

ESG Special:

Grade A Industrial Warehouse + Rooftop Solar PV Plant

BUSINESS MODEL : BUILD – OPERATE – SELL

Analysing strategies through Financial Modeling



Highlights:

- A.CRE style financial models that depict complete lifecycle of this project
 - Revenue Participation Finance from Landowners
 - Initiation into Solar Business Analysis
 - Preferred Equity Financing from Power Consumers for Solar Business
(inspired by but not strictly adhered to the Group Captive Scheme of the Indian Electricity Regulations Act)
- Complementary 3 part financial statements out of the Cashflow based financial models

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the Legends @ A.CRE & my fav. finance gurus

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Case Study

Context

Pinkstones have shortlisted quite a large chunk of land this time ~ about 40 acres in Kasara for their next dream development: 'Shining Sheds Industrial Complex' - one classy grade A industrial warehouse.

The warehousing clusters around the metros are overly saturated with the land parcels simply unbuyable. On the other hand, tier 2 & tier 3 cities look more appealing as ecommerce operations continue to take deeper roots all across the country. The road infrastructure is also catching up to the needs. With proximity to the tier 2- Nashik city and the neighbouring regions, a big industrial warehouse in a relatively (and maybe fleetingly) affordable Kasara can be an essential link in the supply chain design of several industries.

Pinkstone wishes to aim at 2 birds with a single arrow. Build a lucrative income generating real asset plus also create a green side income with a solar plant on the rooftop. Their wishful thinking is to achieve atleast 70% energy independence in the near future with robust energy storage systems (to be explored in another case study).

As to fund this project, aside from investing their own money and that of the potential passive investor partners, Pinkstones are looking at 2 more interesting sources. 1. A joint development with the land owners so as to finance the land acquisition. 2. Partial funding of the rooftop solar plant by the MNC/ 3PL tenants of the warehouse in exchange for savings in electricity bills and a top preference in return payouts.

How will a 5 year lifecycle of this development venture look like inside a spreadsheet, presuming a notional sale of all businesses at the end of year 5?

Pinkstones wish to check the sanity and sensibility of all their strategies and assumptions by means of a robust financial model.

- How lucrative is this joint venture with landowners going to be ?
- How long will this Project take to complete and get stabilised ?
- Is it worthwhile to take money from the power consumers ?
- What are the returns from this venture for Pinkstone as well as their passive/LP Investors ?

The foreign investors in this project would like to read the model in their language (read: currency).

A financial model that is readable in atleast 5 foreign currencies such as the USD, SGD, Euro, AED and AUD in addition to INR.

Case Study

Key Assumptions



Warehouse

1. Land

Pinkstones have finalised 40 acres of a contiguous parcel of non-agricultural land near Kasara (Maharashtra State), adjacent to the Mumbai Nashik highway. Perfectly suitable for a large grade A industrial warehouse.

Pinkstone is thinking of 2 options to acquire the land.

1. Outright Purchase

Terms –

- Pay 10% of land price upfront as a token money in 2 equal instalments over the first 2 months.
- Pay balance 90% after the land due diligence is over.

2. Joint development with Landowners

This is a kind of Revenue Participation Financing from the Landowners.

Pinkstone will pay little upfront and has the comfort of paying back the land guys as the project starts generating income.

Terms –

- Pay 5% of the agreed price as the initial token money. Enter the balance value as a “Quasi-equity loan” from Landowners in the books against the total cost of Land purchase price.
- Pay 12% share of the rental incomes (excluding Solar business income) as a monthly interest service to the landowners.
- Pay 1.5 x of their Quasi equity loan at the time of sale of business in full repayment of their capital and returns.

Stamp duty and registration costs ~ 5% of Land Price | Once all the consideration is paid.

Brokerage costs ~ 1% of Land Price | Payable over 3 months since registration.

Land Due diligence costs covered under Budget estimates.

Market value is in the range of ₹ 1.8 to 2 crores per acre.

But Pinkstones are looking to close at ₹ 1.5 crores per acre.

Case Study

Key Assumptions

2. Development Plan

Permissible Ground Coverage Ratio is 55%.

Land Area ~ 40 acres = 161,874 SM = 1,742,400 SF.

Ground Coverage ~ 55% = 958,320 SF.

Of the total ground coverage, 98% shall be dedicated to building 6 blocks of grade A warehouse and an admin building.

2% shall be reserved to install Solar BESS in the near future (out of the scope of this case study).

Warehouse blocks shall be developed in 2 Phases. The admin building shall be built in the 3rd Phase.

Phase	Building Type		Leasable	GSF	Efficiency (on GSF)	NSF
Phase 1	Block 1		Leasable	140,873 SF	65%	91,567 SF
Phase 1	Block 2		Leasable	140,873 SF	65%	91,567 SF
Phase 1	Block 3		Leasable	140,873 SF	65%	91,567 SF
Phase 2	Block 4		Leasable	140,873 SF	65%	91,567 SF
Phase 2	Block 5		Leasable	187,831 SF	65%	122,090 SF
Phase 2	Block 6		Leasable	169,048 SF	65%	109,881 SF
Phase 3	Admin Bldg. - G Floor	Admin Office	N.A.	18,783 SF	70%	13,148 SF
Phase 3	Admin Bldg. - Floor #1	Cafeteria	Leasable	18,783 SF	70%	13,148 SF
Phase 3	Admin Bldg. - Floor #2	Lounge	N.A.	18,783 SF	70%	13,148 SF
Total				976,720 SF	65.29%	637,685 SF

[1 lakh (1*10⁵) = 0.1 million (0.1*10⁶) | 1 crore (1*10⁷) = 10 million (10*10⁶)]

3. Budget Estimates

Hard Cost Estimates

Sr. No.	Hard Cost Type	Budget	Start Date	Duration	Allocation
1	Site Development				
1.1	Site Preparation	₹ 75 Lakhs	After Building Approvals	2 months	Uniform over time
1.2	Access Road	₹ 2 crores	- ditto -	- ditto -	- ditto -
1.3	Security & Surveillance	₹ 75 Lakhs	- ditto -	- ditto -	- ditto -
1.4	Landscaping	₹ 75 Lakhs	- ditto -	- ditto -	- ditto -
2	Construction Costs				
2.1	Bored Piling Works (BPW)				
	Phase 1	₹ 2 crores	After Building Approvals	3 months	Uniform over time
	Phase 2	₹ 2 crores	3 months after start of Ph 1	- ditto -	- ditto -
	Phase 3	₹ 75 lakhs	2 months after start of Ph 2	- ditto -	- ditto -
2.2	Structural Works (Pre-engineered)				
	Phase 1	₹ 15 crores	End of Ph 1 – BPW	4 months	Uniform over time
	Phase 2	₹ 21 crores	End of Ph 2 – BPW	4 months	- ditto -
	Phase 3	₹ 500 pGSF	End of Ph 3 – BPW	6 months	- ditto -

Case Study

Key Assumptions

3. Budget Estimates (Cont'd)

Hard Cost Estimates (continued...)

Sr. No.	Hard Cost Type	Budget	Start Date	Duration	Allocation
2.3	Mechanical, Electrical, Plumbing, Fire Protection (MEPF)				
	Phase 1	₹ 10 crores	After Ph 1 Structural Works	3 months	Uniform over time
	Phase 2	₹ 12.5 crores	After Ph 2 Structural Works	- ditto -	- ditto -
	Phase 3	₹ 250 pGSF	After Ph 3 Structural Works	- ditto -	- ditto -
2.4	Sewage Treatment Plant	₹ 5 crores	After Ph 1 Structural Works	4 months	Uniform over time
3	Contingencies	10% of 2 and 3 above	Const. Start	Over Const. Period	Low initially, increasing gradually

Soft Cost Estimates

Sr. No.	Soft Cost Type	Budget	Start Date	Duration	Allocation
1	Land Due Diligence	₹ 15 lakhs per acre	Project Start	2 months	Uniform over time
2	Building Approvals	₹ 2 lakhs per acre	- ditto -	- ditto -	- ditto -

Sr. No.	Soft Cost Type	Budget	Start from	Duration	Allocation
3	Set-up & Legal Costs	₹ 75 Lakhs	Project Start	1 month	N.A.
4	Design & Engineering Fees				
	Phase 1	₹ 1 crore	Project Start	1 month	N.A.
	Phase 2	₹ 1 crore	Project Start	1 month	N.A.
	Phase 3	₹ 85 lakhs	Project Start	1 month	N.A.
5	Development Fees				
	Phase 1	₹ 1.5 crore	Project Start	Ph 1 - Const. End	Bell Curve
	Phase 2	₹ 1.5 crore	Project Start	Ph 2 - Const. End	- ditto -
	Phase 3	₹ 1 crore	Project Start	Ph 3 - Const. End	- ditto -
6	Construction & Management Fees				
	Phase 1	₹ 2.2 crores	Project Start	Ph 1 - Const. End	Bell Curve
	Phase 2	₹ 2.2 crores	Project Start	Ph 2 - Const. End	- ditto -
	Phase 3	₹ 2 crores	Project Start	Ph 3 - Const. End	- ditto -
7	Marketing Expenses	₹ 75 lakhs	Project Start	Over Const. period	High initially, decreasing gradually
8	Leasing Commissions				
	Phase 1	2 months rent	Ph 1 - Const. End	Until 100% Occupancy	Uniform over time
	Phase 2	2 months rent	Ph 2 - Const. End	- ditto -	- ditto -
	Phase 3	1 month rent	Ph 3 - Const. End	- ditto -	- ditto -

Case Study

Key Assumptions

4. Equity

Capital

In addition to all the Land related expenses, Pinkstones need to arrange Equity for the following preliminary cost items.

Set up & Legal Costs	Marketing Expenses
Arch. Design & Engineering Fees	Leasing Commissions

For rest of the Development costs they will seek out senior secured construction loan from banks.

Pinkstones shall put 20% of their own money and raise remaining 80% from other potential passive investors/ LPs.

Pinkstones' Fees

Sr. No.	Fee type	Basis	When?	How?
1	Acquisition Fee	1% of Equity Contribution	One time At the Start	Direct Payable by LPs to Pinkstone
2	AUM fee	0.5% of Project Costs* (Before financing)	Every year Since Operation Start	Recovered from the Operating CFs

* for the sake of simplicity of calculation!!!

Waterfall Distribution Terms

Stages of Distribution	Milestone	Return Range	Promote to Pinkstones
Tier 1: Operations	Preferred Min. Return	12%	0%
Tier 2: Exit	Capital + Unpaid Dividends	12%	0%
Tier 3: Exit	Excess Profits	Above 12%	Upto 15%
Tier 4: Exit	Any balance	Upto 15%	N.A.

5. Debt

Construction Loan

Purpose	Finance the construction costs
Land Cost	Debt not available for any of the land related costs.
Interest rate	10% p.a.
Tenure	5 years
Repayment	Upon project completion & 100% lease occupancy of the Warehouse blocks.
Charge	Primary charge over all project assets.

Permanent Loan

Purpose	Refinancing of Construction Loan
Interest rate	9% p.a.
Tenure	20 years
Repayment	Upon (notional) exit @ End of Year 5.
Charge	Primary charge over all project assets.
Min. DSCR	1.20x

Short Term Working Capital Loan

Purpose	Fund operating deficit
Interest rate	12% p.a.
Tenure	1 year, renewable annually
Repayment	From positive Operating Cashflows.
Charge	Secondary charge over current assets of the business.

Case Study

Key Assumptions

6. Operations

This business will make money through 2 means –

1. Leasing out the warehousing spaces to high quality 3PL/ FMCG/ E-com tenants
2. Selling electricity from its rooftop solar plant to the occupants of the warehouse.

Rental Income

1st month will be rent free for the warehouse tenants and 1st 15 days will be rent free for the contractor who will rent in the cafeteria space.

Also a 5% increase in rent rates is expected every year.

Phase #	Space Type	Leasable NSF	Operation Start	Rent Rate	Security Deposit
Phase 1	Warehouse	274,702 SF	Const. End- Ph1	₹ 25 pSF	6 months rent
Phase 2	Warehouse	323,538 SF	Const. End- Ph2	₹ 25 pSF	6 months rent
Phase 3	Cafeteria	13,148 SF	Const. End- Ph3	₹ 85 pSF	4 months rent

Leasing Plan

An aggressive marketing program will ensure pre-leasing of the units so as to achieve faster stabilisation.

Phase #	Leasable NSF	Pre-leased	Leasing pace post Development	Average Lease Tenure	Lease Lock-in Period
Phase 1	274,702 SF	60%	20%/ month	9 years	36 months
Phase 2	323,538 SF	60%	20%/ month	9 years	36 months
Phase 3	13,148 SF	100%	20%/ month	1 year	12 months

Other Income Sources

1. CAM Income
2. A nominal Rent for the rooftop space from the Solar Business.

CAM Income

CAM Expense type	CAM Income
Housekeeping & Sanitation	Admin Fee of 10% over actual cost
Repairs & Maintenance	Admin Fee of 10% over actual cost
Utilities: Power	Nil
Utilities: Water supply	Nil
Insurance	Nil
Security	Admin Fee of 10% over actual cost
Landscaping	Admin Fee of 10% over actual cost
Property taxes	Nil

Rent for Rooftop Space charged to Solar Business

Solar panels are going to affixed over 65% of the roof area of the 7 buildings (6 Warehouse boxes and 1 admin building). So as to keep it fair and at arms' length, a very nominal rent of 30 paise per SF per month (i.e. ₹ 3.60 per SF p.a.) is to be charged to the solar business.

Phase #	Rooftop GSF	Efficiency	Rooftop NSF
Phase 1	422,619 SF	65%	274,702 SF
Phase 2	497,751 SF	65%	323,538 SF
Phase 3	18,783 SF	65%	12,209 SF
	939,154 SF		610,450 SF

*CAM - Common area maintenance

Case Study

Key Assumptions

6. Operations (Cont'd)

Operating Expenses

While some routine maintenance expenses are to be incurred only for the unleaseable portion (Admin office + Lounge area) of the admin building, some expenses will be borne for the entire gated premises.

Expense type	Incurred for?	Area (GSF)	Year 1 Basis	Fixed Cost Ratio
Housekeeping	Unleaseable area - Ph3	37,566 SF	₹ 10 lakhs per month for full property	100%
Repairs & Maint.	Unleaseable area - Ph 3	37,566 SF	₹ 10 lakhs per month for full property	50%
Payroll & Contract Services	Full property	976,720 SF	5% of Wh. rental income	50%
Property Management	Full property	976,720 SF	3% of Wh. rental income	50%
Other Admin expenses	Full property	976,720 SF	₹ 2 lakhs per month for full property	50%
Utilities - Power	Unleaseable area - Ph 3	37,566 SF	Year 1 Power Usage: 4 kWh per SF @ wt. avg. solar tariff	20%
Utilities - Water Supply	Unleaseable area - Ph 3	37,566 SF	₹ 0.50 per SF per month	20%
Insurance Costs	Unleaseable area - Ph 3	37,566 SF	Year 1 - 0.5% of Project Cost (Before Financing)	100%
Security	Unleaseable area - Ph 3	37,566 SF	Year 1 cost - ₹ 50 lakhs for the full property	100%
Landscaping	Unleaseable area - Ph 3	37,566 SF	Year 1 cost - ₹ 50 lakhs for the full property	100%
Property Tax	Unleaseable area - Ph 3	37,566 SF	Year 1 - 0.5% of Project Cost (Before Financing)	100%

CAPEX Provision

A nominal 2% of the Warehouse rental income is to be set aside for any capex contingencies of the property.

7. Exit Value

Pinkstones want to show a foreseeable lifecycle of this asset to their investors. How will the asset value look like at the end of 5 years? If any investor wants to liquidate and encash their stakes..

Exit valuation by the direct capitalisation (i.e., capitalisation of the NOI at market rent yield rate) will be good to serve this purpose.

Current Market rent yield rate/ Cap rate as of the analysis start is 9%. Let's presume it will keep rising 10 bps annually (so as to factor in the ageing of this asset).

An all inclusive Selling cost of 1% is to be applied on the Exit value.

Case Study

Key Assumptions



Rooftop solar

1. Development Plan

The installation process of solar panels will start once the structure of each building is ready.

The plant capacity is estimated to be 7.6 MWp. How? Based on the area available on each of the roofs to install solar panels.

Presuming it will take 80 SF to install 1 kWp, we calculate the capacity of all the solar panels that will get installed in the total available area.

Phase #	Building Roof Surface	Installation Start date	Rooftop GSF	Space Efficiency	Rooftop NSF	Solar Panels Capacity (DC)
Phase 1	Block 1	End of Structural Works	140,873 SF	65%	91,567 SF	1145 kWp
Phase 1	Block 2	- ditto -	140,873 SF	65%	91,567 SF	1145 kWp
Phase 1	Block 3	- ditto -	140,873 SF	65%	91,567 SF	1145 kWp
Phase 2	Block 4	- ditto -	140,873 SF	65%	91,567 SF	1145 kWp
Phase 2	Block 5	- ditto -	187,831 SF	65%	122,090 SF	1526 kWp
Phase 2	Block 6	- ditto -	169,048 SF	65%	109,881 SF	1374 kWp
Phase 3	Admin Building	- ditto -	18,783 SF	65%	12,209 SF	153 kWp
			939,154 SF		610,450 SF	7633 kWp

Case Study

Key Assumptions

2. Budget Estimates

Hard Cost Estimates

Sr. No.	Hard Cost Type	Budget	Start Date	Duration	Allocation
1	Main Equipment Costs				
1.1	PV modules/ inverters/ transformers				
	Phase 1	₹ 30,000 per kWp	End of Structural Works of Wh.	2 months	Equal over time
	Phase 2	- ditto -	- ditto -	- ditto -	- ditto -
	Phase 3	- ditto -	- ditto -	- ditto -	- ditto -
1.2	Battery Storage				
	Phase 1	₹ 8,000 per kWp	End of Structural Works of Wh.	1 month	Equal over time
	Phase 2	- ditto -	- ditto -	- ditto -	- ditto -
	Phase 3	- ditto -	- ditto -	- ditto -	- ditto -
1.3	Balance of Systems : (Mounting & racking, Wiring & conduit, Metering & monitoring systems, etc.)				
	Phase 1	₹ 4,000 per kWp	End of Structural Works of Wh.	2 months	Equal over time
	Phase 2	- ditto -	- ditto -	- ditto -	- ditto -
	Phase 3	- ditto -	- ditto -	- ditto -	- ditto -
2	Testing & Commissioning				
	Phase 1	₹ 500 per kWp	End of 1.3 above	1 month	Equal over time
	Phase 2	- ditto -	- ditto -	1 month	- ditto -
	Phase 3	- ditto -	ditto -	1 month	- ditto -

Soft Cost Estimates

Sr. No.	Soft Cost Type	Budget	Start Date	Duration	Allocation
1	Permits & approvals	₹ 5 lakhs	Project Start	3 months	Equal over time
2	Feasibility Studies	₹ 2 lakhs	- ditto -	1 month	- ditto -
3	Grid Connection Licence	₹ 5 lakhs	- ditto -	1 month	- ditto -
4	Set up & Legal costs	₹ 10 lakhs	- ditto -	1 month	- ditto -
5	Developers' Fees (Pinkstone)	3% of Hard Costs	End of Structural Works of Wh.	Successful Testing & Comm.	- ditto -
6	Contingencies	1% of Hard Costs	- ditto -	- ditto -	- ditto -

3. Preferred Equity

The FMCG/ 3PL/ e-commerce tenants of a grade A warehouse usually sign up for long term leases often spanning more than 5 years. Extensive use of automation technologies and electric vehicles only amplify their need for larger, cheaper and sustainable sources of power. Pinkstone feels these guys can be a good source of funding for the rooftop solar project.

Pinkstone has come up with the following offer for the most qualitative and deserving ones :

- Contribute Preferred Equity Capital for the Solar project.
- In return buy power at cheaper tariffs vis-à-vis the non investing tenant consumers and also the rates of the local fossil fuel run grid.
- Plus also get a decent fixed return on your investment and a priority in the repayment of capital at exit.

Case Study

Key Assumptions

3. Preferred Equity (Cont'd)

A fixed preferred equity return coupon will limit their participation in the sharing of residual profits, thereby saving Pinkstones from offending themselves and their other passive equity partners too much.

Terms for the Preferred Equity Participants:

1. Contribute 30% of the Total Equity requirement.
2. Buy power @ discounted tariff rate.
3. Receive a cumulative effective rate of return @ 12% p.a. as the project starts making profits.
4. Receive return of capital on a priority basis before other equity partners in the event of sale of the asset.

4. Equity

Pinkstones need to raise equity for atleast 30% of the project costs, so as to seek out loans from banks for the balance amount.

Following items will be funded with equity money:

Hard Cost items:	All Soft Cost items:
Battery Storage	Permits & Approvals
Balance of Systems	Feasibility studies
Testing & Commissioning	Grid Connection Licence
	Set up & Legal Costs
	Developer's Fees
	Contingencies

Pinkstones shall put 20% of their own money and raise remaining from other potential passive investors/ LPs. Presuming power consumers will subscribe to the 30% preferred equity offer, other investors shall contribute the remaining 50%.

Pinkstones' Fees

Sr. No.	Fee type	Basis	When?	How?
1	Acquisition Fee	1% of Equity Contribution	One time At the Start	Direct Payable by LPs to Pinkstone
2	AUM fee	0.5% of Project Costs* (Before financing)	Every year Since Operation Start	Recovered from the Operating CFs

**for the sake of simplicity of calculation!!!*

Waterfall Distribution Terms

The partnership for the sake of distribution of residual profits consists of Pinkstone and their LPs only. Therefore amongst themselves (excluding the Preferred Equity guys) their capital contribution ratio is 71:29.

Stages of Distribution	Milestone	Return Range	Promote to Pinkstones
Tier 1: Operations	Preferred Min. Return	12%	0%
Tier 2: Exit	Capital + Unpaid Dividends	12%	0%
Tier 3: Exit	Excess Profits	Above 12%	Upto 15% 10%
Tier 4: Exit	Any balance	Upto 15%	N.A. 15%

Case Study

Key Assumptions

5. Debt

Construction Loan

Purpose	Finance upto 70% of the Project Costs (excluding land costs).
Interest rate	10% p.a.
Tenure	5 years
Repayment	Upon project completion & successful start of Commercial Operations.
Charge	Primary charge over all project assets.

Permanent Loan

Purpose	Refinancing of Construction Loan
Interest rate	9% p.a.
Tenure	20 years
Repayment	Upon (notional) exit @ End of Year 5.
Charge	Primary charge over all project assets.
Min. DSCR	1.20 x

Debt Service Coverage Ratio

There's not going to be same amount of sunshine on all the days. Seasonality is a given. In the periods when the energy generation is low, obviously incomes will be lower.

So as to protect against this variability in revenues, an amount equivalent to **2 months** of the debt service due on Permanent loan is to be set aside in the Debt Service Reserve account from the Operating Cashflows. This will save from defaulting on debt servicing in the months of shortfall in cash.

6. Operations

Energy Output

For this back of the napkin ideation stage, Pinkstones have found the right hack. They go to the free PVWATTS CALCULATOR on NREL website and pull out the monthly volume report to understand their potential energy production.

Location :	Lat, Lng: 19.65,73.55	Module Type :	Premium
DC System Size (kW):	7633 kW	Array Type:	Fixed (Roof mount)
Month wise Irradiation loss	0% (Degradation of 0.50% p.a. to be assumed from Year 2 - Ops in Model)		

PVWatts Monthly PV Performance data

Month	Seasonal Weights*	Solar Radiation (kWh/ m ² /day)	DC Energy (Raw form)	AC Energy (Usable form)
January	9.29%	6.43	1,147,677 kWh	1,096,694 kWh
February	10.17%	7.04	1,105,731 kWh	1,057,241 kWh
March	10.54%	7.30	1,245,509 kWh	1,190,638 kWh
April	10.26%	7.10	1,171,323 kWh	1,118,454 kWh
May	9.49%	6.57	1,141,140 kWh	1,088,517 kWh
June	6.20%	4.29	747,951 kWh	709,650 kWh
July	5.19%	3.59	663,102 kWh	627,414 kWh
August	5.19%	3.59	662,939 kWh	627,391 kWh
September	6.99%	4.84	841,427 kWh	801,405 kWh
October	8.88%	6.15	1,070,761 kWh	1,022,503 kWh
November	9.00%	6.23	1,066,622 kWh	1,018,844 kWh
December	8.81%	6.10	1,077,639 kWh	1,029,138 kWh
	100%	5.77 kWh/m ² / day	11,941,821 kWh	11,387,889 kWh

*Seasonal weights calculated based on Solar radiation.

Case Study

Key Assumptions

6. Operations (Cont'd)

Performance Ratio*

Performance ratio as indicated by the PVWATTS calculator – the ratio of AC (usable form) energy to DC (raw form) energy is a good 95%+.

[11,387,889 kWh/ 11,941,821 kWh = 95.36%]

*This information has no direct use in any formula in the financial model. It just indicates the efficiency of the solar panels & inverters in minimising losses and maximising energy output.

Annual Yield per kWp

Annual yield (DC) per kWp is 1564 kWh. [11,941,821 kWh/ 7633 kWp]

Annual yield (AC) per kWp is 1492 kWh. [11,387,889 kWh/ 7633 kWp]

Formula = Annual Energy Volume (kWh) / Plant Capacity (kWp)

Capacity Utilisation Factor (CUF)

Capacity utilisation factor for this project is a realistic 17%.

Meaning, out of the total installed capacity the actual annual energy yield will be around 17% subject to seasonal variations.

CUF (DC) = 17.85% [1564 kWh/ 8766 hours]

CUF (AC) = 17.02% [1492 kWh/ 8766 hours]

Formula = Annual Yield per kWp / Total hours in the year

Output Scenarios

While the above PVWATTS report indicates a base case scenario (P50 or 50% probability), Pinkstones want to use the most conservative estimate of the energy yields.

They've found that a probability formula called NORM.INV in MS-excel will help them to find –

P90 estimate –90% probability of actualising(more conservative)

P99 estimate –99% probability of actualising(most conservative)

A standard deviation of 5% to be assumed for this purpose.

Mean value shall be the base case estimate of Annual Yield calculated before.

Tariff Rates

Bitter truth: 'Going green, saving the planet, cleaner air, water, etc' is never going to be the biggest motivation for people to choose a solar source of power over the hassle free grid supplied electricity.

Rates of the fossil fuel run state utilities range from ₹ 8.00 to ₹ 12.00 per kWh on a tiered usage basis. It's a no brainer that the tariff rates that Pinkstones offer have to be cheaper to make sense.

Consumer type	Milestone	Consumption ratio
Preferred Equity Investor cum Consumers	₹ 5.00 per kWh	30%
Other tenant Consumers	₹ 6.00 per kWh	70%
Average rate	₹ 5.70 per kWh	100%

Case Study

Key Assumptions

6. Operations (Cont'd)

Operating Expenses

Sr. No.	OPEX Type	Basis	Budget
1	Operations & Management		2.5% of Proj. Costs (B/F Financing)
2	Insurance		0.5% of Proj. Costs (B/F Financing)
3	AUM Fees (payable to Pinkstones)		0.5% of Proj. Costs (B/F Financing)
4	Rooftop Space Rent	610,450 SF	₹ 3.60 per SF p.a.
5	Charges payable to Discom Utility		
5.1	Net Metering Fees	20% of the total output banked with Utility	₹ 0.50 per kWh p.a.
5.2	Wheeling & Banking Charges	On 20% of the Banked Energy as above	₹ 0.60 per kWh p.a.
5.3	Cross Subsidy Surcharge	Since it is a captive power plant	Nil
5.4	Additional Surcharge	Since it is a captive power plant	Nil

7. Exit Value

Pinkstones wants to show a foreseeable lifecycle of this asset to their investors. How will the asset value look like at the end of 5 years? If any investor wants to liquidate and encash their stakes..

The lifespan of solar plants is usually presumed to be 25 years. Exit valuation by the DCF of the remaining 20 years' operating CFs will be good to serve this purpose. The cashflows to be discounted using WACC.

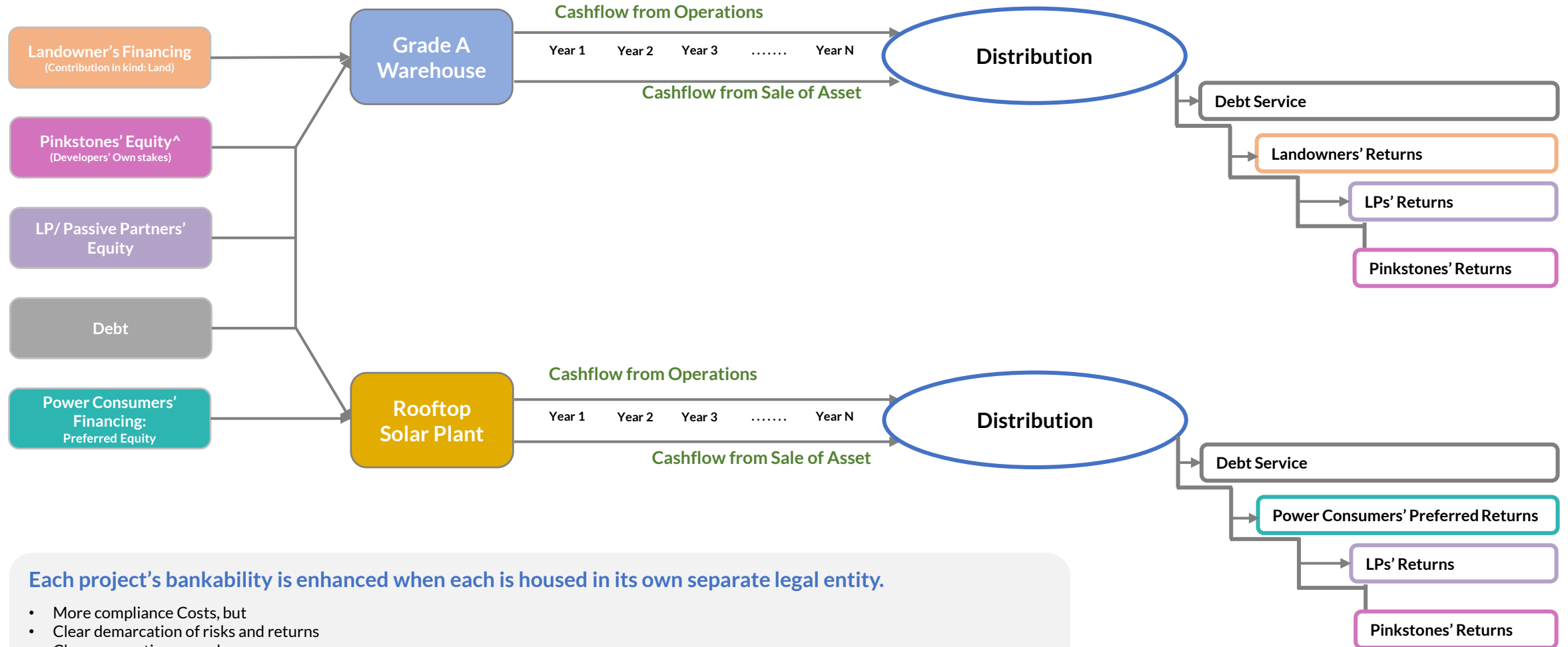
Although the panel efficiency slows down to around 80% by the end of this period, no salvage value is to be captured (thereby showing a conservative estimate).

An all inclusive Selling cost of 1% is to be applied on the Exit value.

Capital Type	Return rate	% Capital Structure
Preferred Equity	12% p.a.	6.20%
Equity	12% p.a.	24.78%
Construction Loan	10% p.a.	69.02%
WACC	9.93% p.a.	100.00%

Thought Process

Story in a Flash



Each project's bankability is enhanced when each is housed in its own separate legal entity.

- More compliance Costs, but
- Clear demarcation of risks and returns
- Clear accounting records
- Immunity from the other business's ups and downs.

^Pinkstone is the Developer/ General Partner/ Sponsor/ Promoter/ Deal Originator/ Investment Manager

#LP ~ Limited Partners/ The various passive investors that will subscribe to the deal and contribute a major chunk of equity capital, say - 70-90%

Thought Process

Special Investors

Landowner Financing

Call this source of funds by various names such as land equity, quasi-equity financing or revenue participation finance from landowner, joint development agreement, etc.

You enlist the landowner as one of your funding partners, but a limited one. Offer such terms that fix up their returns and allow you to still have your equity and management control over your project unhampered.

Sometimes the landowner may not want to exit on the exit date (maybe due to their emotional attachment to the land). They may want to reinvest their dues back into the asset and continue as an equity investor. Great help in managing a big churn at the end of the holding period.



Put yourself in Pinkstones' shoes:

- Will offering too much share of the warehouse rents chip away at your own profitability?
- Should you keep your landowner out of the side incomes such as rooftop solar?
- Will you be able to accommodate that crazy exit multiple your landowner is asking?
- What will the best offer look like to you and your land financier?
- Your go-to tool to find your own answers: This financial model.

For some more reading:

1. <https://www.adventuresincre.com/land-equity-development-strategies/>
2. <https://www.adventuresincre.com/land-aggregation-strategy/>

Power Consumer Financing

Power is quite a regulated business . A lot of dos and don'ts could be attached to it by the regulators.

It matters especially if you wish to excuse yourself from paying certain additional duties and charges^ to your power utility company that you'd be otherwise liable to pay if you were using grid supplied electricity. The whole purpose of building a private power plant is to save on energy costs after all.

Group Captive Scheme:

There is this Group Captive Scheme under the Indian Electricity laws that allows power plant developers to accept investment from power consumers. In fact this scheme was initially launched so as to facilitate a bunch of different C&I* power consumers to come together, pool in their equity monies and approach banks for further funding to build a power plant for (their joint) captive use.

Two major advantages of this scheme are -

1. Exemption from paying certain duties and charges to the government that C&I consumers are otherwise liable to pay.
2. Open access to state transmission and distribution infrastructure for shipping energy over longer distances.

BUT there are **3 conditions** that power consumer cum investors must fulfil:

1. **Ownership** - **Jointly** invest atleast 26% equity.
2. **Consumption** - Consume atleast 51% of the power generated.
3. **Proportionality** - Consume power in proportion to the equity you invested.

If you were Pinkstones:

Why should your tenant cum power consumers invest in your project than somewhere else?

In what ways will you sweeten the deal for them?

How will you make sure that you don't burn yourself in the process?

Your go to tool to contemplate over these and many other questions: This financial model.

[*C&I - Commercial and industrial power consumers

^In order to subsidise power for the residential consumers, the Utility companies recover additional duties such as "Cross Subsidy Surcharge" from the C&I consumers]

Thought Process

Special Investors

Power Consumer Financing

How much of the Indian Group Captive Scheme is applied in this Case Study?

I am inspired by but haven't strictly adhered to the Group Captive Scheme. The purpose of this case study is also to spark ideas for alternative & maybe better ways of doing things.

Preferred Equity

Power Consumers' investment is structured into the project as Preferred Equity rather than a mezz. loan. Preferred Equity could still be called a kind of equity that would have a fixed income and priority in return distributions but limited involvement in management.

This way Pinkstones find it easier to comply with rule no. 1 above and pitch their project for further construction loan to bank/ FI lenders.

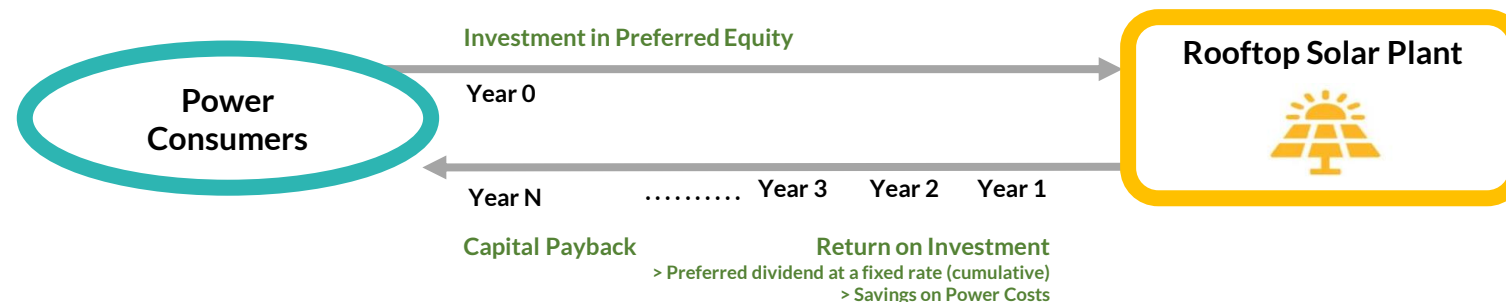
Power Quota proportionate to investment

Rule no. 3 above is not followed. That is, the power consumers do not get $1.96 \times (51/26)$ times their investment %.

2 reasons: 1. This is not a Group Captive Plant, its a plain captive plant. Energy produced and consumed within the gated premises without using State infrastructure for distribution and consumption. 2. If you give them a disproportionate quota of power at a lower rate, you might compromise your profitability too much. Since they already are getting tariff discounts and a decent fixed interest rate on their investment.

If you indeed wish to apply this rule, make sure the other terms you offer (coupon rate, tariff rate, etc) are overall balanced out well.

Power Consumers' Investment Cycle



[*C&I - Commercial and industrial power consumers

^In order to subsidise power for the residential consumers, the Utility companies usually recover additional duties such as "Cross Subsidy Charge" from the C&I consumers]

Thought Process

Levelized Cost Of Electricity

You've heard this term being discussed extensively in a macro sense. [Energy scientists](#) of the world comparing the LCOE on a per MWh or per kWh basis for different renewable energy generation sources vis-à-vis the conventional fossil fuels, to see which one is racing to become the most cost-competitive.

Let's use this LCOE in a micro sense now in the context of your project.

What is LCOE?

LCOE is nothing but a break-even cost metric. If you set your power tariff rate below this rate, obviously it'd not look viable.

Break even is the point where all cash inflows equate all cash outflows. That is:

$$\text{NPV}^* \text{ of All Lifetime Costs} = \text{NPV of All Lifetime Sale of Electricity}$$

Which can also be written as:

$$1 = \frac{\text{NPV of all CAPEX CFs + OPEX CFs over lifetime}}{\text{NPV of all Sales CFs of Electricity over lifetime}}$$

Which can also be written as:

$$1 = \frac{\text{NPV of all CAPEX CFs + OPEX CFs over lifetime}}{\text{NPV of [Tariff rate x All Electricity Units sold] over lifetime}}$$

Since we want to find the break even tariff rate, the tariff rate from denominator goes to the left side of the equation:

$$\text{LCOE} = \frac{\text{NPV of all CAPEX + OPEX over lifetime}}{\text{NPV of all Electricity units produced over lifetime}}$$

This explains why we are discounting a non cash number such as the 'total electricity units' in the denominator.

What should be the right discount rate for this LCOE to make sense?

I feel it should be the inflation rate. This is the rate at which the various operating costs are rising year on year. All capex is usually spent out in the beginning itself, mostly no escalations. It is the inflation rate in reference to which you will increase your tariff rate year on year. Use that one single inflation rate to discount all the future values in the above formula back to the present. Atleast in the spreadsheet it will make sense & serve as an instant check.

Great explanation by Edson Bortoni: <https://www.linkedin.com/pulse/origin-lcoe-formula-edson-bortoni-1e/>

To your Success !!

CA Padmaa Iyer

padmaa@thoughtfulstrategies.com

Base Currency	INR	Quoted in Currency	PHP	Exch. Rate	1.5	Amounts expressed in	Millions	10,00,000
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PROJECT DESCRIPTION

Property Type	Grade A Industrial Warehouse with Rooftop Solar	Land Acquisition Mode	Land A	1,61,874 SM	Joint Development	Address	Mumbai - Agra Road, National Highway 3
Business Model	Build-Operate-Sell	Land Acquisition Date	17,42,400 SF	Month 1	40 acres	Town/ City	Near Kasara Ghat, Kasara
					01-Mar-24	State/ Country	Maharashtra, India
						Postal Code	421 602

DEVELOPMENT SUMMARY

Sr. No.	Asset Type	Ratio	Land Allotment	GSE	Leasable NSF	Efficiency	Solar Plant Size	Devp. Start	Devp. End	Duration	Stabilisation	Exit Date	Holding Period
1	Grade A Wh	98%	9,39,154 SF	9,76,720 SF	6,11,389 SF	63%		Month 6	Month 23	18 month(s)	Month 23	Month 60	5 years
2	Rooftop Solar		on WH Roof	9,58,320 SF	6,10,450 SF	64%	7,633 kWp	Month 13	Month 22	10 month(s)	Month 23	Month 60	5 years
3	Solar BESS	2%	19,166 SF	NA	NA	NA							
		100%	9,58,320 SF	9,76,720 SF	6,11,389 SF	63%	7,633 kWp	Month 6	Month 23	18 month(s)	Month 23	Month 60	5 years

INVESTMENT CASHFLOWS

	USES OF FUNDS			SOURCES OF FUNDS		
	Total	Grade A Wh	Rooftop Solar	Total	Grade A Wh	Rooftop Solar
Land Costs	424.00 Mn	424.00 Mn	NA	LandOwner's Quasi Equity Loan	380.00 Mn	380.00 Mn
Hard Costs	753.48 Mn	562.66 Mn	190.83 Mn	Consumer's Preferred Equity	21.81 Mn	NA
Soft Costs	137.45 Mn	128.35 Mn	9.10 Mn	Equity	153.92 Mn	103.02 Mn
Financing Costs	38.39 Mn	28.01 Mn	10.38 Mn	Debt (Including Accrued Interest)	797.60 Mn	660.00 Mn
Total	1353.32 Mn	1143.02 Mn	210.30 Mn	Total	1353.32 Mn	1143.02 Mn

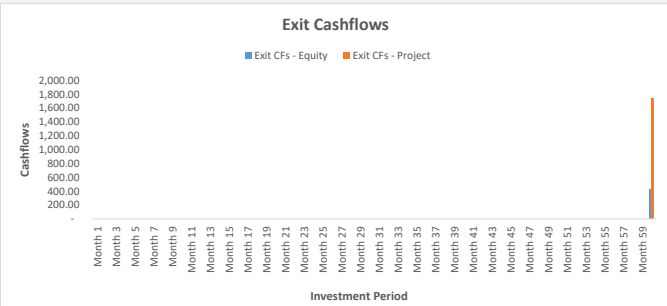
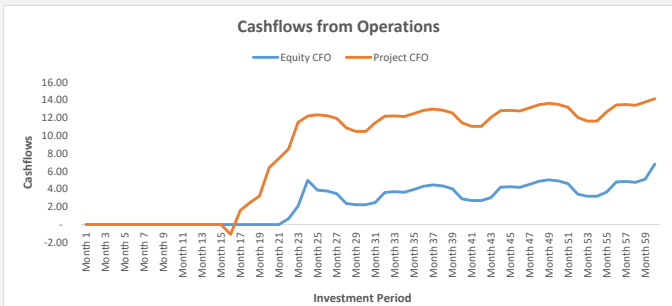
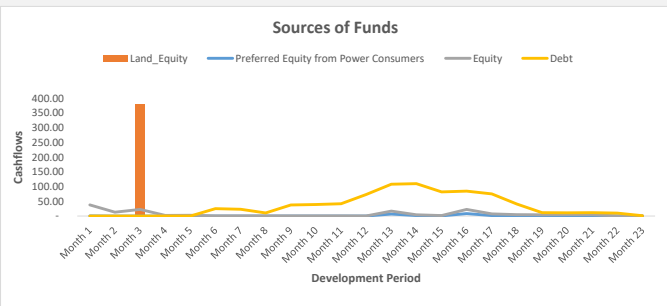
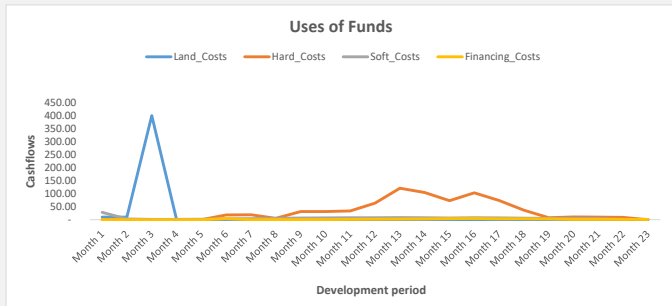
RETURNS SNAPSHOT

PROJECT LEVEL RETURNS			EQUITY RETURNS			SPECIAL INVESTORS			
	Combined	Grade A Wh	Rooftop Solar	Combined	Grade A Wh	Rooftop Solar *		Grade A Wh	Rooftop Solar
Development Yield	10.02%	10.02%	NA	Annual ROI	26.01%	15.99%	Landowner's IRR	11.55%	
Annual ROI		10.18%	13.27%	Equity IRR	36.76%	44.06%	Landowner's Multiple	1.65 x	
Project IRR	15.20%	13.52%	25.42%	Eq. Multi	3.28 x	3.14 x	Power Consumer's Pref. Equity IRR		20.58%
Project Multiplier	1.72 x	1.65 x	2.14 x	* Preferred Equity Returns included			Power Consumer's Pref. Equity Multiple		1.74 x

DEBT

	CONSTRUCTION FINANCE		PERMANENT FINANCE	
	Grade A Wh	Rooftop Solar	Grade A Wh	Rooftop Solar
Loan to Cost Ratio %	58%	65.43%	52.43%	65.43%
Interest Rate	10.0%	10.0%	9.00%	9.00%
Principal drawn	635.89 Mn	127.92 Mn	660.00 Mn	137.59 Mn
Accrued Interest during Construction	24.11 Mn	9.68 Mn	177.75 Mn	36.09 Mn

CHARTS



Development Timeline



total Leverage	91%	Project Costs	1143.02 Mn	Eq. IRR	32.99%	Eq. Multiple	3.14 x	Eq. Investment	102.25 Mn	Eq. Payback	320.71 Mn	Duration	5 years
		Base Currency	INR	Quoted in Currency	PHP	Exch. Rate	1.5	Amounts expressed in	Millions				10,00,000

PROJECT DESCRIPTION

Property Type	Grade A Industrial Warehouse with Rooftop Solar			Address	Mumbai - Agra Road, National Highway 3		
Business Model	Build-Operate-Sell			Town/ City	Near Kasara Ghat, Kasara		
Land Acquisition Mode	Joint Development			State/ Country	Maharashtra, India		
Land Area	17,42,400 SF	1,61,874 SM	40 acres	Postal Code	421 602		
Land Acquisition Date	Month 1	01-Mar-24	Project Start	Month 1	01-Mar-24		
# Boxes	6 Boxes	Building Approvals	5 month(s)	31-Jul-24			
Ground Coverage	55%	9,58,320 SF	Project Duration	23 month(s)			
Land earmarked for			Development Start	Month 6	01-Aug-24		
Warehouse	98%	9,39,154 SF	Development End	Month 23	31-Jan-26		
Solar Battery systems	2%	19,166 SF	Rent Stabilisation	Month 23	31-Jan-26		
			Investment Holding Period (From Land Acq.)	5 years			
Built-up Area	Leasable NSF	NSF	GSF	Exit Date	Year 5	Month 60	28-Feb-29
	6,11,389 SF	6,37,685 SF	9,76,720 SF				



LAT, LNG : 19.65, 73.55

DEVELOPMENT PLAN

Sr. No.	Phase #	Asset	Building Type	Ratio	Total GSF	Loading % (on NSF)	Efficiency % (on GSF)	Total NSF	Common Areas		
1.1	Phase 1	WH	Box 1	Leasable	15%	1,40,873 SF	54%	65%	91,567 SF	49,306 SF	
1.2	Phase 1	WH	Box 2	Leasable	15%	1,40,873 SF	54%	65%	91,567 SF	49,306 SF	
1.3	Phase 1	WH	Box 3	Leasable	15%	1,40,873 SF	54%	65%	91,567 SF	49,306 SF	
1.4	Phase 2	WH	Box 4	Leasable	15%	1,40,873 SF	54%	65%	91,567 SF	49,306 SF	
1.5	Phase 2	WH	Box 5	Leasable	20%	1,87,831 SF	54%	65%	1,22,090 SF	65,741 SF	
1.6	Phase 2	WH	Box 6	Leasable	18%	1,69,048 SF	54%	65%	1,09,881 SF	59,167 SF	
1.7	Phase 3	WH	Admin Office	N.A.	No # Floors	2%	18,783 SF	43%	70%	13,148 SF	5,635 SF
1.8	Phase 3	WH	Cafeteria	N.A.	Floor #1	1	18,783 SF	43%	70%	13,148 SF	5,635 SF
1.9	Phase 3	WH	Lounge Area	N.A.	Floor #2	1	18,783 SF	43%	70%	13,148 SF	5,635 SF
Total GSF & NSF					100%	9,76,720 SF	53%	65.29%	6,37,685 SF	3,39,034 SF	

SOURCES & USES OF FUNDS (BUDGET)

USES	% Project Costs	Start	End	Duration	Cost Allocation	pGSF (INR)	pGSF (PHP)	Amount (PHP)
I. Land Costs	37%	Month 1	Month 5	5 month(s)		651 pSF	434 pSF	424.00 Mn
Land Acquisition Price					u/Joint Devp.	344 pSF	409.5 pSF	400.00 Mn
Upfront Token payment		Month 1	Month 2	2 month(s)	5%			20.00 Mn
Balance payment		Month 3	Month 3	1 month(s)	Land Equity			380.00 Mn
Brokerage Costs		Month 3	Month 5	3 month(s)	1.0%	6 pSF	4.1 pSF	4.00 Mn
Stamp duty & Registrations		Month 3	Month 3	1 month(s)	5%	31 pSF	20.5 pSF	20.00 Mn
II. Hard Costs	49%	Month 6	Month 22	17 month(s)		864 pSF	576.1 pSF	562.66 Mn
Site Development :						Std. Deviation		
Site Preparation		Month 6	Month 7	2 month(s)	Equated	44 pSF	29.0 pSF	28.33 Mn
Access road		Month 6	Month 7	2 month(s)	Equated	8 pSF	5.1 pSF	5.00 Mn
Security & Surveillance		Month 6	Month 7	2 month(s)	Equated	20 pSF	13.7 pSF	13.33 Mn
Landscaping		Month 6	Month 7	2 month(s)	Equated	8 pSF	5.1 pSF	5.00 Mn
Construction Costs :								
Bored Piling Works					GSF	742 pSF	495 pSF	483.17 Mn
Phase 1		Month 6	Month 8	3 month(s)	0 month(s)	49 pSF	32 pSF	31.67 Mn
Phase 2		Month 9	Month 11	3 month(s)	3 month(s)	43 pSF	28 pSF	12.00 Mn
Phase 3		Month 11	Month 13	3 month(s)	3 month(s)	44 pSF	29 pSF	14.67 Mn
Structural Works (Pre-engineered)					Timelag	133 pSF	89 pSF	5.00 Mn
Phase 1		Month 9	Month 12	4 month(s)	0 month(s)	397 pSF	265 pSF	258.78 Mn
Phase 2		Month 12	Month 15	4 month(s)	3 month(s)	355 pSF	237 pSF	100.00 Mn
Phase 3		Month 14	Month 19	6 month(s)	3 month(s)	422 pSF	281 pSF	140.00 Mn
Mech, Elec, Plumb., Fire Protection						500 pSF	333 pSF	18.78 Mn
Phase 1		Month 13	Month 15	3 month(s)	0 month(s)	245 pSF	163 pSF	159.39 Mn
Phase 2		Month 16	Month 18	3 month(s)	3 month(s)	237 pSF	158 pSF	66.67 Mn
Phase 3		Month 20	Month 22	3 month(s)	3 month(s)	251 pSF	167 pSF	83.33 Mn
Sewage Treatment Plant						250 pSF	167 pSF	9.39 Mn
Contingencies		Month 13	Month 16	4 month(s)	2 month(s)	51 pSF	34 pSF	33.33 Mn
					10% Hard Costs	79 pSF	52 pSF	51.15 Mn
III. Soft Costs	11%					197 pSF	131.4 pSF	128.35 Mn
Land Due diligence		Month 1	Month 2	2 month(s)	Equated	6 pSF	4 pSF	4.00 Mn
Building Approvals		Month 1	Month 5	5 month(s)	Equated	8 pSF	5 pSF	5.33 Mn
Set-up & Legal Costs		Month 1	Month 1	1 month(s)	Equated	8 pSF	5 pSF	5.00 Mn
Design & Engineering						29 pSF	19 pSF	19.00 Mn
Phase 1		Month 1	Month 1	1 month(s)	Equated	24 pSF	16 pSF	6.67 Mn
Phase 2		Month 1	Month 1	1 month(s)	Equated	20 pSF	13 pSF	6.67 Mn
Phase 3		Month 1	Month 1	1 month(s)	Equated	151 pSF	101 pSF	5.67 Mn
Development Fees						41 pSF	27 pSF	26.67 Mn
Phase 1		Month 6	Month 15	10 month(s)	Bell Curve	35 pSF	24 pSF	10.00 Mn
Phase 2		Month 6	Month 18	13 month(s)	Bell Curve	30 pSF	20 pSF	10.00 Mn
Phase 3		Month 6	Month 22	17 month(s)	Bell Curve	177 pSF	118 pSF	6.67 Mn
Construction & Management						22 pSF	15 pSF	42.67 Mn
Phase 1		Month 6	Month 15	10 month(s)	Bell Curve	23 pSF	15 pSF	14.67 Mn
Phase 2		Month 6	Month 18	13 month(s)	Bell Curve	23 pSF	15 pSF	14.67 Mn
Phase 3		Month 6	Month 22	17 month(s)	Bell Curve	20 pSF	14 pSF	13.33 Mn
Marketing Expenses		Month 5	Month 22	18 month(s)	Steady Decrease	8 pSF	5 pSF	5.00 Mn
USES (Cont'd)	% Project Costs	Start	End	Duration	Cost Allocation	pGSF (INR)	pGSF (PHP)	Amount (PHP)
Leasing Commissions						15 pSF	10 pSF	20.69 Mn
Phase 1		Month 16	Month 18	3 month(s)	Equated	14 pSF	9 pSF	9.16 Mn
Phase 2		Month 19	Month 21	3 month(s)	Equated	17 pSF	11 pSF	10.78 Mn
Phase 3		Month 23	Month 23	1 month(s)	Equated	1 pSF	1 pSF	0.75 Mn
Project Costs (Before Fi)	98%	Month 1	Month 23	23 month(s)		1712 pSF	1142 pSF	1115.01 Mn
IV. Financing Costs								28.01 Mn
Financing Fee		Month 6	Month 6	1 month(s)	Equated	6 pSF	4 pSF	3.90 Mn
Accrued interest during Const.						37 pSF	25 pSF	24.11 Mn
TOTAL USES	100%	Month 1	Month 23	23 month(s)		1755 pSF	1170 pSF	1143.02 Mn

SOURCES	% Project Costs	pGSF (INR)	pGSF (PHP)	Amount (PHP)
Landowner's Quasi-Equity Loan	33%	584 pSF	389 pSF	380.00 Mn
Equity	9%	158 pSF	105 pSF	103.02 Mn
GP Equity	20%	32 pSF	21 pSF	20.60 Mn
LP Equity	80%	127 pSF	84 pSF	82.42 Mn
Construction Debt	58%	1014 pSF	676 pSF	660.00 Mn
Principal	10% p.a.	977 pSF	651 pSF	635.89 Mn
Net Capitalised Interest		37 pSF	25 pSF	24.11 Mn
TOTAL SOURCES	100%	1755 pSF	1170 pSF	1143.02 Mn

PERMANENT DEBT

Permanent Debt	% of Stabilised Value	Interest Rate	Funding Month	Payoff Month	Amortisation	EMI	Annual Payment	Amount (PHP)
	52.43%	9% p.a.	Month 23	Month 60	20 years	5.94 Mn	71.26 Mn	660.00 Mn
Is DSCR above 1.20x ?	Yes							
Debt Service Coverage Ratio	1.59 x	Ok						618.04 Mn
							Outstanding Loan Balance to paid off at Exit	

total Leverage	91%	Project Costs	1143.02 Mn	Eq. IRR	32.99%	Eq. Multiple	3.14 x	Eq. Investment	102.25 Mn	Eq. Payback	320.71 Mn	Duration	5 years
		Base Currency	INR	Quoted in Currency	PHP	Exch. Rate	1.5	Amounts expressed in	Millions				10,000,000

OPERATING CASHFLOWS

Operations Start	Month 16	Rent Inflation	5%	Operating Cost Inflation	5%
Stabilisation Month (100% Occupancy)	Month 23	Rent Inflation Frequency	Every 1.0 year(s)	Op. Cost Inflation frequency	Every 1.0 year(s)
LEASING PROGRAM					
		Ops Start	Ops End	Leasable SF	Pre-leased
Phase 1	Month 16	Month 60	Month 60	2,74,702 SF	60%
Phase 2	Month 19	Month 60	Month 60	3,23,538 SF	60%
Phase 3	Month 23	Month 60	Month 60	13,148 SF	100%
				6,11,389 SF	
		Lease-up pace post Devp.	Lease Tenure	Lease Lock-in period	
		20%/month	9 year(s)	36 month(s)	
		20%/month	9 year(s)	36 month(s)	
		0%/month	1 year(s)	12 month(s)	

INCOME

	Business	Leasable SF	Security Deposit	Rate (INR)	Rate (PHP)	Ops Start	Ops End	Amount/month	Amount/year
Rental Income		6,11,389 SF		26.29 pSF	17.53 pSF			10.72 Mn	128.59 Mn
Phase 1	Grade A WH	2,74,702 SF	6 mo rent(s)	25.00 pSF	16.67 pSF	Month 16	Month 60	4.58 Mn	54.94 Mn
Phase 2	Grade A WH	3,23,538 SF	6 mo rent(s)	25.00 pSF	16.67 pSF	Month 19	Month 60	5.39 Mn	64.71 Mn
Phase 3	Cafeteria	13,148 SF	4 mo rent(s)	85.00 pSF	56.67 pSF	Month 23	Month 60	0.75 Mn	8.94 Mn
Less: Free Rents	Initial Phase - Free Rent	FR%/month	Stabilised Phase - Free Rent	FR%/month				0.0%Income	0.00 Mn
Phase 1	1 mo rent(s)	8.33%	0 mo rent(s)	0.00%		Month 16	Month 60	0.00 Mn	0.00 Mn
Phase 2	1 mo rent(s)	8.33%	0 mo rent(s)	0.00%		Month 19	Month 60	0.00 Mn	0.00 Mn
Phase 3	0.5 mo rent(s)	4.17%	0 mo rent(s)	0.00%		Month 23	Month 60	0.00 Mn	0.00 Mn

NET RENTAL INCOMES								100.0%Income	10.72 Mn	128.59 Mn
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OTHER INCOME

	CAM Costs(INR)	Admin Fee% covered(INR)	CAM Inc. (INR)	CAM Inc.(PHP)	Ops Start	Ops End	Amount/month	Amount/year				
1. CAM Income (Net of the recoverable expenses)	6.73 pSF	7.02 pSF	0.00 pSF	0.00 pSF			0.39 Mn	4.62 Mn				
Housekeeping & Sanitation	GSF						0.06 Mn	0.77 Mn				
Phase 1	4,22,619 SF	1.0 pSF	10%	1.1 pSF	0.1 pSF	0.07 pSF	Month 16	Month 60	0.03 Mn	0.35 Mn		
Phase 2	4,97,751 SF	1.0 pSF	10%	1.1 pSF	0.1 pSF	0.07 pSF	Month 19	Month 60	0.03 Mn	0.41 Mn		
Phase 3	18,783 SF	1.0 pSF	10%	1.1 pSF	0.1 pSF	0.07 pSF	Month 23	Month 60	0.00 Mn	0.02 Mn		
Repairs & Maintenance	GSF						0.06 Mn	0.77 Mn				
Phase 1	4,22,619 SF	1.0 pSF	10%	1.1 pSF	0.1 pSF	0.07 pSF	Month 16	Month 60	0.03 Mn	0.35 Mn		
Phase 2	4,97,751 SF	1.0 pSF	10%	1.1 pSF	0.1 pSF	0.07 pSF	Month 19	Month 60	0.03 Mn	0.41 Mn		
Phase 3	18,783 SF	1.0 pSF	10%	1.1 pSF	0.1 pSF	0.07 pSF	Month 23	Month 60	0.00 Mn	0.02 Mn		
Utilities: Powe	Usage p.a.	Tariff(INR)	GSF				0.00 Mn	0.00 Mn				
Phase 1	6 kWh/SF	3.80 per kWh	4,22,619 SF	1.9 pSF	0%	1.9 pSF	0.0 pSF	0.00 pSF	Month 16	Month 60	0.00 Mn	0.00 Mn
Phase 2	6 kWh/SF	3.80 per kWh	4,97,751 SF	1.9 pSF	0%	1.9 pSF	0.0 pSF	0.00 pSF	Month 19	Month 60	0.00 Mn	0.00 Mn
Phase 3	6 kWh/SF	3.80 per kWh	18,783 SF	1.9 pSF	0%	1.9 pSF	0.0 pSF	0.00 pSF	Month 23	Month 60	0.00 Mn	0.00 Mn
Utilities - Water Supply	GSF						0.00 Mn	0.00 Mn				
Phase 1	4,22,619 SF	0.5 pSF	0%	0.5 pSF	0.0 pSF	0.00 pSF	Month 16	Month 60	0.00 Mn	0.00 Mn		
Phase 2	4,97,751 SF	0.5 pSF	0%	0.5 pSF	0.0 pSF	0.00 pSF	Month 19	Month 60	0.00 Mn	0.00 Mn		
Phase 3	18,783 SF	0.5 pSF	0%	0.5 pSF	0.0 pSF	0.00 pSF	Month 23	Month 60	0.00 Mn	0.00 Mn		
Insurance	GSF						0.00 Mn	0.00 Mn				
Phase 1	4,22,619 SF	0.7 pSF	0%	0.7 pSF	0.0 pSF	0.00 pSF	Month 16	Month 60	0.00 Mn	0.00 Mn		
Phase 2	4,97,751 SF	0.7 pSF	0%	0.7 pSF	0.0 pSF	0.00 pSF	Month 19	Month 60	0.00 Mn	0.00 Mn		
Phase 3	18,783 SF	0.7 pSF	0%	0.7 pSF	0.0 pSF	0.00 pSF	Month 23	Month 60	0.00 Mn	0.00 Mn		
Security	GSF						0.03 Mn	0.32 Mn				
Phase 1	4,22,619 SF	0.4 pSF	10%	0.5 pSF	0.0 pSF	0.03 pSF	Month 16	Month 60	0.01 Mn	0.14 Mn		
Phase 2	4,97,751 SF	0.4 pSF	10%	0.5 pSF	0.0 pSF	0.03 pSF	Month 19	Month 60	0.01 Mn	0.17 Mn		
Phase 3	18,783 SF	0.4 pSF	10%	0.5 pSF	0.0 pSF	0.03 pSF	Month 23	Month 60	0.00 Mn	0.01 Mn		
Landscaping	GSF						0.03 Mn	0.32 Mn				
Phase 1	4,22,619 SF	0.4 pSF	10%	0.5 pSF	0.0 pSF	0.03 pSF	Month 16	Month 60	0.01 Mn	0.14 Mn		
Phase 2	4,97,751 SF	0.4 pSF	10%	0.5 pSF	0.0 pSF	0.03 pSF	Month 19	Month 60	0.01 Mn	0.17 Mn		
Phase 3	18,783 SF	0.4 pSF	10%	0.5 pSF	0.0 pSF	0.03 pSF	Month 23	Month 60	0.00 Mn	0.01 Mn		
Property Taxes	GSF						0.00 Mn	0.00 Mn				
Phase 1	4,22,619 SF	0.7 pSF	0%	0.7 pSF	0.0 pSF	0.00 pSF	Month 16	Month 60	0.00 Mn	0.00 Mn		
Phase 2	4,97,751 SF	0.7 pSF	0%	0.7 pSF	0.0 pSF	0.00 pSF	Month 19	Month 60	0.00 Mn	0.00 Mn		
Phase 3	18,783 SF	0.7 pSF	0%	0.7 pSF	0.0 pSF	0.00 pSF	Month 23	Month 60	0.00 Mn	0.00 Mn		
2. Rooftop Lease to Solar Business	NSF						0.20 Mn	2.44 Mn				

EFFECTIVE GROSS INCOME	6,11,389 SF			26.7 pSF	17.82 pSF			10.90 Mn	130.77 Mn
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EXPENSES

	Basis	Fixed Exp.	Rate (INR)	Rate (PHP)	Op Start	Op End	Amount/ Month1	Amount/ Year1				
Housekeeping	Phase 3	37,566 SF	100%	1.0 pSF	0.68 pSF	Month 23	Month 60	0.2%Income	0.03 Mn	0.31 Mn		
Repairs & Maintenance	Phase 3	37,566 SF	50%	1.0 pSF	0.68 pSF	Month 23	Month 60	0.2%Income	0.03 Mn	0.31 Mn		
Payroll & Contract Services	5% Rent Income	Full Property	9,76,720 SF	50%	0.8 pSF	0.55 pSF	Month 16	Month 60	5.0%Income	0.54 Mn	6.43 Mn	
Property Management	3% Rent Income	Full Property	9,76,720 SF	50%	0.5 pSF	0.33 pSF	Month 16	Month 60	3.0%Income	0.32 Mn	3.86 Mn	
Other Admin Expenses		Full Property	9,76,720 SF	50%	0.2 pSF	0.14 pSF	Month 16	Month 60	1.2%Income	0.13 Mn	1.60 Mn	
Utilities - Power	Usage p.a.	Tariff(INR)	Phase 3	37,566 SF	20%	1.3 pSF	0.84 pSF	Month 23	Month 60	0.3%Income	0.03 Mn	0.38 Mn
Utilities - Water Supply		Phase 3	37,566 SF	20%	0.5 pSF	0.33 pSF	Month 23	Month 60	0.1%Income	0.01 Mn	0.15 Mn	
Insurance Costs	% Project Cost (Before Financing)	0.50% p.a.	Phase 3	37,566 SF	100%	0.7 pSF	0.48 pSF	Month 23	Month 60	0.2%Income	0.02 Mn	0.21 Mn
Security		Phase 3	37,566 SF	100%	0.4 pSF	0.28 pSF	Month 23	Month 60	0.1%Income	0.01 Mn	0.13 Mn	
Landscaping		Phase 3	37,566 SF	100%	0.4 pSF	0.28 pSF	Month 23	Month 60	0.1%Income	0.01 Mn	0.13 Mn	
Property Tax	% Project Cost (Before Financing)	0.50% p.a.	Phase 3	37,566 SF	100%	0.7 pSF	0.48 pSF	Month 23	Month 60	0.2%Income	0.02 Mn	0.21 Mn
GP's AUM Fees		0.50% p.a.	Full Property	9,76,720 SF	100%	0.7 pSF	0.48 pSF	Month 16	Month 60	4.3%Income	0.46 Mn	5.58 Mn
Operating Expenses Total			6,11,389 SF		3.9 pSF	2.63 pSF	Month 16	Month 60	15.0%Income	1.61 Mn	19.29 Mn	
Net Operating Income			6,11,389 SF		22.8 pSF	15.19 pSF	Month 16	Month 60	86.7%Income	9.29 Mn	111.47 Mn	
Less: Capex Reserves			6,11,389 SF		0.5 pSF	0.35 pSF			2.0%Income	0.21 Mn	2.57 Mn	
Cashflow from Operations			6,11,389 SF		22.3 pSF	14.84 pSF			84.7%Income	9.08 Mn	108.90 Mn	
Less: Debt Service												
On Permanent Loan		Full Property	6,11,389 SF		14.6 pSF	9.71 pSF	Month 16	Month 60	55.4%Income	5.94 Mn	71.26 Mn	
On Landowner's Quasi Equity Loan	Share of Rental Income	12%	Full Property	6,11,389 SF		3.2 pSF	2.10 pSF	Month 16	Month 60	12.0%Income	1.29 Mn	15.43 Mn
Less: Tax Expense			6,11,389 SF		0.0 pSF	0.00 pSF			0.0%Income	0.00 Mn	0.00 Mn	
Cashflow Available for Equity									17.3%Income	1.85 Mn	22.21 Mn	

total Leverage	91%	Project Costs	1143.02 Mn	Eq. IRR	32.99%	Eq. Multiple	3.14 x	Eq. Investment	102.25 Mn	Eq. Payback	320.71 Mn	Duration	5 years
		Base Currency	INR	Quoted in Currency	PHP	Exch. Rate	1.5	Amounts expressed in	Millions				10,00,000

EXIT CASHFLOWS

Development Start	Month 6	Stabilisation of Operations	Month 23	Cap Rate (Analysis Start)	9.00%
Development End	Month 23	Sale (of Business) Month	Month 60	Annual Increase in Cap Rate	10 bps
Operations Start	Month 16	Exit Multiple for Landowner (Joint Develc)	1.50 x	Cap Rate @ Sale	9.40%
				Selling Cost (On Asset Value)	1%

PROFORMA

	STABILISED Month 24 - 35	EXIT DATE Month 61 - 72
Gross Rent	131.81 Mn	153.20 Mn
Less: Free Rent	0.00 Mn	0.00 Mn
NET RENTAL INCOME	131.81 Mn	153.20 Mn
Other Income:		
CAM Charges Recovered	2.24 Mn	2.60 Mn
EFFECTIVE GROSS INCOME	134.04 Mn	155.80 Mn
Operating Expenses	19.49 Mn	20.59 Mn
NET OPERATING INCOME	114.55 Mn	135.22 Mn
Less: Capex Reserves	2.64 Mn	3.06 Mn
CASHFLOW FROM OPERATIONS	111.91 Mn	132.15 Mn
Less: Debt Service	87.08 Mn	71.26 Mn
On Permanent Loan	71.26 Mn	71.26 Mn
On Landowner's Quasi Equity Loan	15.82 Mn	0.00 Mn
CASHFLOW AFTER FINANCING	24.84 Mn	60.89 Mn
Less: Tax expense	0.00 Mn	0.00 Mn
Add: Short term funding	0.00 Mn	0.00 Mn
Less: Short term funding paid back (taken before Stabilisation)	0.00 Mn	0.00 Mn
CASHFLOW FOR EQUITY	24.84 Mn	60.89 Mn
CAP RATE	9.10%	9.40%
VALUATION (12 month forward NOI/ Cap Rate)	1258.77 Mn	1438.37 Mn
Asset Value as a Multiple of Project Costs	1.10 x	1.26 x
Annual Return on Capital (Unlevered)	10.04%	11.85%
Annual Return on Equity Capital (Levered)	24.11%	59.11%

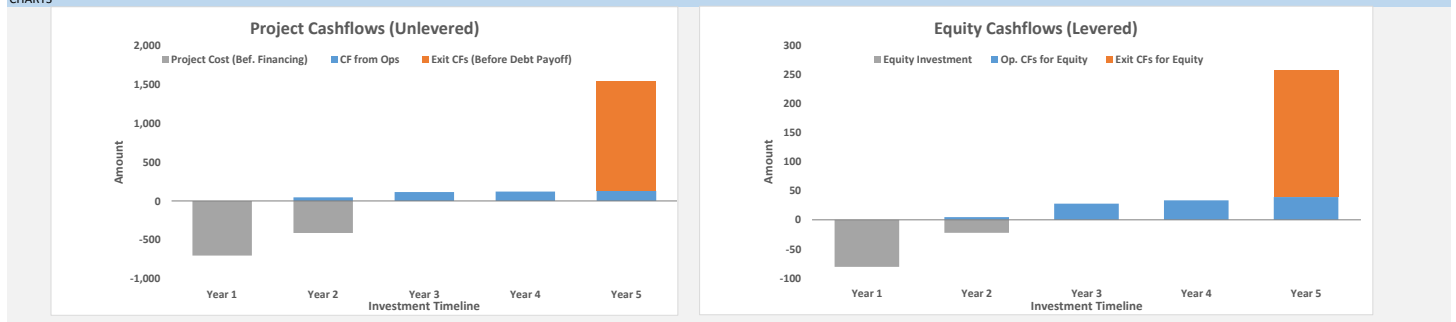
RETURNS

DEVELOPMENT YIELD	Stabilised Year	Exit Date	PROJECT RETURNS	EQUITY RETURNS	LANDOWNER'S RETURNS (In case of Joint Development)			
NOI	114.55 Mn	135.22 Mn	Year 1 ROI (Stabilised Ops)	10.18%	Year 1 ROI (Stabilised Ops)	26.01%	Year 1 ROI (Stabilised Ops)	3.93%
Project Costs	1143.02 Mn	1143.02 Mn	Project IRR	13.52%	Equity IRR	32.99%	Landowner's IRR	11.55%
Yield on Cost	10.02%	11.83%	Project Multiple	1.65 x	Equity Multiple	3.14 x	Landowner's Investment Multiple	1.65 x
Market Yield	9.10%	9.40%	Capital Invested (Before Financing)	1085.74 Mn	Equity Contributions	102.25 Mn	Landowner's Contribution	380.00 Mn
Development Spread	92 bps	243 bps	Cashflows received (Before Financing)	1786.07 Mn	Equity Distributions	320.71 Mn	Exit Cashflows for the Landowner	627.11 Mn
			Net Gains	700.33 Mn	Net Gains	218.46 Mn	Net Gains	247.11 Mn

ANNUAL CASHFLOW SUMMARY

	Total ▼	Year 1 28-Feb-25	Year 2 28-Feb-26	Year 3 28-Feb-27	Year 4 29-Feb-28	Year 5 28-Feb-29
A. INVESTMENT CASHFLOWS						
Land Costs	424.00 Mn	424.00	-	-	-	-
Hard Costs	562.66 Mn	202.69	359.96	-	-	-
Soft Costs	128.35 Mn	75.72	52.63	-	-	-
Total Project Costs (Before Financing)	1115.01 Mn	702.42	412.59	-	-	-
Add: Financing Costs	28.01 Mn	8.40	19.61	-	-	-
Total Project Costs (After Financing)	1143.02 Mn	710.82	432.20	-	-	-
Funded by -						
Landowner's Quasi-equity loan	380.00 Mn	380.00	-	-	-	-
Construction Debt	660.00 Mn	250.10	409.91	-	-	-
Equity Contribution	A	103.02 Mn	80.73	22.29	-	-
B. OPERATIONAL CASHFLOWS						
Gross Rents	486.27 Mn	-	69.07	132.34	138.96	145.91
Less: Free rent	10.34 Mn	-	10.34	-	-	-
Net Rental Income	475.93 Mn	-	58.72	132.34	138.96	145.91
Other Income : CAM Charges recovered	8.29 Mn	-	1.21	2.25	2.36	2.48
Effective Gross Income	492.39 Mn	-	60.34	137.05	143.90	151.10
Operating Expenses	71.84 Mn	-	12.25	19.52	19.86	20.21
Net Operating Income	420.55 Mn	-	48.09	117.53	124.04	130.88
Less: Capex Reserves	9.73 Mn	-	1.38	2.65	2.78	2.92
Cashflow from Operations	410.82 Mn	-	46.71	114.88	121.26	127.97
Less: Debt Service	305.67 Mn	-	41.83	87.14	87.93	88.77
Cashflow After Financing	105.15 Mn	-	4.88	27.74	33.33	39.20
Less: Tax Expense	0.15 Mn	-	0.15	-	-	-
Add: Short term funding	2.42 Mn	-	2.42	-	-	-
Less: Short term funding paid back (taken before Stabilisation)	2.42 Mn	-	2.42	-	-	-
CASHFLOW FROM OPS FOR EQUITY	B	105.00 Mn	-	4.73	27.74	33.33
C. EXIT CASHFLOWS						
Sale Value @ end of Year 5	1468.69 Mn	-	-	-	-	1,468.69
Less: Selling Costs	14.69 Mn	-	-	-	-	14.69
Exit Cashflows - Project Level	1404.52 Mn	-	-	-	-	1,404.52
Less: Permanent Debt repaid	618.04 Mn	-	-	-	-	618.04
Less: Landowner's Share (Joint Devp.)	570.00 Mn	-	-	-	-	570.00
EXIT CASHFLOWS FOR EQUITY	C	216.48 Mn	-	-	-	216.48
NET EQUITY CASHFLOWS	[B + C - A]	524.28 Mn	-80.73 Mn	24.42 Mn	114.88 Mn	121.26 Mn

CHARTS



total Leverage	91%	Project Costs	1143.02 Mn	Eq. IRR	32.99%	Eq. Multiple	3.14 x	Eq. Investment	102.25 Mn	Eq. Payback	320.71 Mn	Duration	5 years
		Base Currency	INR	Quoted in Currency	PHP	Exch. Rate	1.5	Amounts expressed in	Millions				10,00,000

EQUITY RETURNS - WATERFALL DISTRIBUTION

WATERFALL DISTRIBUTION TERMS

Stages of Distribution	Milestones	Source	Return Range	GP's Promote	Partnership	GP's Share	LP's Share
Tier 1 - During Operations	Preferred Return	CFs from Ops	12.0%	0.0%	100.0%	20.0%	80.0%
Tier 2 - At Exit	Capital + Unpaid dividends	CFs @ Exit	12.0%	0.0%	100.0%	20.0%	80.0%
Tier 3 - At Exit	Excess Profits	CFs @ Exit	Above 12.0%	Upto 15.0%	10.0%	28.0%	72.0%
Tier 4 - At Exit	Any balance	CFs @ Exit	Upto 15.0%	N.A.	15.0%	85.0%	32.0%

Acquisition Fee payable by LPs
Month of Payment

1.00%
Month 2

of LP's Equity

RETURNS SUMMARY

Equity Partners:	Share of Total Equity	Contributions	Acquisition Fee	Dist. Ratio	Distributions	Net Profits	IRR	CAGR	Multiple
LPs - Other Passive Investors	80%	82.42 Mn	0.82 Mn	74%	239.07 Mn	155.83 Mn	30.52%	23.61%	2.89 x
GP/ Developers - Pinkstones	20%	20.60 Mn	0.82 Mn	26%	82.41 Mn	62.63 Mn	41.85%	33.19%	4.19 x
	100%	103.02 Mn		100%	321.48 Mn	218.46 Mn			

PARTNERSHIP CASHFLOW SUMMARY

	Total ▼	Year 1 31-Dec-00	Year 2 31-Dec-01	Year 3 31-Dec-02	Year 4 31-Dec-03	Year 5 31-Dec-04	Year 6 31-Dec-05	Year 7 31-Dec-06
Cashflow for LPs/ Passive Investors								
LP Contributions	82.42 Mn	64.58	17.84	-	-	-	-	-
Acquisition Fee charged to LP	0.82 Mn	0.82	-	-	-	-	-	-
LP Distributions	239.07 Mn	-	3.79	22.19	26.66	186.43	-	-
Net Profits	155.83 Mn	-65.40	-14.05	22.19	26.66	186.43	-	-
Cashflow for GP/ Developer								
GP Contributions	20.60 Mn	16.15	4.46	-	-	-	-	-
Acquisition Fee received from LPs	0.82 Mn	0.82	-	-	-	-	-	-
GP Distributions	82.41 Mn	-	0.95	5.55	6.67	69.25	-	-
Net Profits	62.63 Mn	-15.32	-3.51	5.55	6.67	69.25	-	-

BALANCE SHEET

Financial Year ends on	Every Dec	Year 1 31-Dec-24 01-Mar-24	Year 2 31-Dec-25 01-Jan-25	Year 3 31-Dec-26 01-Jan-26	Year 4 31-Dec-27 01-Jan-27	Year 5 31-Dec-28 01-Jan-28	Year 6 28-Feb-29 01-Jan-29
Assets							
Non-current Assets		592.50	1,140.68	1,045.38	945.51	855.17	-
Investment Property							
Gross Value		592.50	1,140.68	1,146.18	1,146.18	1,146.18	-
Less: Depreciation		-	-	100.80	200.67	291.01	-
Net Book Value		-	-	1,045.38	945.51	855.17	-
Capital Work in Progress		592.50	1,140.68	-	-	-	-
Current Assets		-	59.82	62.80	62.80	62.80	-0.00
Cash and Cash Equivalents		-	59.82	62.80	62.80	62.80	-0.00
Total Assets		592.50	1,200.50	1,108.19	1,008.31	917.98	-0.00
Liabilities							
Current Liabilities							
Security Deposits		-	59.82	62.80	62.80	62.80	-
Working Capital Loan		-	-	-	-	-	-
Non-current Liabilities		515.17	1,040.00	1,028.72	1,015.30	1,000.62	-
Construction Loan		135.17	660.00	-	-	-	-
Permanent Loan		-	-	648.72	635.30	620.62	-
Landowner's Quasi Equity Loan		380.00	380.00	380.00	380.00	380.00	-
Equity		77.33	100.68	16.67	-69.79	-145.45	-0.00
Pinkstones' Equity (Developers') Equity		61.87	80.54	13.33	-55.83	-116.36	18.11
Equity from LP (Other Passive Investors)		15.47	20.14	3.33	-13.96	-29.09	-18.11
Total Liabilities & Equity		592.50	1,200.50	1,108.19	1,008.31	917.98	-0.00
		0	0	0	0	0	0

PROFIT & LOSS ACCOUNT

	Year 1 31-Dec-24	Year 2 31-Dec-25	Year 3 31-Dec-26	Year 4 31-Dec-27	Year 5 31-Dec-28	Year 6 28-Feb-29
Income						
Rental Incomes	-	47.64	131.27	137.83	144.72	24.81
Other Income:	-	0.85	4.67	4.90	5.15	0.89
CAM Income (net of recoverable expenses)	-	0.85	2.23	2.34	2.46	0.42
Rooftop lease income from Solar Business	-	-	2.44	2.56	2.69	0.47
Total Income	-	48.49	135.94	142.74	149.87	25.70
Expenses						
Marketing Expenses	2.72	2.28	-	-	-	-
Leasing Commissions	-	19.94	0.75	-	-	-
Free rent expense	-	9.97	0.37	-	-	-
Housekeeping	-	-	0.31	0.31	0.31	0.05
Repairs & Maintenance	-	-	0.31	0.32	0.32	0.06
Payroll & Contract Services	-	3.13	6.52	6.69	6.86	1.16
Property Management	-	1.88	3.91	4.01	4.12	0.69
Other Admin Expenses	-	0.78	1.62	1.66	1.71	0.29
Utilities - Power	-	-	0.38	0.40	0.41	0.07
Utilities - Water Supply	-	-	0.15	0.16	0.16	0.03
Insurance Costs	-	-	0.21	0.21	0.21	0.04
Security	-	-	0.13	0.13	0.13	0.02
Landscaping	-	-	0.13	0.13	0.13	0.02
Property Tax	-	-	0.21	0.21	0.21	0.04
GP's AUM Fees	-	3.25	5.58	5.58	5.58	0.93
Repairs & Maintenance : Capex Reserves	-	0.95	2.63	2.76	2.89	0.50
Selling Cost: Sale of Business	-	-	-	-	-	14.69
Total Expenses	2.72	42.18	23.21	22.56	23.05	18.57
Earnings Before Interest, Tax and Depreciation & Amortisation (EBITDA)	-2.72	6.31	112.73	120.18	126.82	7.13
Depreciation (& Amortisation) charge	-	-	100.80	99.88	90.34	14.19
Profit on sale of Business	-	-	-	-	-	627.72
Interest expense (Landowner's QuasiEquity Loan)	-	4.52	15.71	16.54	17.37	192.98
Interest expenses	-	-	54.03	57.84	56.58	9.30
Income/ (Losses) Before Tax (EBT)	-2.72	1.79	-57.81	-54.08	-37.46	418.38
Tax expenses	-	-	0.15	-	-	49.48
Balance Net Income/ (Loss)	-2.72	1.79	-57.96	-54.08	-37.46	368.89
Net income/ (Loss) attributable to -						
Passive Investors/ LP	-2.18	1.43	-46.37	-43.26	-29.97	295.11
Developers/ GP	-0.54	0.36	-11.59	-10.82	-7.49	73.78

total Leverage	91%	Project Costs	1143.02 Mn	Eq. IRR	32.99%	Eq. Multiple	3.14 x	Eq. Investment	102.25 Mn	Eq. Payback	320.71 Mn	Duration	5 years
		Base Currency	INR	Quoted in Currency	PHP	Exch. Rate	1.5	Amounts expressed in	Millions				10,00,000

STATEMENT OF CHANGES IN EQUITY

	Year 1 31-Dec-24 01-Mar-24	Year 2 31-Dec-25 01-Jan-25	Year 3 31-Dec-26 01-Jan-26	Year 4 31-Dec-27 01-Jan-27	Year 5 31-Dec-28 01-Jan-28	Year 6 28-Feb-29 01-Jan-29
Passive Investors' (LP) Equity						
Capital : Starting Balance	-	61.87	80.54	13.33	-55.83	-116.36
Net Income/ Loss	-2.18	1.43	-46.37	-43.26	-29.97	295.11
Contribution	64.04	17.78	0.60	-	-	-
Distribution	-	-0.53	-21.44	-25.90	-30.56	-160.64
Capital : Closing Balance	61.87	80.54	13.33	-55.83	-116.36	18.11
Promoter/ Developers' (GP) Equity						
Capital : Starting Balance	-	15.47	20.14	3.33	-13.96	-29.09
Net Income/ Loss	-0.54	0.36	-11.59	-10.82	-7.49	73.78
Contribution	16.01	4.44	0.15	-	-	-
Distribution	-	-0.13	-5.36	-6.48	-7.64	-62.80
Capital : Closing Balance	15.47	20.14	3.33	-13.96	-29.09	-18.11

CASHFLOW STATEMENT

	Year 1 31-Dec-24	Year 2 31-Dec-25	Year 3 31-Dec-26	Year 4 31-Dec-27	Year 5 31-Dec-28	Year 6 28-Feb-29
Operating Activities						
Income/ (Losses) Before Taxes	-2.72	1.79	-57.81	-54.08	-37.46	418.38
(-) Non-operating Income: Profit on sale of Business	-	-	-	-	-	-627.72
(+) Non-cash Expense: Depreciation	-	-	100.80	99.88	90.34	14.19
(-) Income Tax Paid	-	-	-0.15	-	-	-49.48
Changes in Working Capital						
(+) Increase/ (-) Decrease in Security Deposits (from Tenants)	-	59.82	2.98	-	-	-62.80
(+) Increase/ (-) Decrease in Working Capital Loan	-	-	-	-	-	-
Cashflow from Operating Activities	-2.72	61.61	45.82	45.80	52.88	-307.43
Investing Activities						
(-) Development of Warehouse Asset	-592.50	-548.18	-5.50	-	-	-
(+) Sale of the Warehouse Asset	-	-	-	-	-	1,468.69
Cashflow from Investing Activities	-592.50	-548.18	-5.50	-	-	1,468.69
Financing Activities						
(+) Construction Loan raised	135.17	524.83	-	-	-	-
(-) Construction Loan paid back	-	-	-660.00	-	-	-
(+) Permanent Loan raised	-	-	660.00	-	-	-
(-) Permanent Loan paid back	-	-	-11.29	-13.42	-14.68	-620.62
(+) Landowner's Quasi Equity Loan raised	380.00	-	-	-	-	-
(-) Landowner's Quasi Equity Loan paid back	-	-	-	-	-	-380.00
(+) Equity Contribution from LPs/ Passive Investors	64.04	17.78	0.60	-	-	-
(-) Equity Dividends/ Distributions paid to LPs/ Passive Investors	-	-0.53	-21.44	-25.90	-30.56	-160.64
(+) Equity Contribution from GP/ Developer	16.01	4.44	0.15	-	-	-
(-) Equity Dividends/ Distributions paid to GP/ Developer	-	-0.13	-5.36	-6.48	-7.64	-62.80
Cashflow from Financing Activities	595.22	546.39	-37.34	-45.80	-52.88	-1,224.06
Cash and Cash Equivalents						
Net Change in Cash during the year	-	59.82	2.98	-0.00	-	-62.80
Cash : Starting Balance	-	-	59.82	62.80	62.80	62.80
Cash : Closing Balance	-	59.82	62.80	62.80	62.80	-0.00

SCHEDULES

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Non-Current Assets						
Property, Plant & Equipment						
Starting Balance	-	592.50	1,140.68	1,146.18	1,146.18	1,146.18
(+) Additions	592.50	548.18	5.50	-	-	-
(-) Transfer of Dep. Reserve Balance on Disposal	-	-	-	-	-	-305.20
(-) Disposal/ Sale of Asset	-	-	-	-	-	-1,468.69
(+) Realised Gains/ (-) Losses on sale	-	-	-	-	-	627.72
Closing Balance	592.50	1,140.68	1,146.18	1,146.18	1,146.18	-
Less: Depreciation Reserve						
Starting Balance	-	-	-	100.80	200.67	291.01
(+) Depreciation Charge for the year	-	-	100.80	99.88	90.34	14.19
(-) Disposal	-	-	-	-	-	-305.20
Closing Balance	-	-	100.80	200.67	291.01	-
Net Book Value	-	-	1,045.38	945.51	855.17	-
Capital Work in Progress	592.50	1,140.68	-	-	-	-
Current Liabilities						
Security Deposits						
Starting Balance	-	-	59.82	62.80	62.80	62.80
(+) Received from Tenants	-	59.82	2.98	-	-	-
(-) Used to fund Operating Deficits	-	2.42	-	-	-	-
(+) Transfer back from (Operating) Cash	-	2.42	-	-	-	-
(-) (Notional) Payback on Exit from Business	-	-	-	-	-	62.80
Closing Balance	-	59.82	62.80	62.80	62.80	-
Working Capital Loan						
Starting Balance	-	-	-	-	-	-
(+) Capital Draw	-	-	-	-	-	-
(+) Accrued Interest	-	-	-	-	-	-
(-) Repayment	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-
Non-Current Liabilities						
Construction Loan						
Starting Balance	-	135.17	660.00	-	-	-
(+) Capital Draw	133.27	502.62	-	-	-	-
(+) Interest during Const. (accrued)	1.90	22.21	-	-	-	-
(-) Repayment	-	-	660.00	-	-	-
Closing Balance	135.17	660.00	-	-	-	-
Permanent Loan						
Starting Balance	-	-	-	648.72	635.30	620.62
(+) Capital Draw	-	-	660.00	-	-	-
(-) Repayment -	-	-	11.29	13.42	14.68	620.62
Debt Service	-	-	11.29	13.42	14.68	2.58
Final Payoff	-	-	-	-	-	618.04
Closing Balance	-	-	648.72	635.30	620.62	-
Debt Service						
Interest	-	-	54.03	57.84	56.58	9.30
Principal repaid	-	-	11.29	13.42	14.68	2.58
Landowner's Quasi Equity Loan						
Starting Balance	-	380.00	380.00	380.00	380.00	380.00
(+) Capital Draw	380.00	-	-	-	-	-
(-) Repayment	-	-	-	-	-	380.00
Closing Balance	380.00	380.00	380.00	380.00	380.00	-
Debt Service						
Returns from Operation (Share of Rental Income)	-	4.52	15.71	16.54	17.37	2.98
Share of Asset Sale:						
Return portion	-	-	-	-	-	190.00
Principal repaid	-	-	-	-	-	380.00

Leverage	65%	Project Costs	210.30 Mn	Eq. IRR	44.06%	Eq. Multiple	3.47 x	Eq. Investment	72.71 Mn	Eq. Payback	252.56 Mn	Duration	5 years
		Base Currency	INR	Quoted in Currency	PHP	Exch. Rate	1.5	Amounts expressed in	Millions				10,00,000

PROJECT DESCRIPTION

Property Type	Rooftop PV Solar Systems		Address	Mumbai - Agra Road, National Highway 3		
Business Model	Build-Operate-Sell		Town/ City	Near Kasara Ghat, Kasara		
			State/ Country	Maharashtra, India		
			Postal Code	421 602		
Rooftop Solar Plant Size	DC 7,633 kWp	DC to AC 1.20 x	AC 6,361 kWp	Development Start	Month 13	01-Mar-25
Solar Plant Life			25 years	Development End	Month 22	31-Dec-25
Solar Plant life last date	Year 27	Month 322	31-Dec-50	Commercial Operations Date (COD)	Month 23	31-Jan-26
Project Start	Month 1	01-Mar-24		Investment Holding Period (From Land Acq.)	5 years	
Building Approvals	3 month(s)	31-May-24		Exit Date	Year 5	Month 60
Project Duration			10 month(s)		28-Feb-29	LAT, LNG : 19.65, 73.55



DEVELOPMENT PLAN

Sr. No.	Phase #	Asset	Building Roof Surface	Building Structure Ready Date	Ratio	Total GSF	1 kWp Rooftop Solar Efficiency %	Total NSF	Solar Panels Capacity (DC)
1.1	Phase 1	WH	Box 1	Month 13	14.7%	1,40,873 SF	65%	91,567 SF	1,145 kWp
1.2	Phase 1	WH	Box 2	Month 13	14.7%	1,40,873 SF	65%	91,567 SF	1,145 kWp
1.3	Phase 1	WH	Box 3	Month 13	14.7%	1,40,873 SF	65%	91,567 SF	1,145 kWp
1.4	Phase 2	WH	Box 4	Month 16	14.7%	1,40,873 SF	65%	91,567 SF	1,145 kWp
1.5	Phase 2	WH	Box 5	Month 16	19.6%	1,87,831 SF	65%	1,22,090 SF	1,526 kWp
1.6	Phase 2	WH	Box 6	Month 16	17.6%	1,69,048 SF	65%	1,09,881 SF	1,374 kWp
1.7	Phase 3	WH	Admin Office	Month 20	2.0%	18,783 SF	65%	12,209 SF	153 kWp
1.8	Phase 4	SOLAR	Battery Energy Storage Systems	Month 13	2.0%	19,166 SF	NA		NA
Total GSM & NSM					100%	9,58,320 SF		6,10,450 SF	7,633 kWp

SOURCES & USES OF FUNDS (BUDGET)

USES	% Project Costs	Start	End	Duration	Cost Allocation	pGSF (INR)	pGSF (PHP)	Amount (PHP)
I. Hard Costs	91%	Month 13	Month 22			37,500 per kWp	25,000 per kWp	190.83 Mn
Main Equipment Costs :						33,000 per kWp	22,000 per kWp	167.93 Mn
PV Modules, Inverter, MV Transform	Capacity Installed					25,000 per kWp	16,667 per kWp	127.22 Mn
Phase 1	3,435 kWp	Month 13	Month 14	2 month(s)	Equated	25,000 per kWp	16,667 per kWp	57.25 Mn
Phase 2	4,045 kWp	Month 16	Month 17	2 month(s)	Equated	25,000 per kWp	16,667 per kWp	67.42 Mn
Phase 3	153 kWp	Month 20	Month 21	2 month(s)	Equated	25,000 per kWp	16,667 per kWp	2.55 Mn
Battery Storage						8,000 per kWp	5,333 per kWp	40.71 Mn
Phase 1	3,435 kWp	Month 13	Month 13	1 month(s)	Equated	8,000 per kWp	5,333 per kWp	18.32 Mn
Phase 2	4,045 kWp	Month 16	Month 16	1 month(s)	Equated	8,000 per kWp	5,333 per kWp	21.57 Mn
Phase 3	153 kWp	Month 20	Month 20	1 month(s)	Equated	8,000 per kWp	5,333 per kWp	0.82 Mn
Balance of Systems : (Mounting & racking, Wiring & conduit, Metering & monitoring systems, etc.)						4,000 per kWp	2,667 per kWp	20.35 Mn
Phase 1	3,435 kWp	Month 13	Month 14	2 month(s)	Equated	4,000 per kWp	2,667 per kWp	9.16 Mn
Phase 2	4,045 kWp	Month 16	Month 17	2 month(s)	Equated	4,000 per kWp	2,667 per kWp	10.79 Mn
Phase 3	153 kWp	Month 20	Month 21	2 month(s)	Equated	4,000 per kWp	2,667 per kWp	0.41 Mn
Testing & Commissioning :						500 per kWp	333 per kWp	2.54 Mn
Phase 1	3,435 kWp	Month 15	Month 15	1 month(s)	Equated	500 per kWp	333 per kWp	1.15 Mn
Phase 2	4,045 kWp	Month 18	Month 18	1 month(s)	Equated	500 per kWp	333 per kWp	1.35 Mn
Phase 3	153 kWp	Month 22	Month 22	1 month(s)	Equated	500 per kWp	333 per kWp	0.05 Mn
II. Soft Costs	4%					1,788 per kWp	1,192 per kWp	9.10 Mn
Permits and approvals	7,633 kWp	Month 1	Month 3	3 month(s)	Equated	66 per kWp	44 per kWp	0.33 Mn
Feasibility studies	7,633 kWp	Month 1	Month 1	1 month(s)	Equated	26 per kWp	17 per kWp	0.13 Mn
Grid Connection Licence	7,633 kWp	Month 1	Month 1	1 month(s)	Equated	66 per kWp	44 per kWp	0.33 Mn
Admin - Set-up & Other Legal Costs	7,633 kWp	Month 1	Month 1	1 month(s)	Equated	131 per kWp	87 per kWp	0.67 Mn
Developer's Fees (Pinkstone)	7,633 kWp	Month 13	Month 22	10 month(s)	Equated	1,125 per kWp	750 per kWp	5.72 Mn
Contingencies	7,633 kWp	Month 13	Month 22	10 month(s)	Equated	375 per kWp	250 per kWp	1.91 Mn
Project Costs (Before Financing)	95.07%	Month 1	Month 22	22 month(s)		39,288 per kWp	26,192 per kWp	199.92 Mn
IV. Financing Costs								
Financing Fee	0.33%	Month 13	Month 16	4 month(s)	Equated	138 per kWp	92 per kWp	0.70 Mn
Accrued Interest during	4.60%					1,901 per kWp	1,268 per kWp	9.68 Mn
TOTAL USES	100.00%	Month 1	Month 22	22 month(s)		41,327 per kWp	27,551 per kWp	210.30 Mn

SOURCES	Capital Contribution Ratio %	Expected Equity Return	% Project Costs	p kWp (INR)	p kWp (PHP)	Amount (PHP)		
Equity	100%	12.0%	34.57%	14,288 per kWp	9,525 per kWp	72.71 Mn		
GP/ Developer : Pinkstone	20%	12%	6.91%	2,858 per kWp	1,905 per kWp	14.54 Mn		
LPs/ Other Passive Investors	50%	12%	17.29%	7,144 per kWp	4,763 per kWp	36.35 Mn		
Preferred Equity - from Power Consumers	30%	12%	10.37%	4,286 per kWp	2,858 per kWp	21.81 Mn		
Construction Debt			65.43%			137.59 Mn		
Principal drawn	Interest rate	Funding Month	Payoff Month					
Accrued Interest	10% p.a.	Month 13	Month 24			9.68 Mn		
TOTAL SOURCES		Month 1	Month 22	22 month(s)	100%	41,327 per kWp	27,551 per kWp	210.30 Mn

PERMANENT DEBT

Permanent Debt	% of Value	Interest Rate	% of Cost	Funding Month	Payoff Month	Loan Term	End of Term	EMI	Annual Payment	Amount (PHP)
	65.43%	9% p.a.		Month 24	Month 60	20 years	Month 264	1.24 Mn	14.86 Mn	137.59 Mn
Is DSCR above 1.20x ?	Yes									
Debt Service Coverage Ratio	1.79 x	Ok				Ok	Outstanding Loan Balance to paid off at Exit			129.11 Mn

OPERATING CASHFLOWS

Commercial Operations Start	Month 23	Degradation rate	0.50% p.a.	Tariff rate Inflation	4%	Operating Cost Inflation	4%						
Capacity (DC)	7633 kWp	Degradation Start	Month 35	Tar. rate Infl. Frequency	Every 1.0 year (s)	Op. Cost Infl. frequency	Every 1.0 year(s)						
Energy Profile (Source: PWWATTS, NREL)				Annual hours	8766 hrs								
Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Solar Radiation	6.43	7.04	7.3	7.1	6.57	4.29	3.59	3.59	4.84	6.15	6.23	6.1	5.77 kWh/m2/day
DC Energy	11,47,677	11,05,731	12,45,509	11,71,323	11,41,140	7,47,951	6,63,102	6,62,939	8,41,427	10,70,761	10,66,622	10,77,639	1,19,41,821 kWh
AC Energy	10,96,694	10,57,241	11,90,638	11,18,454	10,88,517	7,09,650	6,27,414	6,27,391	8,01,405	10,22,503	10,18,844	10,29,138	1,13,87,889 kWh
Seasonal													
Weights	9.29%	10.17%	10.54%	10.26%	9.49%	6.20%	5.19%	5.19%	6.99%	8.88%	9.00%	8.81%	100.00%

Selected Probability Estimate for Output Standard Deviation	Scenario	Annual Yield (Direct: DC)	CapFactor% (Grid - AC)	Annual Yield (Grid - AC)	CapFactor% (Grid - AC)	Perf. Ratio
P99	Selected Values ->	P99	1,383	15.77%	1,318	15.04%
5%	Base Case ->	P50	1,564	17.85%	1,492	17.02%
	Conservative Case ->	P90	1,464	16.70%	1,396	15.93%
	Most Conservative Case ->	P99	1,383	15.77%	1,318	15.04%

Leverage	65%	Project Costs	210.30 Mn	Eq. IRR	44.06%	Eq. Multiple	3.47 x	Eq. Investment	72.71 Mn	Eq. Payback	252.56 Mn	Duration	5 years
		Base Currency	INR	Quoted in Currency	PHP	Exch. Rate	1.5	Amounts expressed in	Millions				10,00,000

INCOME	#Units Monthly	#Units Year1	Op Start	Op End	Amount/ Monthly	Amount/ Annual
Total Energy generation	8,38,607	1,00,63,279				
Investor cum Consumers' Share	Equity % 30%	Allocation Factor* 1.00 x	Monthly Offtake 2,51,582 kWh	*As per Group Captive Scheme of the Electricity Act. Minimum Equity Investment by Group Captive Consumers Minimum Energy Sale to Group Captive Consumers Energy Allocation to Captive Consumers proportionate to their Equity		
					26%	51%
					1.96 x	

Sale of Electricity	Visavis LCOE?	Base Tariff (INR)	Base Tariff (PHP)	Ratio	#Units Month1	#Units Year1	Month 23	Month 60	Amount/ Monthly	Amount/ Annual
Investor cum Consumers	Not profitable	5.00 per kWh	3.33 per kWh	30%	2,51,582	30,18,984	Month 23	Month 60	0.84 Mn	10.06 Mn
Other Captive Consumers	Profitable	6.00 per kWh	4.00 per kWh	70%	5,87,025	70,44,296	Month 23	Month 60	2.35 Mn	28.18 Mn
Net Income		5.70 per kWh	3.80 per kWh	100%	8,38,607	1,00,63,279			3.19 Mn	38.24 Mn

EXPENSES	% Project Costs	Year 1 Output	Fixed	Rate (INR)	Rate (PHP)	Op Start	Op End	Amount/ Month1	Amount/ Year1
Operations & Management	2.50%	1,00,63,279 kWh	100%	0.06 per kWh	0.04 per kWh	Month 23	Month 60	13%Income	0.42 Mn
Insurance	0.50%	1,00,63,279 kWh	100%	0.01 per kWh	0.01 per kWh	Month 23	Month 60	3%Income	0.08 Mn
AUM Fees (payable to GP)	0.50%	1,00,63,279 kWh	100%	0.01 per kWh	0.01 per kWh	Month 23	Month 60	3%Income	0.08 Mn
Rooftop Space Rent	6,10,450 SF	6.00 pSF		0.03 per kWh	0.02 per kWh	Month 23	Month 60	6.4%Income	0.20 Mn
Payable to the Discom Utility	% Output banked with Grid								
Net metering fees	20%	1,00,63,279 kWh	100%	0.10 per kWh	0.07 per kWh	Month 23	Month 60	1.8%Income	0.06 Mn
Wheeling & Banking Charges		1,00,63,279 kWh		0.12 per kWh	0.08 per kWh	Month 23	Month 60	2.1%Income	0.07 Mn
Investor cum Consumers	20%	30,18,984 kWh	0%	0.12 per kWh	0.08 per kWh	Month 23	Month 60		0.02 Mn
Other Captive Consumers	20%	70,44,296 kWh	0%	0.12 per kWh	0.08 per kWh	Month 23	Month 60		0.05 Mn
Cross Subsidy Surcharge		1,00,63,279 kWh		0.00 per kWh	0.00 per kWh	Month 23	Month 60	0.0%Income	0.00 Mn
Investor cum Consumers		30,18,984 kWh	0%	0.00 per kWh	0.00 per kWh	Month 23	Month 60		0.00 Mn
Other Captive Consumers		70,44,296 kWh	0%	0.00 per kWh	0.00 per kWh	Month 23	Month 60		0.00 Mn
Additional Surcharge		1,00,63,279 kWh		0.00 per kWh	0.00 per kWh	Month 23	Month 60	0.0%Income	0.00 Mn
Investor cum Consumers		30,18,984 kWh	0%	0.00 per kWh	0.00 per kWh	Month 23	Month 60		0.00 Mn
Other Captive Consumers		70,44,296 kWh	0%	0.00 per kWh	0.00 per kWh	Month 23	Month 60		0.00 Mn
Operating Expenses Total		1,00,63,279 kWh		1.63 per kWh	1.08 per kWh	Month 23	Month 60	28.5%Income	0.91 Mn
Cashflow from Operations (CFO)		1,00,63,279 kWh		4.07 per kWh	2.72 per kWh	Month 23	Month 60	71.5%Income	2.28 Mn
Less: Debt Service		1,00,63,279 kWh		2.21 per kWh	1.48 per kWh	Month 24	Month 60	38.8%Income	1.24 Mn
Less: Tax Expense									
Cashflow after Financing & Tax				1.86 per kWh	1.24 per kWh			32.6%Income	12.47 Mn
Less: Debt Service Reserve Account		2.0 month(s) # months Debt Service reserved							2.48 Mn
Cashflow Available for Equity									9.99 Mn

LEVELISED COST OF ELECTRICITY (LCOE)	A	INR	PHP	Discount rate applied	Inflation rate	Asset Life
PV of Costs (CAPEX + OPEX) over Lifetime	757.58 Mn	505.05 Mn			4.00%	
PV of Electricity Produced over Lifetime	218.00 Mn	145.34 Mn			25 years	
LCOE (A/B)	[A / B]	5.21 per kWh	3.48 per kWh			

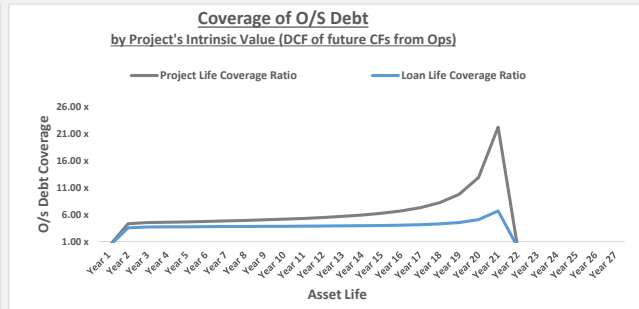
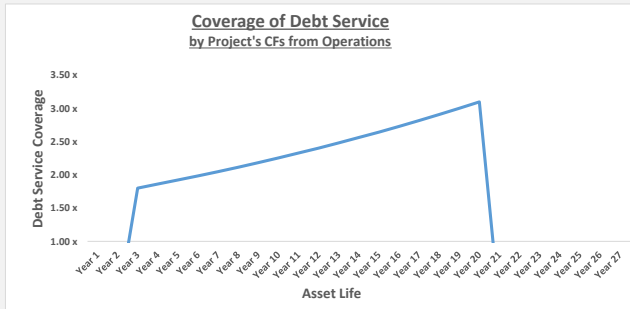
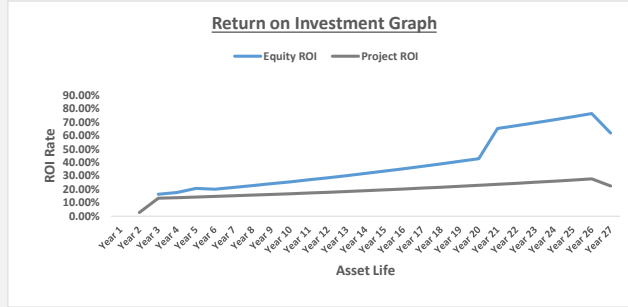
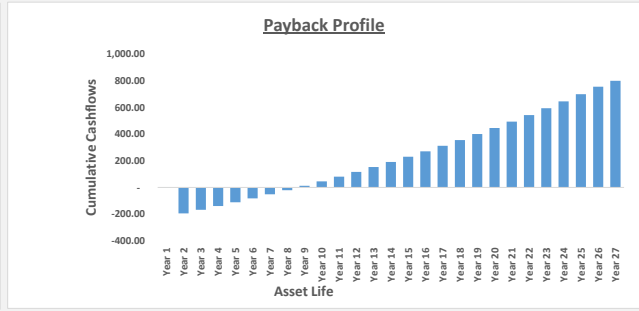
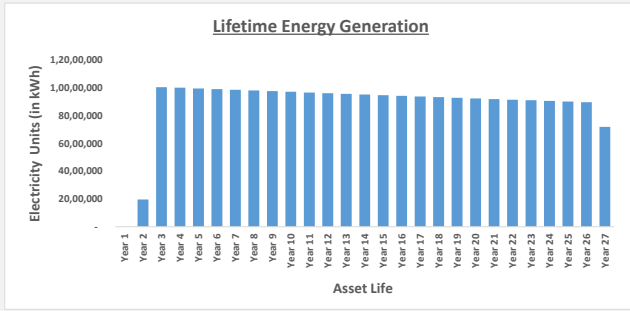
EXIT CASHFLOWS	Valuation:	Discount Rate applied	WACC	10.04% p.a.
NPV of the Cashflows from Operations - Year 6 to 27	342.40 Mn	Selling Cost		1.00% p.a.
Value of Land @ end of Year 5**	Not Applicable			
Exit Value of the Solar Asset	342.40 Mn			

RETURNS	PROJECT RETURNS	EQUITY RETURNS (INCL. PREFERRED EQUITY)	RETURNS FOR PREFERRED EQUITY PARTNERS: INVESTORS CUM CONSUMERS
Year 1 ROI	13.27%	Year 1 ROI	15.99%
Project IRR	25.42%	Equity IRR	44.06%
Project Multiple	2.14 x	Equity Multiple	3.47 x
Annual ROI		Preferred Equity Invested	21.81 Mn
IRR		Savings in Power Purchase	6.66 Mn
Multiple		Distributions (Dividends & Capital payback)	31.25 Mn
Capital Invested (Before Financing)	199.92 Mn	Equity Contributions	72.71 Mn
Cashflows received (Before Financing)	427.44 Mn	Equity Distributions	252.56 Mn
Net Gains (Project Level)	227.52 Mn	Net Gains for Equity	179.85 Mn
		Net Gains for Investor Cum Consumers	16.10 Mn
		*Includes savings in tariff costs visavis the 3rd party consumers.	

ANNUAL CASHFLOW SUMMARY	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
		28-Feb-25	28-Feb-26	28-Feb-27	29-Feb-28	28-Feb-29	28-Feb-30	28-Feb-31
A. INVESTMENT CASHFLOWS								
Hard Costs	190.83 Mn	-	190.83	-	-	-	-	-
Soft Costs	9.10 Mn	1.47	7.63	-	-	-	-	-
Total Project Costs (Before Financing)	199.92 Mn	1.47	198.46	-	-	-	-	-
Add: Financing Costs	10.38 Mn	-	10.38	-	-	-	-	-
Total Project Costs (After Financing)	210.30 Mn	1.47	208.83	-	-	-	-	-
Less: Debt Raised	137.59 Mn	-	137.59	-	-	-	-	-
Equity Contribution	A	72.71 Mn	1.47	71.24	-	-	-	-
B. OPERATIONAL CASHFLOWS								
Income from sale of electricity	127.27 Mn	-	7.50	38.54	39.93	41.31	-	-
Investor cum Consumers	33.30 Mn	-	1.68	10.13	10.54	10.96	-	-
Other Captive Consumers	93.97 Mn	-	5.82	28.40	29.40	30.35	-	-
Less: Operating Expenses	38.81 Mn	-	2.00	11.80	12.27	12.75	-	-
Cashflow from Operations	88.46 Mn	-	5.50	26.74	27.67	28.56	-	-
Less: Debt Service	44.57 Mn	-	-	14.86	14.86	14.86	-	-
Cashflow after Financing	43.90 Mn	-	5.50	11.88	12.81	13.71	-	-
Debt Service Reserve Account	0.00 Mn	-	-2.48	0.00	-0.00	2.48	-	-
Less: Tax expenses	1.20 Mn	-	0.04	-	-	1.16	-	-
Cashflow for Equity	B	42.69 Mn	-	2.98	11.88	12.81	15.02	-
C. EXIT CASHFLOWS								
NPV of the Cashflow from Operations from Year 6 to Year 27	342.40 Mn	-	-	-	-	342.40	-	-
Value of Land @ end of Year 5	0.00 Mn	-	-	-	-	-	-	-
Total Exit Value	342.40 Mn	-	-	-	-	342.40	-	-
Less: Selling Costs	3.42 Mn	-	-	-	-	3.42	-	-
Exit Cashflows - Project Level	338.98 Mn	-	-	-	-	338.98	-	-
Less: Permanent Debt repaid	129.11 Mn	-	-	-	-	129.11	-	-
Exit Cashflows - Equity	C	209.87 Mn	-	-	-	209.87	-	-
NET EQUITY CASHFLOWS	[B + C - A]	179.85 Mn	-1.47 Mn	-68.26 Mn	11.88 Mn	12.81 Mn	224.89 Mn	0.00 Mn

Leverage	65%	Project Costs	210.30 Mn	Eq. IRR	44.06%	Eq. Multiple	3.47 x	Eq. Investment	72.71 Mn	Eq. Payback	252.56 Mn	Duration	5 years
		Base Currency	INR	Quoted in Currency	PHP	Exch. Rate	1.5	Amounts expressed in	Millions			10,00,000	

CHARTS



EQUITY RETURNS - WATERFALL DISTRIBUTION

WATERFALL DISTRIBUTION TERMS

Stages of Distribution	Milestones	Source	Return Range	GP's Promote	Partnership	GP's Share	LP's Share
Tier 1 - During Operations	Preferred Return	CFs from Ops	12.0%	0.0%	100.0%	28.6%	71.4%
Tier 2 - At Exit	Capital + Unpaid dividends	CFs @ Exit	12.0%	0.0%	100.0%	28.6%	71.4%
Tier 3 - At Exit	Excess Profits	CFs @ Exit	Above 12.0%	Upto 15.0%	90.0%	35.7%	64.3%
Tier 4 - At Exit	Any balance	CFs @ Exit	Upto 15.0%	N.A.	85.0%	39.3%	60.7%

Acquisition Fee payable by LPs 1.00% of LP's Equity
Month of Payment Month 2

RETURNS SUMMARY

Equity Partners:	Share of Total Equity	LP:GP Ratio	Contributions	Acquisition Fee	Dist. Ratio	Distributions	Net Profits	IRR	CAGR	Multiple
LPs - Other Passive Investors	50%	71%	36.35 Mn	0.36 Mn	65%	142.79 Mn	106.07 Mn	48.36%	31.21%	3.89 x
GP/ Developers - Pinkstones	20%	29%	14.54 Mn	0.36 Mn	35%	78.52 Mn	64.35 Mn	64.11%	40.28%	5.43 x
	70%	100%	50.90 Mn		100%	221.31 Mn	170.42 Mn			

PARTNERSHIP CASHFLOW SUMMARY

	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
		28-Feb-25	28-Feb-26	28-Feb-27	29-Feb-28	28-Feb-29	28-Feb-30	28-Feb-31
Cashflow for LPs/ Passive Investors								
LP Contributions	36.35 Mn	0.73	35.62	-	-	-	-	-
Acquisition Fee charged to LP	0.36 Mn	0.36	-	-	-	-	-	-
LP Distributions	142.79 Mn	-	0.74	6.70	7.37	127.98	-	-
Net Profits	106.07 Mn	-1.10	-34.88	6.70	7.37	127.98	-	-
Cashflow for GP/ Developer								
GP Contributions	14.54 Mn	0.29	14.25	-	-	-	-	-
Acquisition Fee received from LPs	0.36 Mn	0.36	-	-	-	-	-	-
GP Distributions	78.52 Mn	-	0.29	2.68	2.95	72.60	-	-
Net Profits	64.35 Mn	0.07	-13.95	2.68	2.95	72.60	-	-

Leverage	65%	Project Costs	210.30 Mn	Eq. IRR	44.06%	Eq. Multiple	3.47 x	Eq. Investment	72.71 Mn	Eq. Payback	252.56 Mn	Duration	5 years
		Base Currency	INR	Quoted in Currency	PHP	Exch. Rate	1.5	Amounts expressed in	Millions				10,00,000

BALANCE SHEET

Financial Year ends on Every Dec	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	31-Dec-24	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	28-Feb-29
	01-Mar-24	01-Jan-25	01-Jan-26	01-Jan-27	01-Jan-28	01-Jan-29
Assets						
Non-current Assets						
Property, Plant and Equipment	0.47	207.04	144.18	95.99	63.91	-
Gross Value	0.47	207.04	209.30	209.30	209.30	-
Less: Depreciation	-	-	65.12	113.31	145.39	-
Net Book Value	-	-	144.18	95.99	63.91	-
Capital Work in Progress	0.47	207.04	-	-	-	-
Current Assets						
Debt Service Reserve Account	-	-	2.48	2.48	2.48	-25.94
Cash and Cash Equivalents	-	-	2.48	2.48	2.48	-
	-	-	-0.00	-0.00	-0.00	-25.94
Total Assets	0.47	207.04	146.65	98.46	66.38	-25.94
Liabilities						
Non-current Liabilities						
Construction Loan	-	135.33	135.46	132.68	129.65	-
Permanent Loan	-	135.33	-	-	-	-
	-	-	135.46	132.68	129.65	-
Equity						
Preferred Equity from Investor cum Consumers	0.47	71.71	11.19	-34.22	-63.27	-25.94
Pinkstones' Equity (Developers') Equity	0.48	23.32	21.81	21.81	21.81	-
Equity from LP (Other Passive Investors)	-0.01	34.56	-7.59	-40.02	-60.77	-3.23
	-0.00	13.82	-3.03	-16.01	-24.31	-22.70
Total Liabilities & Equity	0.47	207.04	146.65	98.46	66.38	-25.94
	0	0	0	0	0	0

PROFIT & LOSS ACCOUNT

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	31-Dec-24	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	28-Feb-29
	01-Mar-24	01-Jan-25	01-Jan-26	01-Jan-27	01-Jan-28	01-Jan-29
Income						
Sale of Electricity	-	-	38.24	39.66	41.03	8.34
Other Income: Acquisition Fees received from LPs	0.36	-	-	-	-	-
Total Income	0.36	-	38.24	39.66	41.03	8.34
Expenses						
Grid Connection Licence	0.33	-	-	-	-	-
Admin - Set-up & Other Legal Costs	0.67	-	-	-	-	-
Operations & Management	-	-	5.00	5.20	5.41	0.94
Insurance	-	-	1.00	1.04	1.08	0.19
AUM Fees (payable to GP)	0.36	-	1.00	1.04	1.08	0.19
Rooftop Space Rent	-	-	2.44	2.54	2.64	0.46
Net metering fees	-	-	0.67	0.70	0.73	0.13
Wheeling & Banking Charges	-	-	1.61	1.67	1.73	0.35
Cross Subsidy Surcharge	-	-	-	-	-	-
Additional Surcharge	-	-	-	-	-	-
Selling Cost: Sale of Business	-	-	-	-	-	3.42
Total Expenses	1.36	-	11.72	12.18	12.66	5.67
Earnings Before Interest, Tax and Depreciation & Amortisation (EBITDA)	-1.00	-	26.52	27.48	28.37	2.67
Depreciation (& Amortisation) charge	-	-	65.12	48.19	32.08	4.19
Profit on sale of Business	-	-	-	-	-	282.69
Interest expenses	-	-	10.25	12.08	11.82	1.94
Income/ (Losses) Before Tax (EBT)	-1.00	-	-48.85	-32.79	-15.53	279.23
Tax expenses	-	-	0.04	-	-	27.10
Net Income/ (Loss)	-1.00	-	-48.89	-32.79	-15.53	252.13
Dividend due to Preferred Equity Partners	0.04	1.47	2.53	2.50	2.49	0.41
Balance Net Income/ (Loss)	-1.04	-1.47	-51.42	-35.29	-18.03	251.72
Net Income/ (Loss) attributable to -						
Passive Investors/ LP	-0.74	-1.05	-36.73	-25.20	-12.88	179.80
Developers/ GP	-0.30	-0.42	-14.69	-10.08	-5.15	71.92

STATEMENT OF CHANGES IN EQUITY

Preferred Equity	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	31-Dec-24	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	28-Feb-29
	01-Mar-24	01-Jan-25	01-Jan-26	01-Jan-27	01-Jan-28	01-Jan-29
Capital - Starting Balance						
Capital draw	0.44	21.37	-	21.81	21.81	21.81
Preferred Dividend due	0.04	1.47	2.53	2.50	2.49	0.41
Preferred Dividend paid	-	-	4.04	2.50	2.49	0.41
Preferred Capital paid back	-	-	-	-	-	21.81
Capital - Closing Balance	0.48	23.32	21.81	21.81	21.81	-
Passive Investors' (LP) Equity						
Capital - Starting Balance	-	-0.01	34.56	-7.59	-40.02	-60.77
Net Income/ Loss	-0.74	-1.05	-36.73	-25.20	-12.88	179.80
Contribution	0.73	35.62	-	-	-	-
Distribution	-	-	5.42	7.23	7.87	122.26
Capital - Closing Balance	-0.01	34.56	-7.59	-40.02	-60.77	-3.23
Promoter/ Developers' (GP) Equity						
Capital - Starting Balance	-	-0.00	13.82	-3.03	-16.01	-24.31
Net Income/ Loss	-0.30	-0.42	-14.69	-10.08	-5.15	71.92
Contribution	0.29	14.25	-	-	-	-
Distribution	-	-	2.17	2.89	3.15	70.31
Capital - Closing Balance	-0.00	13.82	-3.03	-16.01	-24.31	-22.70

Leverage	65%	Project Costs	210.30 Mn	Eq. IRR	44.06%	Eq. Multiple	3.47 x	Eq. Investment	72.71 Mn	Eq. Payback	252.56 Mn	Duration	5 years
		Base Currency	INR	Quoted in Currency	PHP	Exch. Rate	1.5	Amounts expressed in	Millions				10,00,000

CASHFLOW STATEMENT

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	31-Dec-24	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	28-Feb-29
Operating Activities						
Income/ (Losses) Before Taxes	-1.00	-	-48.85	-32.79	-15.53	279.23
(-) Non-operating Income: Profit on sale of Business	-	-	-	-	-	-282.69
(+) Non-cash Expense: Depreciation	-	-	65.12	48.19	32.08	4.19
(-) Income Tax Paid	-	-	-0.04	-	-	-27.10
Changes in Working Capital						
(-) Increase/ (+) Decrease in DSRRA (Debt Service Reserve Account)	-	-	-2.48	-	-	2.48
Cashflow from Operating Activities	-1.00	-	13.76	15.40	16.55	-23.89
Investing Activities						
(-) Development of Solar Asset (PPE)	-0.47	-206.57	-2.26	-	-	-
(+) Sale of Solar Business	-	-	-	-	-	342.40
Cashflow from Investing Activities	-0.47	-206.57	-2.26	-	-	342.40
Financing Activities						
(+) Construction Loan raised	-	135.33	2.26	-	-	-
(-) Construction Loan paid back	-	-	-137.59	-	-	-
(+) Permanent Loan raised	-	-	137.59	-	-	-
(-) Permanent Loan paid back	-	-	-2.13	-2.78	-3.04	-129.65
(+) Preferred Equity raised from Investor cum Consumers	0.44	21.37	-	-	-	-
(-) Preferred Equity Dividends paid to Investor cum Consumers	-	-	-4.04	-2.50	-2.49	-0.41
(-) Preferred Equity Capital paid back	-	-	-	-	-	-21.81
(+) Equity Contribution from LPs/ Passive Investors	0.73	35.62	-	-	-	-
(-) Equity Dividends/ Distributions paid to LPs/ Passive Investors	-	-	-5.42	-7.23	-7.87	-122.26
(+) Equity Contribution from GP/ Developer	0.29	14.25	-	-	-	-
(-) Equity Dividends/ Distributions paid to GP/ Developer	-	-	-2.17	-2.89	-3.15	-70.31
Cashflow from Financing Activities	1.47	206.57	-11.49	-15.40	-16.55	-344.45
Cash and Cash Equivalents						
Net Change in Cash during the year	-	-	-0.00	-	-	-25.94
Cash : Starting Balance	-	-	-	-0.00	-0.00	-0.00
Cash : Closing Balance	-	-	-0.00	-0.00	-0.00	-25.94

SCHEDULES

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	31-Dec-24	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	28-Feb-29
Non-Current Assets						
Property, Plant & Equipment						
Starting Balance	-	0.47	207.04	209.30	209.30	209.30
(+) Additions	0.47	206.57	2.26	-	-	-
(-) Transfer of Dep. Reserve Balance on Disposal	-	-	-	-	-	-149.58
(-) Disposal/ Sale of Asset	-	-	-	-	-	-342.40
(+) Realised Gains/ (-) Losses on sale	-	-	-	-	-	282.69
Closing Balance	0.47	207.04	209.30	209.30	209.30	-
Less: Depreciation Reserve						
Starting Balance	-	-	-	65.12	113.31	145.39
(+) Depreciation Charge for the year	-	-	65.12	48.19	32.08	4.19
(-) Disposal	-	-	-	-	-	-149.58
Closing Balance	-	-	65.12	113.31	145.39	-
Net Book Value	-	-	144.18	95.99	63.91	-
Capital Work in Progress	0.47	207.04	-	-	-	-
Current Assets						
Debt Service Reserve Account						
Starting Balance	-	-	-	2.48	2.48	2.48
(+) Transfer from Cash Balance	-	-	2.96	0.42	0.36	-
(-) Transfer to Cash Balance	-	-	0.49	0.42	0.36	-
(-) Transfer on Exit from Business	-	-	-	-	-	2.48
Closing Balance	-	-	2.48	2.48	2.48	-
Non-Current Liabilities						
Construction Loan						
Starting Balance	-	-	135.33	-	-	-
(+) Capital Draw	-	127.92	-	-	-	-
(-) Interest during Const. (accrued)	-	7.41	2.26	-	-	-
(-) Repayment	-	-	137.59	-	-	-
Closing Balance	-	135.33	-	-	-	-
Permanent Loan						
Starting Balance	-	-	-	135.46	132.68	129.65
(+) Capital Draw	-	-	137.59	-	-	-
(-) Repayment through -	-	-	2.13	2.78	3.04	129.65
Debt Service	-	-	2.13	2.78	3.04	0.53
Final Payoff	-	-	-	-	-	129.11
Closing Balance	-	-	135.46	132.68	129.65	-
Debt Service						
Interest	-	-	12.38	14.86	14.86	2.48
Principal repaid	-	-	10.25	12.08	11.82	1.94
	-	-	2.13	2.78	3.04	0.53