid.

Plan-Wise Cumulative Transmission Lines Length (in ckm) upto 31st January 2026



(Source: CEA)

50 GW ISTS Capacity Approved: 50 Giga Watt of Inter State Transmission Projects costing Rs. 60,676 Cr has been approved. The transmission network required to connect 280 GW of Variable Renewable Energy (VRE) to the Inter-State Transmission System (ISTS) by 2030 is planned to be 335 GW. Out of this, 42 GW has already been completed, 85 GW is under construction, and 75 GW is under bidding. Balance 82 GW will be approved in due course.

Improvement in Transmission System: During 2024, 10,273 ckm of transmission lines (of 220 kV & above), 71,197 MVA of transformation capacity (of 220 kV & above) and 2200 MW of Inter-regional Transfer Capacity have been added.

Right of Way (RoW) compensation Guidelines: To ensure the timely development of power transmission infrastructure for evacuating 500 GW of renewable energy by 2030, the Ministry of Power revised the Right of Way (RoW) guidelines in June, 2024, linking compensation to the market value of land. For the tower base area, the compensation has been increased from 85% to 200% of the land value. For the RoW Corridor, compensation has been raised from 15% to 30% of the land value.

Summary of Under Construction Transmission Projects as on 31st January 2026

(Awarded through Tariff Based Competitive Bidding Route)

Transmission Utility	No. of Projects	Transmission Line (ckm)	Transformation Capacity (MVA)	Cost (INR Mn)
PGCIL	41	20,373	179,600	1,195,620
Private TSPs	41	18,088	139,400	1,123,940
Total	82	38,461	319,000	2,231,956

(Source: CEA)

Factors encouraging investment in India's Power transmission Sector

Over the past five years, India's T&D sector has attracted significant investments to enhance grid reliability, reduce losses and support renewable energy integration. Between fiscals 2019 and 2024, the total investments in the transmission sector amounted to Rs 2,63,800 crore, of which Rs 3,000 crore was dedicated to GEC projects. Further, the total investments in the distribution sector amounted to Rs 4,22,400 crore, of which Rs 4,500 crore was dedicated to smart metering projects.

Over the next five years, India's T&D sector is set to witness significant investments, driven by renewable energy expansion and increasing electricity demand. The government is planning to enhance grid capacity to support the integration of 500 GW of non-fossil fuel energy by 2030. Key focus areas include developing GECs, expanding inter-state transmission networks and deploying smart grid technologies to improve efficiency and reduce losses. Additionally, initiatives such as the RDSS aim to modernize infrastructure and digitalize the distribution network. This wave of investments should play a pivotal role in ensuring reliable, resilient and sustainable power delivery across the country.

Operational power transmission projects have minimal risks: In the project construction phase, transmission assets face execution risks including right of way, forest and environment clearances, increase in raw material prices etc. However, post

commissioning, with the implementation of the Point of Connection (PoC) mechanism, there is limited offtake and price risk. Thus, operational transmission projects have annuity like cash flows and steady project returns.

Availability based regime: As per the TSA, the transmission line developer is entitled to get an incentive amount in the ratio of the transmission charge paid or actually payable at the end of the contract year. Maintaining availability in excess of the targeted availability gives the relevant asset the right to claim incentives at pre-determined rates, ensuring an adequate upside to maintaining availability.

Counter-party risk diversified: Given PAN-India aggregation of revenue among all TSPs and not asset specific billing, the counter party risk is diversified. If a particular beneficiary delays or defaults, the delay or shortfall is split on a pro-rata basis amongst all the licensees. Thus, delays or defaults by a particular beneficiary will have limited impact, which will be proportionate to its share in overall ISTS.

Payment security: The TSA includes an arrangement for payment security, which reduces under recovery of revenues. Payment security is available in terms of a revolving letter of credit of required amount that can be utilized to meet the revenue requirement in case of a shortfall.

Collection risk offset owing to the presence of CTU: According to CERC (sharing of inter-state transmission charges and losses) regulations, 2010, CTU has been assigned the responsibility of carrying out activities including raising of transmission charge bills on behalf of all ISTS licensees, collecting the amount and disbursing the same to ISTS licensees. Thus, a private transmission licensee no longer needs to collect transmission charges from multiple DISCOMs for each transmission project. Instead, the transmission revenue payable to the licensee is disbursed by the CTU on a monthly basis.

Increase in Pace of Awarding Projects under TBCB: Between 2010-11 and 2014-15, the pace of award of project was slow with only Rs. 180-190 billion projects being awarded.

The pace of award of project has significantly increased. In fact, in 2015-16, projects aggregated to ~Rs. 260 billion were awarded. In fact, between fiscals 2017 and 2020, projects worth ~312 billion have been awarded by BPCs (REC, PFC). The Inter-State Transmission System (ISTS) under the tariff-based competitive bidding (TBCB) framework witnessed the awarding of 37 projects in the first nine months of FY25, with a combined capital outlay of Rs 1,016.75 billion. As far as ISTS is concerned, till 31st March 2024, one hundred and six (106) schemes have been awarded through TBCB.

Power Transmission infrastructure has better risk return profile as compared to other infrastructure projects: Returns from various infrastructure projects (other than transmission line projects) like roads, ports and power generation rely mostly on the operational performance of the assets, which in turn is dependent on factors where developers have limited control. For instance, in the roads sector (non-annuity based project) the company's profits are dependent on collection of toll revenues, the port sector bears risk of cargo traffic, while in the case of power generation, it depends on availability of fuel and offtake by distribution companies while in the case of ISTS transmission projects the charges are independent of the total power transmitted through the transmission lines and hence factors such as volume, traffic do not fluctuate the revenues.

Investments in India's T&D Sector as projected (INR Crore)



(CRISIL Infrastructure Yearbook 2025)

(Sources: CRISIL Infrastructure Yearbook 2025, CEA Executive Summary on Power Sector: March 2025 & December 2025, Installed capacity report FY 2025, CEA Monthly Progress Report of Transmission Projects awarded through Tariff Based Competitive Bidding Route (Under Construction Projects) January 2026, Growth Summary of Transformation Capacity, All India Installed Capacity of Power Stations - Central Electricity Authority of India, Press Information Bureau, National Power Portal, Grid India)

Overview of the InvIT and SPVs

The Trust

Anzen India Energy Yield Plus Trust ("the Trust" or "InvIT"), was established on 1st November 2021 as an irrevocable trust pursuant to the trust deed under the provisions of the Indian Trusts Act, 1882. The trust is registered with the Securities and Exchange Board of India ("SEBI") with effect from 18th January 2022 bearing SEBI Reg. No. IN/InvIT/21-22/0020. pursuant to the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("the SEBI InvIT Regulations").

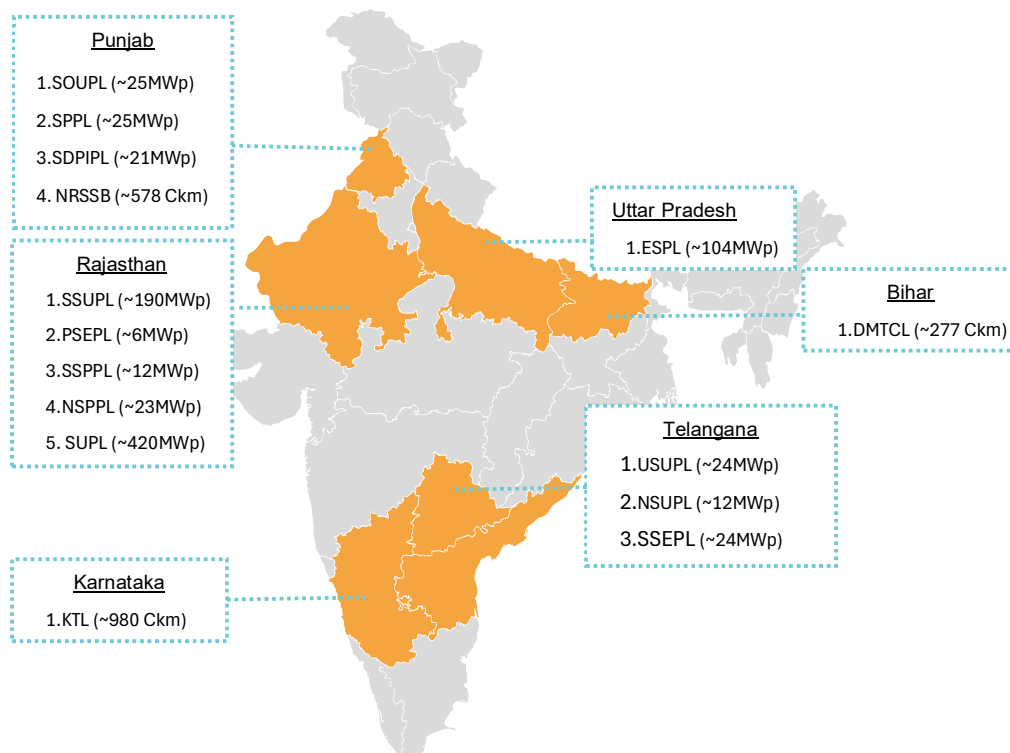
It is mainly established to invest in infrastructure assets primarily being in the power transmission and solar power generation sector in India. The units of the trust are listed on National Stock Exchange ("NSE") and Bombay Stock Exchange ("BSE") since 16th November 2022.

The InvIT holds the following SPVs:

Sr. No.	SPV	Abbreviation
1	Darbhangha-Motihari Transmission Company Limited	DMTCL
2	NRSS XXXI (B) Transmission Limited	NRSSB
3	Solzen Urja Private Limited (Previously known as "Renew Sun Waves Private Limited")	SUPL
4	Pokaran Solaire Direct Private Limited	PSEPL
5	Suryaoday Solaire Prakash Private Limited	SSPPL
6	Northern Solaire Prakash Private Limited	NSPPL
7	Solaire Direct Projects India Private Limited	SDPIPL
8	Solaire Power Private Limited	SPPL
9	Solaire Urja Private Limited	SOUPL
10	Nirjara Solaire Urja Private Limited	NSUPL
11	Ujjvalatejas Solaire Urja Private Limited	USUPL
12	Suprasanna Solaire Energy Private Limited	SSEPL
13	Solaire Surya Urja Private Limited	SSUPL
14	Enviro Solaire Private Limited	ESPL
15	Solairepro Urja Private Limited	SPUPL

(The above-mentioned 15 SPVs are hereinafter together referred to as "the existing SPVs")

The InvIT comprises of 2 Transmission SPVs and 13 Solar SPV. Following is a map of India showing the area covered by the existing SPVs and SPV proposed to be acquired (KTL) of the Trust:



Background of the SPV:

Kudgi Transmission Limited ("KTL"):

Summary of project details of KTL are as follows:

Parameters	Details
Project Cost	INR 14,929 Mn
Total Length	~980 circuit kms
Location of Assets	Karnataka
TSA signing Date	14 th May 2013
SCOD as per TSA	31 st December 2015
Revised SCOD	19 th September 2016
Transmission License issuance Date	7 th January 2014
Expiry Date of License	25 years from issue of Transmission License
Concession period	35 years from SCOD

Source: Investment Manager

KTL entered into a transmission service agreement dated 14th May 2013 with its LTTCs for transmission of electricity on a BOOM basis. The project was awarded through the tariff based competitive bidding ("TBCB") mechanism, for a period of 35 years from the SCOD.

Kudgi Transmission Limited ('KTL') is involved the construction of 400/765 kV double circuit(D/C) quad lines in Karnataka on a build, own, operate and maintain (BOOM) basis to evacuate power from the Kudgi thermal power plant of NTPC Ltd.

KTL transmits power to the discoms of the five southern states (Andhra Pradesh, Telangana, Karnataka, Kerala and Tamil Nadu).

KTL operates three transmission lines of approximately 980 ckms comprising a 400 kV double circuit line of approximately 8.615 kms from Kudgi Thermal Power Plant to Narendra, another 400 kV double circuit line of approximately 92.814 kms from Madhugiri to Bidadi and 765kV double circuit line of approximately 378.56 kms from Narendra to Madhugiri in the state of Karnataka.

The KTL project was fully commissioned in September 2016.

The project consists of the following transmission lines:

Particulars	Kms	COD	Location
400 kV 2xDouble Circuit Quad Lines	17.73	4-Aug-15	Kudgi TPS - Narendra (New)
765 kV Double Circuit Line	378.56	19-Sep-16	Narendra (New) - Madhigiri
400 kV Double Circuit (quad) Line	92.81	27-July-16	Madhugiri - Bidadi

Source: Investment Manager

The equity shareholding of KTL as on 31st December 2025 is as follows:

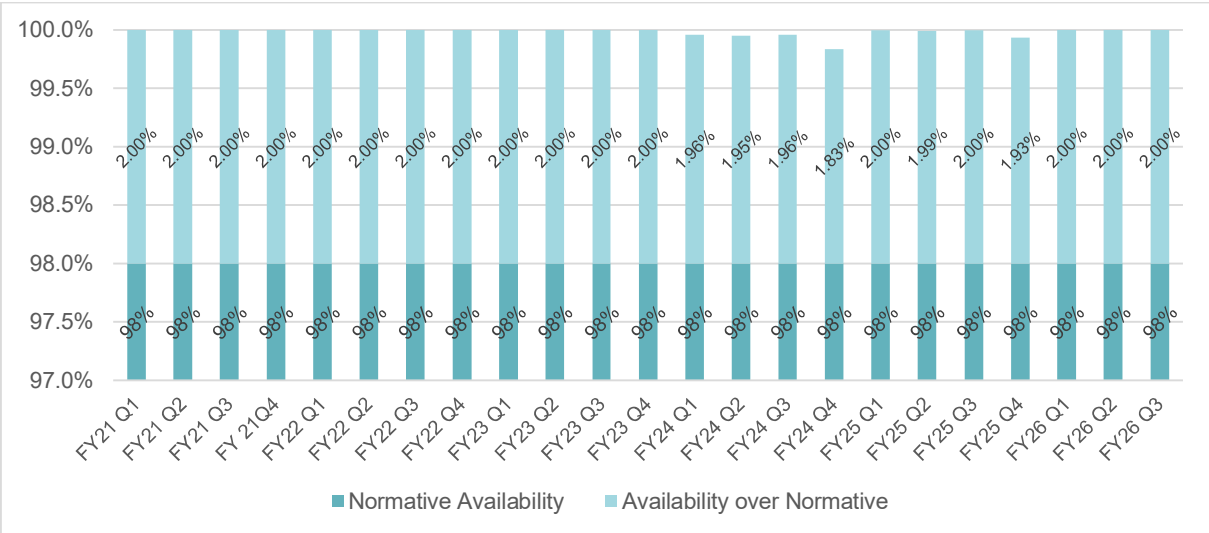
Sr. No.	Particulars	No. of shares	%
1	Infrastructure Yield Plus II (IYP II)	12,51,89,998	58.76%
2	Infrastructure Yield Plus IIA	5,96,08,708	27.98%
3	India Infrastructure Yield Plus II	2,82,38,752	13.26%
4	Nominees	4	0.00%
	Total	21,30,37,462	100.0%

Source: Investment Manager

The equity shareholding of KTL Post- Acquisition is as follows:

Sr. No.	Particulars	No. of shares	%
1	Anzen India Energy Yield Plus Trust	21,30,37,462	100.0%
	Total	21,30,37,462	100.0%

Operating Efficiency history of KTL:



Source: Investment Manager

My team had conducted physical site visit of the transmission lines of KTL in Karnataka on 20th January 2026. Refer below for the pictures of the site:



Valuation Methodology

The current valuation exercise has been carried out to determine the Fair Enterprise Value (EV) of the SPV and the selection of an appropriate valuation method is based on professional judgment, considering the facts and circumstances relevant to the nature of the business being valued.

Broadly there are 3 accepted approaches to valuation:

- (a) Cost Approach
- (b) Market Approach
- (c) Income Approach

a) **Cost Approach**

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

The Net Asset Value (“NAV”) Method under the Cost Approach is appropriate when the primary strength of the business lies in its asset base rather than its profit-generating ability. It is also used in situations where the business is being liquidated and does not qualify as a “going concern”.

As a measure of total business value, the NAV method has the drawback of reflecting the financial position only at a specific point in time. Moreover, it may not adequately capture the earning potential of the business or intangible assets lacking historical cost, making it more of a minimum benchmark value for an operating business.

b) **Market Approach**

The Market Approach values a company based on its market capitalization in the case of listed entities, or by applying trading or transaction multiples of comparable companies for unlisted entities.

Comparable Companies Multiples Method (“CCM”)

The valuation is established using multiples derived from the market values of comparable listed companies. This approach operates on the premise that stock market transactions between knowledgeable and willing buyers and sellers inherently reflect all relevant factors influencing a company’s value

Comparable Transactions Multiples Method (“CTM”)

Under the Comparable Transaction Method, valuation is derived from transaction multiples observed in similar industry deals. The selection of appropriate multiples requires careful consideration and adjustment for differences in deal structure, scale, timing, and business dynamics. Commonly used benchmarks in this approach include EV/EBITDA and EV/Revenue multiples.

Market Price Method

This approach considers the quoted market price of a company’s equity shares on a recognized stock exchange as a fair indicator of their value, provided the shares are actively and freely traded. The market price, in such cases, is typically viewed as a reflection of investor sentiment and perception regarding the company’s intrinsic worth.

c) **Income Approach**

The income approach is a commonly adopted method for valuing businesses assumed to operate as a “Going Concern”. It emphasizes both the historical income performance and the anticipated future earning potential of the entity. Specifically, the Discounted Cash Flow (“DCF”) method—falling under this approach aims to determine value by evaluating the present worth of expected future cash flows.

Discounted Cash Flow Method

Under the DCF methodology, a company’s valuation can be approached through either the Free Cash Flow to Firm or Free Cash Flow to Equity models. The core idea is to estimate and discount future cash flows for both an explicit forecast period and for the terminal period beyond, to determine the present value of the business.

The cash flows considered here are those that remain available for distribution to both debt and equity holders i.e. the firm’s stakeholders. These free cash flows are projected over a specified period and subsequently extended into perpetuity using a terminal value calculation. For the terminal value, a Constant Growth Model is applied, assuming the business will continue generating cash flows that grow at a stable rate after the forecast period ends.

The discounting of cash flow is done using the Weighted Average Cost of Capital (WACC), which reflects a blend of the costs of equity and debt. This rate incorporates both the firm's capital structure and the risk associated with its future cash flows accounting for the time value of money, but also for the uncertainty of future performance.

The outcome derived of this process is the Enterprise Value (EV), which represents the total value of the business derived from its future cash-generating potential. To determine the equity value i.e., the value attributable to the shareholders—any outstanding debt is deducted, and cash and cash equivalents are added to the EV.

Conclusion on Valuation Approach

Valuation Approach	Valuation Methodology	Used	Explanation
Income Approach	Discounted Cash Flow	Yes	The SPV are generating income based on pre-determined Transmission Service Agreement (TSA). Hence, the growth potential of the SPV and the true worth of its business would be reflected in its future earnings potential and therefore, DCF method under the income approach has been considered as an appropriate method for the present valuation exercise.
Market Approach	Market Price	No	The equity shares of the SPV are not listed on any recognized stock exchange in India. Hence, I was unable to apply the market price method.
	Comparable Companies	No	Due to the lack of directly comparable listed companies possessing similar characteristics and operating parameters as the SPV, the Comparable Companies Method could not be applied for this valuation exercise.
	Comparable Transactions	No	Given the unavailability of sufficient information regarding comparable transactions, the Comparable Transactions Method (CTM) has not been considered appropriate for this valuation.
Cost Approach	Net Asset Value	No	NAV Method does not capture the future earning potential of the business. Hence, NAV method has been considered for background reference only.

Income Approach

Under the DCF Method, the Free Cash Flow to Firm ("FCFF") has been used for the purpose of valuation of each of the SPV. In order to arrive at the fair EV of the individual SPV under the DCF Method, I have relied on the provisional financial statements as at 31st December 2025 prepared in accordance with the Indian Accounting Standards (Ind AS) and the financial projections of the respective SPV prepared by the Investment Manager as at the Valuation Date based on their best judgement.

The discount rate considered for the SPV for the purpose of this valuation exercise is based on the WACC Calculated (*Refer Appendix 4*). The Transmission SPV under consideration has executed project under the Build-Own-Operate and Maintain and the ownership of the underlying assets shall remain with the SPV even after the expiry of the concession period. Accordingly, terminal period value i.e. value on account of cash flows to be generated even after the expiry of concession period has been considered in the current valuation exercise.

Procedures Adopted for Valuation & Key Assumption

I have carried out the Enterprise Valuation of the SPV, in accordance with the valuation standards specified or applicable under the SEBI InvIT Regulations, to the extent applicable, and in accordance with the **ICAI Valuation Standards 2018 ("IVS")** issued by the Institute of Chartered Accountants of India.

In connection with this analysis, I have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information relating to the SPV.
- Considering the key terms of the TSA.
- Analyzed Management Projections and assumptions underlying the forecasted cashflows.
- Conducted discussions with the Investment Manager covering:
 - Background of the SPV.
 - Business and fundamental factors that affect earning-generating capacity.
 - SWOT analysis and review of historical and expected financial performance.
- Conducted industry and economic analysis, including:
 - Review of publicly available market data and trends.
 - Analysis of economic and industry-specific factors is likely to impact the assets.
- Reviewed comparable companies and transactions using proprietary and public databases, as considered relevant.
- Selected and applied appropriate valuation approaches and methodologies in accordance with SEBI InvIT Regulations and IVS.
- Conducted physical site visit of the SPV.
- Determined the fair Enterprise Value of the SPV as on the Valuation Date

Valuation of the SPV

The key assumptions for transmission SPV (KTL) are as follows:

Operating revenue	
Transmission revenue	The transmission SPV, earns revenue from electricity transmission tariffs pursuant to Transmission Service Agreements ("TSA") read with the Tariff Adoption Order ("TAO") passed by the Central Electricity Regulatory Commission ("CERC") in accordance with the Electricity Act, 2003. The tariff for the SPV is contracted for the relevant TSA, which is up to 35 years from the scheduled commissioning date. • Non Escalable Transmission Revenue: The Non-Escalable Transmission Revenue remains fixed for the entire life of the project. I have corroborated the revenue considered in the financial projections with the respective TSA read with TAO and documents provided to me by the Investment Manager. • Escalable Transmission Revenue: Escalable Transmission Revenue is the revenue component where the revenue is duly escalated based on the rationale as provided in the respective TSA read with TAO. There are Nil escalable transmission charges as per the terms of the respective adoption of tariff order for the SPV.
Incentives	As per the provisions of the respective TSAs, the SPV are entitled to an annual incentive if the annual availability exceeds 98%, subject to a cap wherein no incentives are payable beyond an availability of 99.75%. Based on the historical performance of SPV, the annual availability has generally exceeded 98%. Accordingly, the SPV is expected to be eligible for incentives in line with the terms of the TSA, as represented to us by the Investment Manager.
Penalty	If the annual availability in a contract year falls below 95%, the SPV shall be liable for an annual penalty as provided in the TSA. Based on my analysis, in the present case, it is assumed that the annual availability will not fall below 95% and hence, penalty is not considered in the financial projections.
Operating Expenses & Other Inputs	
Expenses	Expenses are estimated by the Investment Manager for the projected period based on the inflation rate and some are escalated based on contract as determined for the SPV. Operations & Maintenance (O&M): The O&M expenditure for the projected period has been estimated by the Investment Manager, taking into account applicable inflation rates and existing contractual terms specific to the SPV. The projections include anticipated costs related to transmission line maintenance, rates and taxes, legal and professional fees, as well as general and administrative expenses, among others. For the purpose of this valuation, I have relied upon the O&M expenditure projections as provided by the Investment Manager. Insurance Expenses: Based on representations received from the Investment Manager, insurance expenses for the SPV are not expected to increase materially over the projection period. Accordingly, I have relied on the insurance expense projections provided by the Investment Manager for the purpose of this valuation. Other Expenses: The other expenses for KTL have been estimated based on applicable cost drivers, historical trends, and operational requirements of the SPV. The projections include anticipated expenditures relating to statutory and non-statutory operating costs, personnel expenses, rates and taxes, legal and professional fees, litigation-related expenses, and general and administrative outlays. These cost items have been projected to increase over the projected period in line with the percentage escalations represented by the Investment Manager. For the purpose of this valuation, I have relied upon the expense projections as provided by the Investment Manager. (Refer Annexure 8 for details)
Depreciation	For calculating depreciation as per the Income Tax Act for the projected period, I have considered the depreciation rate as specified in the Income Tax Act and WDV as provided by the Investment Manager. The book depreciation has been provided by the Investment Manager as per the life of the SPV..
Capital Expenditure	The Investment Manager does not expect any capex in the projected period for KTL.
Tax Rates	As per the discussions with the Investment Manager, the tax outflows are calculated as per the new provisions of Income Tax Act for the projected period of the SPV for the current valuation exercise, (i.e. Section 115BAA, with base corporate tax rate of 22%, surcharge of 10% and 4% cess) for the SPV.

Working Capital	The operating working capital assumptions for the projections provided by the Investment Manager comprises of prepaid expense, security deposit, trade receivables, trade payables and others. I have obtained the working capital assumptions from the Investment Manager and have corroborated the Trade receivables/unbilled revenue assumptions of 90 days with the past cycle and other data points to extent appropriate.
Terminal Period Cash Flows	Terminal value represents the present value at the end of explicit forecast period of all subsequent cash flows to the end of the life of the asset or into perpetuity if the asset has an indefinite life. I understand, based on the representation of the Investment Manager, that the SPV are expected to generate cash flow even after the expiry of concession period as the projects are on BOOM model and the ownership will remain with the respective SPV even after the expiry of concession period. The value of SPV at the end of the concession period may be dependent on the expected renewal/extension of concession period with limited capital expenditure or the estimated salvage value the assets of the SPV can fetch. Considering the estimation uncertainty involved in determining the salvage value and basis my discussion with the Investment Manager on the cash flow estimates for the period after the concession period, I found it appropriate to derive terminal period value, which represents the present value at the end of explicit forecast period/concession period of all subsequent cash flows to the end of the life of the asset, based on the perpetuity value derivation / Gordon growth model with 0% terminal growth rate. Accordingly, for the terminal period (i.e. after the expiry of 35 years), a terminal growth rate of 0% has been applied on cash flows based on the Investment Manager's estimate for the SPV.

Impact of Ongoing Material Litigation on Valuation

As on 31st December 2025, there are ongoing litigations as shown in Appendix 11. Further, the Investment Manager has informed us that majority of the cases are low to medium risk and accordingly no material outflow is expected against the litigations.

Right of Way Related Litigations

KTL holds right of way (RoW) over project land parcels located across in Karnataka, acquired under Section 164 of the Electricity Act, 2003 read with Section 10 of the Indian Telegraph Act, 1885. These rights were granted by the respective Deputy Commissioners, with compensation paid to landowners as per the applicable regulatory framework.

Certain compensation related litigations filed by landowners are pending before district courts and the Karnataka High Court. As informed by the Investment Manager, most RoW cases are assessed as low to medium risk and substantially covered under indemnities in the share purchase agreements. Based on outcomes of disposed cases, no material impact on valuation is anticipated.

A summary of RoW litigation cases is provided in Appendix 11.

Discounting Factor for the SPV

Parameters	Notation	Explanation
Risk Free Rate	Rf	I have used a risk-free rate of return of 6.80%, based on the zero-coupon yield curve for government securities with a 10-year maturity, as quoted on the Clearing Corporation of India Limited ("CCIL") website, as of 31 st December 2025.
Beta	Beta	According to the Capital Asset Pricing Model (CAPM), the risk premium compensates for systematic risk, which cannot be eliminated by diversification, as opposed to non-systematic risk, which is specific to a particular enterprise. Systematic risk is quantified using the beta coefficient and the market risk premium. The market risk premium is the difference between the expected return on the market portfolio and the risk-free rate. The beta coefficient reflects the risk of a company's equity in relation to the overall market risk. A beta greater than one indicates that the company's stock is more volatile than the market. The risk premium is determined by multiplying the market risk premium by the company's beta coefficient. Based on my analysis of the listed InvITs and other companies in power generation and transmission sectors, I find it appropriate to consider the beta of Power Grid Corporation of India Limited ("PGCIL"), Powergrid Infrastructure Investment Trust and Indigrid Infrastructure Trust for the current valuation exercise of KTL. <i>(Refer Appendix 3 for detailed workings)</i>
Equity Risk Premium	ERP	ERP = Rm-Rf Equity Market Risk Premium (ERP) represents the additional return investors expect for investing in equities compared to safer bond or debt markets. It is estimated by considering historical realized returns on equity investments over the risk-free rate, I have considered rolling historical returns of the Nifty 50 index over 10, 15, and 20-year. Based on this, the equity risk premium (ERP) was estimated in the range of 7.53%, 6.71% to 6.42% for the respective years, averaging around 6.9%. Accordingly, a 7.0% ERP has been considered appropriate for India.
Base Cost of Equity		$Ke = Rf + [ERP * Beta]$
Company Specific Risk Premium	CSRP	Discount Rate is the return expected by a market participant from a particular investment and shall reflect not only the time value of money but also the risk inherent in the asset being valued as well as the risk inherent in achieving the future cash flows. In the present case, considering the length of the explicit period, the basis of deriving the underlying cash flows and basis my discussion with Investment Manager, I found it appropriate to consider 0% CSRP for the SPV.
Cost of Equity	Ke	$Ke = Rf + [ERP * Beta] + CSRP$ For the estimation of the cost of equity SPV, the capital asset pricing model ("CAPM") is applied. According to the CAPM, cost of equity consists of a risk-free interest rate and a risk premium. The risk premium is calculated by multiplying the market risk premium by the beta-factor, a company-specific measure of the systematic risk of an equity investment in a company.
Tax Rate	t	Based on the respective average tax rate for the life of SPV.
Cost of Debt	Kd	For the purpose of computing the Weighted Average Cost of Capital (WACC), a weighted average cost of debt has been considered, which reflects the blended rate across all existing debt facilities. This approach ensures that the WACC appropriately captures the Trust's current and expected financing environment, thereby aligning the valuation with prevailing market conditions. $Kd = Kd \text{ pre-taxes} * (1 - t)$ For the current valuation, the pre-tax cost of debt has been determined based on available information and representations from the Investment Manager Wherein: The Pre Tax Cost of Debt as of 31st December 2025 is considered at 7.68%. <i>(Refer Annexure 4 for detailed working)</i>

Debt/(Debt+Equity) Ratio	$D/(D+E)$	In the present valuation exercise, I have considered debt:equity ratio of 70:30 based on industry standards and as per the guidance provided by various statutes governing the industry. I have considered the industry benchmark since the cost of capital is a forward-looking measure and captures the cost of raising new funds to buy the asset at any valuation date (not the current actually deployed). Specifically, such benchmark is required to consider the nature of the asset class, and the comparative facts from the industry to arrive at the correct assumption. Given the risk profile of Transmission projects and considering the leverage at 70% of the total project cost based on rating agencies reports available in public domain, and further considering the InvIT Regulations allowing in general up to 70% leverage in assets where the AAA rating has been obtained. Accordingly, I have considered the same weightage to arrive at the WACC of the SPV.
Discounting Factor		$DCF = [Cash\ Flows\ 1 / (1+WACC)^{AF1}] + [Cash\ Flows\ 2 / (1+WACC)^{AF2}] + \dots + [Cash\ Flows\ n / (1+WACC)^{AFn}]$ The discounted cash flow is calculated by summing the cash flows for each period and dividing each by the present value factor. The present value factor is computed as $(1 + \text{discount rate or WACC})$ raised to the power of the corresponding Cash Accrual Factor (CAF).
Accrual Factor		The Discounted Cash Flow (DCF) method involves projecting future cash flows and discounting them to their present value as of the Valuation Date. This is done using the Accrual Factor (AF) or Mid-Year Convention (MYD), which represents the time between the Valuation Date and when each cash flow is expected to accrue.
WACC		$WACC = [Kd * D / (D + E)] + [Ke * (1 - D / (D + E))]$ The discount rate or Weighted Average Cost of Capital (WACC), represents the average expected return required by both equity and debt holders, weighted according to the company's optimal capital structure. <i>(Refer Appendix 4 for detailed workings)</i>

Beta for the valuation of SPV:

To identify the comparable companies, I conducted a screening process on ACE Equity Nxt using the following criteria:

- Companies from the industrial sector, specifically within the power generation and transmission sector.
- From this list, I filtered companies that generate the majority of their revenue from transmission sector.
- Finally considered the beta based on industry alignment, market compatibility and available data
(Refer Appendix 3)

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

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

Accordingly, as per above, I have arrived at re-levered beta of the SPV. *(Refer Appendix 3)*

Valuation Conclusion

The current valuation has been carried out using the Discounted Cash Flow (DCF) methodology, specifically the Free Cash Flow to Firm approach, to determine the Enterprise Value (EV) of the SPV as of 31st December 2025. The valuation is based on financial projections provided by the Management for the SPV, covering the period from 31st December 2025 until the end of their respective concession periods. Further, various qualitative factors, the business dynamics and growth potential of the business, having regard to information base, management perceptions, key underlying assumptions and limitations were given due consideration.

The WACC has been used as the discount rate to compute the present value of future cash flows. Key qualitative factors, business dynamics, growth potential, and Management inputs have also been considered. The Investment Manager has represented that there is no devolvement on account of contingent liabilities as of the valuation date; hence, no adjustment has been made in this regard.

The fair enterprise value as on the Valuation Date of the SPV is as mentioned below:

SPV	Projection period	WACC	Fair Enterprise Value (INR Million)
KTL	~25 Years 9 Months	7.48%	20,691

(Refer Appendix 2 for detailed workings)

This valuation is inherently subject to assumptions about the SPV's future performance, business strategies, and operating environment. These assumptions are based on the study of the TSA and latest available information and discussions with the Management and involve both known and unknown risks and uncertainties.

Enterprise Value ("EV") refers to the total value of a business, including the value of its equity, debt, and debt-related liabilities, minus any cash or cash equivalents used to meet those liabilities.

Valuation is based on estimates of future financial performance or opinions, reflecting reasonable expectations at a specific point in time. However, these estimates should not be interpreted as predictions or guarantees of income, profit, or specific events. Actual results may differ significantly from these estimates, and such variations can be material.

Following are the Fair Enterprise Values of all the existing SPV during the previous valuations:

Valuation (INR Mn)	DMTCL	NRSSB	SUPL
31-Mar-22	13,100	10,100	NA
30-Jun-22	12,907	9,897	NA
31-Mar-23	13,205	9,981	NA
31-Mar-24	13,180	9,857	NA
31-Mar-25	13,501	10,144	15,685
30-June-25	13,768	10,363	15,549
30-Sept-25	13,766	10,489	15,522
31-Dec-25	13,991	10,601	15,724

Exclusions and Limitations

- This Report should be considered in its entirety, rather than in isolated sections, and must be reviewed alongside all supporting documents and references cited herein. The analysis and conclusions presented are subject to certain limitations and assumptions, which are outlined in the subsequent sections.
- Valuation opinions and the matters discussed in this Report fall within the scope of our standard valuation practice. These services do not constitute accounting, assurance, tax due diligence, advisory, or other consulting services that may otherwise be offered by us or our affiliate entities.
- The valuation analysis and conclusions presented are strictly aligned with the intended purpose of this engagement and are specific to the valuation date of 31st December 2025, as defined in the scope of our engagement. These results should not be construed as indicative of value at any other point in time, for any alternate purpose, or if utilized by any party other than the one for whom the valuation was originally conducted.
- This Report, its contents and the results are specific to (i) the purpose of valuation agreed as per the terms of my engagements; (ii) the Valuation Date and (iii) are based on the financial information of the SPV till 31st December 2025. The Investment Manager has stated that the business activities of the SPV have been carried out in normal and ordinary course between 31st December 2025 and the Report Date and that no material changes have occurred in the operations and financial position between 31st December 2025 and the Report date, except for any events disclosed by the Investment Manager during the valuation exercise.
- The Investment Manager has represented that the business activities of the SPV have been carried out in normal and ordinary course between 31st December 2025 and the Report Date and that no material changes have occurred in the operations and financial position between 31st December 2025 and the Report date.
- The scope of my assignment did not involve me performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by me during the course of my work. The assignment did not involve me conducting the financial or technical feasibility study. I have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the SPV or any of the other entities mentioned in this Report and have considered them at the value as disclosed by the SPV in their regulatory filings or in submissions, oral or written, made to me. However, this does not undermine my responsibility of undertaking the valuation or / and due diligence as per the extent provisions of SEBI InvIT Regulations and Valuation Standards as may be applicable.
- In addition, I do not take any responsibility for any changes in the information used by me to arrive at my conclusion as set out herein which may occur after the date of my Report or by virtue of fact that the details provided to me are incorrect or inaccurate.
- I have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to me or used by me; I have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the SPV or any other entity mentioned in the Report. However, this does not undermine my responsibility of undertaking valuation or / and due diligence as per the extent provisions of SEBI InvIT Regulations and Valuation Standards as may be applicable. Nothing has come to my knowledge to indicate that the material provided to me was misstated or incorrect or would not afford reasonable grounds upon which to base my Report.
- This Report is intended for the sole use in connection with the purpose as set out above. It can however be relied upon and disclosed in connection with any statutory and regulatory filing in connection with the provision of SEBI InvIT Regulations. However, I will not accept any responsibility to any other party to whom this Report may be shown or who may acquire a copy of the Report, without my written consent.
- It is clarified that this Report is not a fair opinion under any of the stock exchange/ listing regulations. In case of any third-party having access to this Report, please note this Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.
- Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the

aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes.

- This Report is based on the information received from the sources mentioned in Appendix 5 of this Report and discussions with the Investment Manager. I have assumed that no information has been withheld that could have influenced the purpose of my Report.
- Valuation is not a precise science, and the conclusions arrived at in many cases may be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. I have arrived at an indicative fair EV based on my analysis. While I have provided an assessment of the value based on an analysis of information available to me and within the scope of my engagement, others may place a different value on this business.
- Any discrepancies in any table / appendix between the total and the sums of the amounts listed are due to rounding-off.
- Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.
- My conclusion assumes that the assets and liabilities of the SPV, reflected in their respective latest balance sheets, remain intact as of the Report date.
- Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither myself, nor any of my associates, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, I make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. I expressly disclaim any and all liabilities which may arise based upon the information used in this Report. I am not liable to any third party in relation to the issue of this Report.
- The scope of my work has been limited both in terms of the areas of business & operations which I have reviewed and the extent to which I have reviewed them. There may be matters, other than those noted in this Report, which might be relevant in the context of the transaction and which a wider scope might uncover.
- For the present valuation exercise, I have also relied on information available in public domain; however, the accuracy and timelines of the same has not been independently verified by me.
- In the particular circumstances of this case, my liability (in contract or under any statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage caused, shall be limited to the amount of fees actually received by me from the Investment Manager, as laid out in the engagement letter for such valuation work.
- In rendering this Report, I have not provided any legal, regulatory, tax, accounting or actuarial advice and accordingly I do not assume any responsibility or liability in respect thereof.
- This Report does not address the relative merits of investing in InvIT as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.
- I am not an advisor with respect to legal, tax and regulatory matters for the proposed valuation. No investigation of the SPV' claim to title of assets has been made for the purpose of this Report and the SPV' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- I have no present or planned future interest in the Trust, the Investment Manager or the SPV and the fee for this Report is not contingent upon the values reported herein. My valuation analysis should not be construed as investment advice; specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Investment Manager or SPV.

Limitation of Liabilities

- a) It is agreed that, having regard to the RV's interest in limiting the personal liability and exposure to litigation of its personnel, the Sponsor, the Investment Manager and the Trust will not bring any claim in respect of any damage against any of RV personally.
- b) In no circumstances RV shall be responsible for any consequential, special, direct, indirect, punitive or incidental loss, damages or expenses (including loss of profits, data, business, opportunity cost, goodwill or indemnification) in connection with the performance of the services whether such damages are based on breach of contract, tort, strict liability, breach of warranty, negligence, or otherwise, even if the Investment Manager had contemplated and communicated to RV the likelihood of such damages. Any decision to act upon the deliverables (including this Report) is to be made by the Investment Manager and no communication by RV should be treated as an invitation or inducement to engage the Investment Manager to act upon the deliverable(s).
- c) It is clarified that the Investment Manager will be solely responsible for any delays, additional costs, or other liabilities caused by or associated with any deficiencies in their responsibilities, misrepresentations, incorrect and incomplete information including information provided to determine the assumptions. Nothing has come to my knowledge to indicate that the material provided to me was misstated or incorrect or would not afford reasonable grounds upon which to base my Report.
- d) RV will not be liable if any loss arises due to the provision of false, misleading or incomplete information or documentation by the Investment Manager. Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes.

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Minimum Disclosure in Valuation Report as per Schedule V

Particulars	Remarks
Declaration	Refer Section 1
Brief details about Valuer	Refer appendix 1
Material Details in relation to the basis of valuation	Refer Section 4, Section 5, Appendix 2, 3 & 4
Explanation of Valuation methodology adopted including assumptions	Refer Section 4, Section 5
Overall Structure and Condition of the relevant market	Refer Section 2
Any Information or report pertaining to Specific Sector relevant to Valuation	Refer Section 2
Project Details Whether Transaction is a related party & Nature of Interest of InvIT in projects	Refer Section 3 and Appendix 10
Date of inspection and Latest Pictures of the project	Refer Section 3
Existing use of the Project	Refer Section 3
Qualification and Assumptions	Refer Section 1, Section 5
Method Used for Valuation	Refer Section 4
Valuation Standards Adopted	Refer Section 5
Extent of Valuer's investigations and nature and source of Data	Refer Section 1, Appendix 5
Purchase price of the project by the InvIT (for existing projects of the InvIT)	Refer Section 3
Valuation of the project in the previous 3 years; (for existing projects of the InvIT)	Refer Section 6
Detailed Valuation of Project Calculated by Valuer	Refer Appendix 2, 3 & 4
List of Approvals/Licenses which are obtained or pending	Refer Appendix 13
List of up to date/overdue periodic clearances	Refer Appendix 13
Statement of Assets	Refer Appendix 7
Estimates of already carried as well as proposed major repairs and improvements	Refer Appendix 6
Revenue Pendencies including local authority taxes associated with InvIT asset and compounding charges	Investment Manager has informed me that there are no material overdues including local authority taxes (such as Municipal Tax, Property Tax, etc.) pending to be payable to the government authorities with respect to the SPV (InvIT assets).
Ongoing material Litigations including tax disputes	Refer Appendix 11 & 12
Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control	NA

Yours faithfully,

Jayesh P. Shah

CA Jayeshkumar Shah

Registered Valuer

IBBI Registration No.: IBBI/RV/07/2020/13066

Asset Class: Securities or Financial Assets

Place: Mumbai

UDIN: 26147216XDSSYG5273

Appendix 1 - Brief Details about the Valuer

Professional Experience:

As a seasoned professional with strong theoretical background in accounting and valuation, I have played a pivotal role in handling insolvency and bankruptcy court cases for various companies. As a registered valuer along with other certifications such as forensic audit and fraud detection, diploma in information system audit, and concurrent audit of banks, have equipped me with comprehensive skills set to navigate the complexity of IBC proceedings. In all the reports, my primary focus has been to uphold transparency, maintain ethical standards, and ensure fairness in the resolution process. I have been working as Registered Valuer since 2020 having completed more than 30+ assignments, and in advisory services since 2012. I collaborated closely with the resolution professionals, legal team, and stakeholders to provide financial insights and recommendations.

My experience and qualifications in the field of Accounting, Valuation and Banking Audits have empowered me to take crucial roles in handling valuation cases. I remain committed to contributing my expertise to the effective and efficient resolution of such cases, safeguarding the interests of creditors, shareholders, and other stakeholders alike.

Mr. Jayeshkumar Shah
IBBI Registered Valuer
Mobile: +91 7990740863
Email: jayeshshah1987@yahoo.co.in
IBBI Registration No - IBBI/RV/07/2020/13066

Appendix 2 – Valuation of the SPV as on 31st December 2025

1.1 KTL

WACC: 7.48%										INR Mn
Year	Revenue	Expenses	EBITDA	CAPEX	Change in Wcap	Tax	FCFF	Mid year Convention	DF	PVFCFF
Mar-26*	484	41	443	-	174	0	269	0.13	0.99	267
Mar-27	2,032	141	1,891	-	-	0	1,891	0.75	0.95	1,791
Mar-28	2,032	127	1,905	-	(1)	0	1,906	1.75	0.88	1,680
Mar-29	2,032	121	1,911	-	1	114	1,795	2.75	0.82	1,472
Mar-30	2,032	123	1,908	-	-	408	1,500	3.75	0.76	1,145
Mar-31	2,032	127	1,905	-	-	418	1,487	4.75	0.71	1,056
Mar-32	2,032	130	1,902	-	(1)	426	1,477	5.75	0.66	975
Mar-33	2,032	134	1,897	-	1	433	1,463	6.75	0.61	899
Mar-34	2,032	138	1,894	-	-	439	1,455	7.75	0.57	832
Mar-35	2,032	142	1,890	-	-	444	1,446	8.75	0.53	769
Mar-36	2,032	146	1,886	-	(1)	447	1,440	9.75	0.49	713
Mar-37	2,032	148	1,884	-	1	451	1,432	10.75	0.46	659
Mar-38	2,032	151	1,880	-	-	454	1,427	11.75	0.43	611
Mar-39	2,032	156	1,876	-	-	455	1,420	12.75	0.40	566
Mar-40	2,032	161	1,871	-	(1)	457	1,415	13.75	0.37	525
Mar-41	2,032	167	1,864	-	1	457	1,406	14.75	0.35	485
Mar-42	2,032	171	1,861	-	-	458	1,403	15.75	0.32	450
Mar-43	2,032	177	1,855	-	-	458	1,397	16.75	0.30	417
Mar-44	2,032	182	1,849	-	(1)	458	1,393	17.75	0.28	387
Mar-45	2,032	189	1,843	-	1	457	1,384	18.75	0.26	358
Mar-46	2,032	194	1,837	-	-	457	1,380	19.75	0.24	332
Mar-47	2,032	201	1,831	-	-	456	1,375	20.75	0.22	308
Mar-48	2,032	208	1,823	-	(1)	455	1,370	21.75	0.21	285
Mar-49	2,032	215	1,817	-	1	454	1,361	22.75	0.19	264
Mar-50	2,032	222	1,810	-	-	453	1,357	23.75	0.18	245
Mar-51	2,032	229	1,803	-	-	451	1,351	24.75	0.17	227
Sep-51	952	117	835	-	-	208	627	25.48	0.16	100
TV	2,032	229	1,803	-	-	452	1,351	25.48	0.16	215
Present value of Explicit period Cash Flows										17,818
Present Value of Terminal period Cash Flows										2,873
Enterprise Value										20,691

* March 26 Projection is for 3 Months i.e. January to March 2026

** Projection end date 18th September 2051

Appendix 3 - Calculation of Beta

A. Calculation of Unlevered Beta

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

1. Unlevered Beta for KTL

Particulars	Business Model	Industry	Reason for Comparable with Anzen InvIT
PGCIL	Operates in the Utilities sector, specifically the Power Transmission & Distribution sub-sector	Power Transmission Sector	PGCIL has been considered as a comparable for beta calculation in the valuation of the Transmission company due to its operational alignment with the transmission business. The company operates capital-intensive, regulated transmission asset with stable and predictable cashflows
PG InvIT	Operates in the Utilities sector, specifically the Power Transmission & Distribution sub-sector	Power Transmission Sector	PG InvIT owns power transmission lines, generating stable, long-term revenues through fixed contracts. Its predictable cash flow model, similar to Anzen InvIT, makes it suitable for DCF and EV/EBITDA valuation and beta computation.
IndiGrid InvIT	Operates in the Utilities sector, specifically the Power Transmission & Distribution sub-sector	Power Transmission & Sector	IndiGrid owns power transmission lines as well as solar plants, generating stable, long-term revenues through fixed contracts. Its predictable cash flow model, similar to Anzen InvIT, hence it has been included as a comparable for beta calculation.

Particulars	Levered Beta	Debt to Market Capitalisation	Effective Tax Rate (%)	Unlevered Beta
Powergrid (PGCIL)	0.70	89%	25.17%	0.42
Powergrid InvIT (PG InvIT)	0.15	2%	25.17%	0.15
IndiGrid Infrastructure Trust	0.10	162%	25.17%	0.04
Average				0.21

B. Calculation of Re-Levered Beta

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

1. Relevered Beta for the SPV

Particulars	KTL
Unlevered Beta	0.21
Debt Equity Ratio	2.33
Effective Tax Rate of SPV	21.71%
Relevered Beta	0.58

Appendix 4 – Weighted Average Cost of Capital of the SPV as on 31st December 2025

Particulars	KTL
Base Cost of Equity (Ke)	10.87%
Company Specific Risk Premium (CSRP)	0.00%
Cost of Equity	10.87%
Weights	30.00%
Pre-tax Cost of Debt	7.68%
Post-tax Cost of Debt	6.01%
Weights	70.00%
WACC	7.48%

Appendix 5 - Sources of Information

The following sources of information have been used in conducting the valuation exercise:

- Audited financial statements of the SPV for the Financial Year ("FY") ended 31st March 2023, 31st March 2024 and 31st March 2025
- Provisional financial statements of the SPV for the period ended 31st December 2025
- Projected revenue and expense workings;
- Projected financial information for the remaining project life for the SPV;
- Details of projected Major Repairs & Capital Expenditure (Capex);
- Details of brought forward losses of the SPV as at 31st December 2025;
- Details of Written Down Value (WDV) (as per Income Tax Act) of SPV as at 31st March 2025;
- Shareholding pattern of the equity shares issued by the SPV and other entities mentioned in this Report as on 31st December 2025;
- Transmission Service Agreement of the SPV with Long Term Transmission Customers and Tariff Adoption Order issued by CERC;
- List of licenses / approvals, details of tax litigations, civil proceedings and arbitrations of the SPV;
- Management Representation Letter by the Investment Manager dated 16th February 2025;
- Relevant data and information about the SPV provided to us by the Investment Manager either in written or oral form or in the form of soft copy;
- Information provided by leading database sources, market research reports and other published data.
- For the purpose of Calculation of Raw beta, I have sourced the data from ACE Equity.

The information provided to me by the Investment Manager regarding the SPV included, but was not limited to, historical financial data, forward-looking forecasts and projections, as well as various assumptions and representations concerning anticipated developments. This encompassed prospective financial information prepared by the Investment Manager based on future conditions and events that are yet to occur.

While I have not independently verified each underlying assumption or assessed the accuracy of every individual input in the projections, I have exercised appropriate diligence to ensure that the projections have been prepared on a reasonable and supportable basis.

Nevertheless, given the inherent uncertainty associated with forecasting future performance, I do not and cannot provide any assurance that the forward-looking financials will align with the actual results realized during the projected cash flow period.

Appendix 6 - Additional Procedures to be complied with in accordance with InvIT regulations

Limitations

- This Report is based on the information provided by the representatives of the Investment Manager. The exercise has been restricted and kept limited to and based entirely on the documents, records, files, registers and information provided to me. I have not verified the information independently with any other external source.
- I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as original, and the conformity of the copies or extracts submitted to me with that of the original documents.
- I have assumed that the documents submitted to me by the representatives of Investment Manager in connection with any particular issue are the only documents related to such issue.
- I have reviewed the documents and records from the limited perspective of examining issues noted in the scope of work and I do not express any opinion as to the legal or technical implications of the same.

Analysis of Additional Set of Disclosures for the SPV

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

I have been informed that maintenance is regularly carried out by the SPV in order to maintain the working condition of the assets and there are no material maintenance charges which has been deferred to the upcoming year, as the maintenance activities are carried out regularly.

The maintenance charges of Transmission Lines incurred by the SPV for the period from 1st April 2025 to 31st December 2025 is given in the table below:

INR Mn		
Sr. No.	Name of the SPV	Operation and maintenance Charges*
1	KTL	126.48
Total		126.48

* Includes Fixed O&M Contact fees and other maintenance charges

Appendix 7 – Statement of Assets

The details of assets of the SPV as per provisional financial statements prepared as per Ind AS on 31st December 2025 is as mentioned below:

INR Mn

Sr. No.	SPV	Net Fixed Assets	Net Intangible Assets	Other Non-Current Assets	Current Assets
1	KTL	76	-	16,209	3,675

Appendix 8 – Break-up of Operating Expenses for FY 26 Q4*

Particulars	O & M Expense and other Operating expenses ¹	PM Fees ³	Total Expense	Inflation on other Operating expenses
KTL	30	11	41	~3% - 5%

*Projected Period considered for FY 26 is January to March 2026

- ¹ The SPV has entered into fixed-price O&M agreements with the O&M contractors for the Operation and maintenance of their project which includes inflation, escalations and contingencies. For KTL, contracted O&M Expenses are projected to escalate ~3% -5% p.a from FY 2026-27 onwards..
- ² Other operating expenses For KTL includes Insurance Cost, other Operating costs (Statutory and non-statutory), Personnel cost, rates and taxes, legal and professional fees, Litigation fees and other general and administration expenses.
- ³ PM Fees is considered to be 17.7% including taxes of operating expenses (excluding Insurance, expenses which are statutory in nature, IT and other expenses)

Appendix 9 – WACC Sensitivity

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

Sr. No.	SPV	WACC	EV	Base WACC	EV	WACC	EV
		+0.5%				-0.5%	
1	KTL	7.98%	19,527	7.48%	20,691	6.98%	22,019

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

Sr. No.	SPV	WACC	EV	Base WACC	EV	WACC	EV
		+1.0%				-1.0%	
1	KTL	8.48%	18,497	7.48%	20,691	6.48%	23,546

Appendix 10 – Disclosure of Interest of InvIT in Existing Projects

Disclosure of all the interest of InvIT in the existing SPV including amount of Loan Outstanding from SPV as on 31st December 2025:

Sr. No	SPV	Equity stake	Debt Owed by SPV (INR Mn)
1	DMTCL	100%	7,541
2	NRSSB	100%	5,430
3	SUPL	100%	9,887

Appendix 11 – Summary of Ongoing litigation of KTL

Sr. No.	Matter	Pending Before	Details of the Case	Amount Involved (INR Million)
1	Regulatory	APTEL	KTL v. BESCOM & Ors, 210/MP/2017, filed before CERC seeking revision of tariff on account of the following reasons; (i) extension of time; (ii) delay in procurement of right of way; (iii) GST implications; (iv) delay in payment of tariff and charging of lines; (v) delay in developing inter connection facilities and force majeure events. CERC has dismissed the petition vide order dated 25.07.2022 and accordingly KTL filed an appeal before APTEL 7th September 2022. Rejoinder was filed on 15th June 2023. Now this matter is in "List of Finals" at Sr. no. 534 & will come at its own turn. Court -1	1. ₹ 385.3 Mn Claim of additional RoW compensation paid 2. ₹ 754.8 Mn Claim of IDC for the project delay (Jan - 26 to Sept-16 duration) 3. ₹ 6.2 Mn Claim of IEDC 4. Loss of transmission tariff (pending matter under Sr. no. 04)
2	Regulatory	APTEL	Vide order dated 27.06.2016, CERC directed PGCIL to pay KTL transmission charges for the period during which transmission line implemented by KTL could not be used by NTPC due to non-commissioning of associated 400KV bays at new kudgi substation to be built by PGCIL. Vide the CERC order, PGCIL and NTPC were directed to pay transmission charges for the period from 04.08.2015 to 23.08.2015 and PGCIL was directed to pay full transmission charges for the period from 24.08.2015 to 15.11.2015 which was further extended to 11.12.2015 in the order to review petition 42/RP/2016. Aggrieved by the order, PGCIL filed an appeal filed challenging the order passed by the CERC dated June 27, 2016 in favour of KTL contending that PGCIL is not a party to the TSA and that CERC has erred in passing this order. Current Status: APTEL in its decision dt. 11.11.2025, Hon'ble Bench decided that since all amount is already paid by PGCIL to KTL and PGCIL is not disputing that, hence this Appeal can be disposed of with a liberty to PGCIL to get available remedy as per law for this paid amount to KTL in PGCIL respective tariff/ true-up petition before CERC. Hence, this appeal is disposed now and CERC order dated June 27,2016 has become final and binding.	NIL (₹ 125.3 Mn (Combined for NTPC & PGCIL), which is already paid to KTL)

Sr. No.	Matter	Pending Before	Details of the Case	Amount Involved (INR Million)
3	Regulatory	APTEL	BESCOM filed an appeal before APTEL, challenging the order passed by the CERC on January 24, 2019 directing revision in tariffs and to return the performance bank guarantee. Matter was last listed on 13th October 2023 and the next date is not given. Appeal was filed by BESCOM u/s 111 of EA, 2003 against the order dated 24.01.2018 passed by the CERC wherein CERC held that KTL could not commission Element II and Element III within SCOD due to non-availability of the interconnection facilities that were to be provided by PGCIL, law and order situation in various villages including the districts of Tumkur, Ramnagara, Bellari and denial of approval by KIADB for undertaking works on notified land and same are force majeure events. Therefore due to the same, CERC held that KTL was entitled for revision in SCOD for Element II and Element III from 31.12.2015 till the dates of actual COD of these elements in terms of article 4.4.2 of the TSA. Further, CERC also set aside letter dated 05.12.2016 of BESCOM where BESCOM had demanded liquidated damages in view of delay in commissioning and held that KTL is not responsible for paying LDs. Further, CERC also directed BESCOM to return the bank guarantee of 4.03 crores to KTL. Matter is in list of finals - court 1, sr no. 168 will be taken up at its turn.	₹ 43.0 Mn (as estimated by BESCOM as damages for the delay), however BESCOM has returned this BG to KTL post CERC Order challenged under present Appeal.
4	Regulatory	APTEL	Despite completing the works for Element 2 and Element 3 and declaring commercial operation, tariff payments could not comments from COD. The delay in charging was not attributable to KTL as the elements were not ready due to delay on part of PGCIL to complete its scope of works. Similarly in another matter, CERC had granted tariff from COD to KTL payable by PGCIL on account of this delay. However in this case, CERC did not allow KTL relief in this matter and hence KTL has filed an against the CERC order dated 24.11.2022. Matter in list of finals - court 1 (sr no. 628), will be taken up its turn.	Total claim of ₹ 46.9 Mn of KTL transmissison charges
5	Regulatory	CERC	Case Background : As per Central Electricity Regulatory Commission (Standards of Performance of inter-State Transmission licensees) Regulations, 2012, the inter-State Transmission Licensees are required to submit the 'level of performance achieved, number of cases in which compensation was paid, and aggregate amount of the compensation' on an annual basis by the 30th April for the previous financial year. Further, inter-State Transmission Licensees are required to display, on their websites, the actual performance against the specified Standards of Performance on a monthly basis and the aggregate amount of compensation paid, if any. We are in process of submission of this compliance as per the direction.	NIL

A summary of all District Court cases in State of Karnataka as on 3rd February 2026 is Enumerated in the table below:

S.No	Court Name	No of cases	Disposed	Balance Cases	Total Amount claimed in ongoing cases (INR Mn)
1	Tumkur	495	259	236	2,999
2	Ramanagara	26	0	26	
3	Chitradurga	23	20	3	
4	Bellary/Hospet	388	372	16	
5	Koppal	16	2	14	
Total		948	653	295	

A summary of ongoing High Court cases in the State of Karnataka as on 11th February 2026 is Enumerated in the table below:

S.No	Court Name	Amount Involved (INR Mn)
1	High Court of Karnataka, Bengaluru Bench	500
2	High Court of Karnataka, Dharwad Bench	57

Appendix 12 – Summary of Tax notices

Sr. No.	Act/Law	Pending Before	Brief	Amount Involved (INR Million)
1	Income Tax Act	AY 2025-26	KTL received a Notice regarding proposed adjustment u/s 143(1)(a) of Income Tax Act 1961 bearing reference DIN EFL/2526/G22/ITR000806104647 dated 23 January 2026 from the Centralized Processing Centre, Bengaluru for AY 2025-26. The Notice states that there is inconsistency in Amount disallowable under section 40 (a)(i)(ia), on account of non-compliance with the provisions of Chapter XVII-B claimed in return and audit report. As per the Notice, KTL should provide the reply within 30 days of receipt of this intimation. KTL filed below response on 5-2-2026: We refer to the proposed adjustment u/s 143(1)(a) for AY 25-26. We humbly submit that the variance has arisen due to inadvertent reporting of the disallowance under head 8A(i) instead of 8A(b) of PART A-OI of the ITR. The amount has already been disallowed, and the same should not be disallowed again as proposed in the intimation u/s 143(1)(a), as the reporting error does not have any adverse impact on the tax computation. We request that the proposed adjustment be respectfully dropped.” Current Status: Pending before CPC	0.843
2	Income Tax Act	AY 2017-18 & AY 2018-19	KTL has filed a rectification application u/s 154 of the Income Tax Act 1961 with the Deputy Commissioner, Circle 13(1), Delhi regarding release of Refund of Rs. 38,78,686 for AY 2017-18 and Rs. 11,21,564/- for AY 2018-19 due from the Income Tax Department. Current Status: Pending with the Jurisdictional Assessing Officer, Income Tax Department Delhi	5.002

Appendix 13 – Summary of Approvals and Licenses of KTL (1/3)

	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Transmission License	07.01.2014	25	Central Electricity Regulatory Commission
2	Transmission Service Agreement between KTL & LTTCs	14.05.2013		
3	Revenue Sharing Agreement	12.02.2015		
4	Approval under section 68(1) of Electricity Act, 2003	09.07.2013	Valid	Ministry of Power, Government of India
5	Approval from GOI under section 164 of Electricity Act, 2003 - Under Gazette of India	22.05.2014	25	Ministry of Power, Government of India
6	Connection Agreement between KTL and the CTU	28.07.2015	Valid	
7	Tariff Adoption order under section 63 of the Electricity Act, 2003 and Approval from CERC under Section 17(3) of the Electricity Act, 2003	08.01.2014	Valid	Central Electricity Regulatory Commission
8	Approval for Energisation under regulation 43 of CEA			Central Electricity Authority, Ministry of Power, GOI
9	Defence Clearance			
10	Aviation Clearance			

Appendix 13 – Summary of Approvals and Licenses of KTL (2/3)

Sr.No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
10	<u>Power & Telecommunication Coordination Committee ("PTCC") Clearance</u>			
	PTCC- 2 x 400kV D/C Kudgi NTPC – New Narendra (PG) Line	9.04.2015	Valid	Power & Telecom Co-ordination Committee, GOI
	PTCC- 765kV D/C New Narendra (PG) – Madhugiri (PG) Line	25.07.2015	Valid	Power & Telecom Co-ordination Committee, GOI
	PTCC-400kV D/C Madhugiri (PG) – Bidadi (PG) Line	30.03.2015	Valid	Power & Telecom Co-ordination Committee, GOI
11	<u>Road Crossing - National Highway</u>			
	<i>Element 2- 765kV D/C New Narendra (PG) – Madhugiri (PG) Line</i>			National Highway Authority of India
	Bijapur- Hungund section of NH 13 (New NH 50)	22.07.2014	Valid	
	Hubli- Hospet (NH 63)	29.01.2016	Valid	
	Bijapur- Hungund section of NH 13 (New NH 50)	31.03.2016	Valid	
	Hospet- chitradurga (NH-13)	20.04.2015	Valid	
	Chitradurga- Bangalore (NH 48, Old NH 4)	17.11.2016	Valid	
	Chitradurga- Bangalore (NH 48, Old NH 4)	15.07.2016	Valid	
	<i>Element 3- 400kV D/C Madhugiri (PG) – Bidadi (PG) Line</i>			
	Tumkur- Honnavar (NH 206)	04.03.2016	Valid	
	Chitradurga- Bangalore (NH 48, Old NH 4)	04.03.2016	Valid	
	Bangalore- Manglore	03.06.2015	Valid	
12	<u>Railway Crossing</u>			
	<i>Element 2- 765kV D/C New Narendra (PG) – Madhugiri (PG) Line</i>			
	Between Bhanapur-Koppal Railway Station	27.08.2015		
	Between Hamapapatnam (HAM)-Hagari Bommanahalli (HBI) Railway Station	27.08.2015		
	Between Thalaku-Challakere Railway Station	27.08.2015		
	<i>Element 3- 400kV D/C Madhugiri (PG) – Bidadi (PG) Line</i>			
	Heggere- Malasandra Railway Station	09.10.2015		
	Hejjala- Bidadi Railway Station	20.06.2015		

Appendix 13 – Summary of Approvals and Licenses of KTL (3/3)

Sr.No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
13	<u>Diversion of Forest Land/ Permission for felling of trees</u>			
14	<u>Power Line Crossing</u>			
	<i>Element 1- 2 x 400KV D/C Kudgi NTPC – New Narendra (PG) Line</i>			
	110 KV, B.Bagewadi- Mamdapur DC Line (Loc. 40-41)	17.03.2015		
	111 KV, B.Bagewadi- Mamdapur DC Line (Loc. 39-40)	17.03.2015		
	<i>Element 2- 765KV D/C New Narendra (PG) – Madhugiri (PG) Line</i>			
	220 KV DC Basan Bagawadi to ADPH Line	03.09.2014	Valid	
	220 KV SC Basabnagawadi to Hunmanpur Line	03.09.2014	Valid	
	110 KV DC Bagabadi to Mamtapur DC Line	03.09.2014	Valid	
	110 KV DC Bagalkot to Basan Bagawadi Line	03.09.2014	Valid	
	110 KV SC Mudhebbal UILO Line	03.09.2014	Valid	
	220 KV Lingapur- Hubli	13.10.2015	Valid	
	400 KV DC Guddadhalli-Guttur SC Line	11.12.2014	Valid	
	220 KV BMM- Ittagi	11.12.2014	Valid	
	400 KV JSW- Guttur SC Line	11.12.2014	Valid	
	400 KV BTPS- Hiriyur Line	11.12.2014	Valid	
	220 KV Thallak- Chitradurga Line	11.12.2014	Valid	
	220 KV DC Gowribidanpur-Hiriyur Line	06.02.2015	Valid	
	220 KV Hiriyur- Madhugiri Line	06.02.2015	Valid	
	110 KV DC Hunagund UILO Line	04.09.2014	Valid	
	110 KV SC Ilkal- Guledgudd Line	04.09.2014	Valid	
	110 KV Kustagi-Yelburga Line	11.12.2014	Valid	
	110 KV Kustagi-Hanumsagar Line	11.12.2014	Valid	
	<i>Element 3- 400KV D/C Madhugiri (PG) – Bidadi (PG) Line</i>			
	110 KV SC SBT 2 line between Mallasandra- Heggere Line	06.02.2015	Valid	
	220 KV DC B1& B2 Anthrasanahalli- Shimoga Line & Kadur- Dabaspeth	06.02.2015	Valid	
	400 KV DC Hiriyur-Nelamangala Line	06.02.2015	Valid	
	400 KV DC Neelamangal- Hasan- Talaguppa Line	01.09.2015	Valid	
	220 KV Nelamangla- Anchempalya DC Line	03.07.2014	Valid	
	400 KV DC Nelamangal- Mysore Line	16.06.2014	Valid	
	400 KV DC Madhugiri- Yelahanka Line		Valid	

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