**REPORT FORMAT:** V-L10 (P&M) | Version: 8.0\_2019

**File No.: IOV/2021-2022/607 Dated: 31.08.2021**

**VALUATION ASSESSMENT**

**OF**

**LARGE SCALE INTEGRATED SUGAR PLANT**

**SITUATED AT**

**VILLAGE- NANDUR, KATRAL & ARLI, TALUKA – MANGALWEDHA, DISTRICT-SOLAPUR, MAHARASHTRA, PIN CODE - 413319**

**CORPORATE DEBTOR**

**M/S. FABTECH SUGAR LIMITED.**

**REPORT PREPARED FOR:**

**MR. RITESH R MAHAJAN**

**(IBBI REG. NO.: IBBI/IPA-002/IP-N00048/2017-18/10132)**

**RESOLUTION PROFESSIONAL OF M/S. FABTECH SUGAR LIMITED**

***\*\*Important - In case of any query/ issue or escalation you may please contact us.***

***We will appreciate your feedback in order to improve our services.***

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| **PART A** | **PLANT & MACHINERY VALUATION PROCEDURE** |

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| Name of the Company/ Corporate Debtor | M/s. Fabtech Sugar Limited. |
| Name of Liquidator | Mr. Ritesh R Mahajan |

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| **S.NO.** | **CONTENTS** | **DESCRIPTION** |
|  | **INTRODUCTION** | |
|  | Name of Corporate Debtor / Owner | M/s. Fabtech Sugar Pvt. Ltd. |
| Address & Phone Number of the Corporate Debtor | Fabtech Projects and Engineer’s Limited, J504 MIDC, Bhosari, Pune |
|  | Purpose of the Valuation | To estimate Fair Value entering CIRP under Resolution-27 read with Resolution-35 |
|  | Date of Appointment | 29 July 2021 |
|  | Date of Inspection of the Property | 20 August 2021 |
|  | Date of Valuation Report | 31 August 2021 |
|  | Date of Valuation | 13 May 2021 |
|  | Name of the Developer of the Property | Owner Themselves |
| Type of Developer | Property built from owner self resources |

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|  | **TECHNICAL DESCRIPTION OF THE PLANT/ MACHINERY** | | |
|  | Nature of Plant & Machinery | Sugar | |
|  | Size of the Plant | Large scale Plant | |
|  | Type of the Plant | Semi Automatic | |
|  | Year of Installation/ Commissioning/ COD *(Commercial Operation Date)* | 1. Approx. 8 years for sugar Plant (October 2013) & 6 Year Distillery Unit (December 2015) | |
|  | Production Capacity | 1. Sugar Plant-5000 TCD 2. Unit-1 (CPP)-10 MW 3. Unit-2 (CPP)-2.5 MW 4. Distillery Unit- 65 KLPD | |
|  | Capacity at which Plant was running at the time of Survey | Plant was not in operation since Feb,2020 as per information provided by company representative during the site survey | |
|  | Number of Production Lines | 01 | |
|  | Condition of Machines | The machineries were in average condition as per visual consideration.  (Motors have been stolen from many machines)  Turbine of Unit-1 is being rotated time to time by Gearing motor. But turbine of Unit-2 is not rotated since 1.5 yrs. | |
|  | Status of the Plant | Non-operational | |
|  | Products Manufactured in this Plant | Sugar Industry – sugar  Distillery – ENA, RAS, Ethanol | |
|  | Recent maintenance carried out on | Company was not in operation since Feb, 2020 so no maintenance has been done since then. | |
|  | Recent upgradation, improvements if done any | NA | |
|  | Total Gross Block & Net Block of Assets | **Gross Block**  *(As per FAR as on 31.03.2019)* | **Net Block**  *(As per FAR as on 31.03.2019)* |
| Rs.251,76,14,644/- | Rs.175,66,94,137/- |
|  | Any other Details if any | The company was not in operation since Feb, 2020 as informed by company officials. | |
|  | **PLANT DETAILS** | | |
|  | During the site inspection the Plant & Machinery was found within the premises of sugar plant of M/s. Fabtech Sugar Limited situated at Gat No. 671, Village- Nandur, Katral & Arli, Taluka- Mangalwedha, District- Solapur, Maharashtra, Pin Code – 413319 | | |
|  | **SURVEY DETAILS** | | |
|  | All the Plant & Machinery pertaining to M/s. Fabtech Sugar Limited have been surveyed by our Engineering Team on 20/08/2021 in the presence of Company Representative Mr. Mohan Tanaji Pawar (+91-83088 08613) | | |
|  | Our team examined & verified the various items in the presence of company representatives. All the items and plant & machinery have been verified as shown to us by representatives. | | |
|  | Photographs have also been taken of most of the machinery present there. | | |
|  | As per the site survey it was observed that plant was not in operation since Feb, 2020 and no maintenance is carry out for plant & machinery since then. | | |
|  | Condition of the various items is checked through visual observation only. No technical/ mechanical/ operational testing has been carried out on the equipment to ascertain their operational condition and efficiency. | | |
|  | Site Survey has been carried out on the basis of the physical existence of the assets rather than their technical expediency. | | |
|  | Turbine of Unit-1 run by the maintenance team time to time with the help of external motor. | | |
|  | Turbine of Unit-2 is not run since long time and it need full scale maintenance to start again operation. | | |
|  | Silos of the sugar which stores final product and both the tanks and some part of distillery section is lying on others land. So in case of restarting of plant these have to move from their installed place and need some major amount. | | |
|  | Near about 80% of motors from sugar plant and distillery section was missing. | | |
|  | In milling unit, conveyor chains was missing or damage, so that need major maintenance. | | |
|  | As per the overall site visit summary, the main Plant and Machinery appeared to be in Average condition and has required a major overhauling to restart the plant. | | |

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|  | **MANUFACTURING PROCESS** | | |
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|  | **TECHNOLOGY TYPE/ GENERATION USED AND TECHNOLOGICAL COLLABORATIONS IF ANY** | | |
|  | 1. As per the information provided by the company official, no technical collaboration has made by the company for the subject plant production. | | |
|  | **RAW MATERIALS REQUIRED & AVAILABILITY** | | |
|  | **Type of Raw Material:** | | Sugar Cane, Molasses for Distillery Unit, Bagasse for Biogas |
| **Availability:** | | As per demand. |
|  | **AVAILABILITY & STATUS OF UTILITIES** | | |
|  | Power/ Electricity | | Yes, Maharashtra State Electricity Distribution Company Limited (MSEDCL) (Now cut down due to non-payment of electricity bill)  D.G Sets (Non Operational)  Captive Power Plant (CPP)- 12.5 MW |
| Water | | Yes, with Pump drawing water from Bhima river 10 Km from the plant |
| Road/ Transport | | Available |
|  | **COMMENT ON AVAILABILITY OF LABOUR** | | |
|  | **Availability:** | | Not applicable since the plant is not in operation since Feb-2020 *(as information provided by the company officials)* |
| **Number of Labours working in the Factory** | | No one was available during the site survey as plant was not in operation since long time. |
|  | **SALES TRANSACTIONAL PROSPECTS OF SUCH PLANTS/ MACHINERY** | | |
|  | Strategic Sale as part of the complete Project.  (‘*Going Concern’ means all the assets, tangibles or intangibles and resources needed to continue to operate independently a business activity, which may be whole or a part of the business of the CD without values being assigned to the individual asset or resource.)* | | |
| **Reason:** This is a Large Scale Plant and can only be sold only as an Integrated Industry to preserve its value since complete process line & machines are special purpose machines and can't be used in any other Industry. Demand of used machinery in this kind of Industry of such a scale is moderate since many times it is not easily available in the market & not technically viable therefore the best sale transaction approach to realize maximum value of such assets is through strategic sale to the players who are already into same or similar Industry who have plans for expansion or any large conglomefrate who plans to enter into this new Industry. Since this is large scale integrated sugar plant and its machinery is installed by making customization of structures at fixed place and dissembling and moving to any another place is highly cumbersome job and may destroy many items during this procedure.  So taking consideration all these factors the valuation should be done on going concern sale approach as type of sale where the complete plant will be sold as a whole basis to achieve maximum value under IRP process. | | |
|  | **DEMAND OF SUCH PLANT & MACHINERY IN THE MARKET** | | |
|  | Moderate demand if transaction happens for the complete integrated Project as a whole. | | |
|  | **VALUATION PROEDURE** | | |
|  | **Basic Methodology:** For arriving at the value of Office & Electrical Equipment and other fixed assets our engineering team has rationally applied the mixture of ***‘cost approach (depreciated replacement cost)’.****.* The fair market value of Plant & Machinery on the date of valuation is its cost of reproduction & commissioning on that date less the depreciation & other deterioration deductions (Technological, Economic, Functional obsolescence) or additions for good maintenance from the date of commissioning of the machinery to the date of its valuation. | | |
|  | Core P&M Asset Valuation is done keeping in mind various factors like technology used, machines availability, its condition, average age, maintenance & service and parts replacement availability of the machines and more importantly demand in the market. | | |
|  | The main data point for the Valuation of Plant & Machinery is the Fixed Asset Register. Plant & Machinery FAR has been provided by the RP which has been relied upon in good faith.Provided FAR have different heads like Land, Building, Plant & Machinery, Electrical equipment’s, Furniture & fittings, Office equipment, etc. Assets under different heads are not segregated and are not evaluated separately.From the Fixed Asset Register List two key inputs, Date of Capitalization and Cost of capitalization are taken which play vital role in evaluating used Plant & Machinery valuation. | | |
|  | There is no information provided regarding the soft cost incurred during the Project establishment like Pre-operative, IDC & Finance cost expenses also. On our request we have not got break-up of hard & soft cost separately hence we have to go by the given figures. | | |
|  | The economic life of the described section has been taken on the basis of company’s act-2013 and also based on the usual life of old inhabitant sugar plant in India. | | |
|  | The economic life of the assets of each sections of sugar plant has been taken on the basis of Companies Act- 2013 i.e. 20 years as a whole except captive power plant (CPP). The economic life of the CPP has been taken on the basis of CERC Act i.e. 25-years. | | |
|  | There is no maintenance record has been provided by the company during the site survey and as per the visual observations, condition of the machines and equipment’s is found in average condition. | | |
|  | The replacement cost of the Plant & Machinery has been taken on the basis of recently approved Integrated sugar plants in India based on their Pre- feasibility report as there is no detailed bifurcation & no technical specification of the sections of the plant provided to us for the resolution purpose. | | |
|  | The Replacement cost of the plant does not include replacement value machine wise. Due to unavailability of detailed fixed assets register, we have considered the total lump sum cost for each section of the Plant based on the market research and data available on public domain. This is only done for the calculation purpose and replacement cost shouldn’t be construed for individual machine but should be considered on lump sum basis for the overall section of Plant & Machinery. | | |
|  | On the Depreciated Replacement Cost (DRC) deduction for obsolescence/ deterioration or addition for good maintenance has been taken to arrive at the estimated Prospective Fair Market Value of the machines. | | |
|  | Engineering team visited all the sections and manually inspected the machines and equipment’s on the basis of their physical existence and not based on their technical expediency. Plant was found non-operational since 2020. | | |
|  | **Underlying assumption** for the evaluation of this Plant & Machinery is that, it will be sold as an Integrated Plant and not as discrete/ piecemeal machinery basis. | | |
|  | | **CONSOLIDATED PLANT & MACHINERY VALUATION** | |
|  | | Consolidated valuation sheet of Plant & Machinery and other asset items are mentioned below with depreciated current market value as per different category of the machines/assets accumulated together. Our engineering team has separated the Cost of Equipment’s in the different sections of the plant. There is no information provided regarding the soft cost incurred during the Project establishment like Pri-operative, IDC & Finance cost expenses also. On our request we have not got break-up of hard & soft cost separately hence we have to go by the given figures. | |









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| **PART C** | **CONSOLIDATED VALUATION ASSESSMENT OF PLANT & MACHINERY** |

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| **S.No.** | **Particulars** | **Gross Block Value** | **Prospective Fair Value** |
|  | Plant & Machinery Value | **Rs.251,76,14,644/-** | **Rs.135,03,82,500/-** |
|  | Additional Premium if any | --- | --- |
| Details/ Justification | --- | --- |
|  | Deductions charged if any | --- | **Rs.10,00,00,000/-** |
| Details/ Justification: | --- | On Lump sum basis because major motors of the plant are missing and overall plant needed full scale maintenance. |
|  | **Fair Value#** | --- | **Rs.125,03,82,500/-** |
|  | **Rounded Off** | --- | **Rs.125,00,00,000/-** |
|  | **Liquidation Value [@ ~30% less]** |  | **Rs.87,50,00,000/-** |

**(RUPEES EIGHTY SEVEN CRORE AND FIFTY LAKH ONLY)**

* + - 1. ***REMARKS***
* *This valuation assessment covers the Value addition factors of the Project which has additional or discounting impact on the overall Project Value due to various conditions of the Project.*
* *Discounting factors used in different values assigned like Fair Value, Liquidation Value is based on the different condition & situation of the asset reliazability and the different processes which has already been tried for the asset sale.*
* *Since, this is large scale integrated sugar plant and its machinery is installed by making customization of structures at fixed place and dissembling and moving to any another place is highly cumbersome job and may destroy many items during this procedure.*

*So we consideration various factors to achieve maximum value under Liquidation process.*

* *Legal aspects for e.g. investigation of title, ownership rights, lien, charge, mortgage, lease, verification of documents from originals, etc. has to be taken care by legal experts/ Advocates.*
* *This is just the fixed asset valuation of the project based on the cost & market approach methodologies considering the utility of the asset & the company as ongoing basis. This Valuation shall not be construed as the transactional value of the Project which may be determined through Enterprise/ Business Valuation based on Income approach methodologies.*
* *This report only contains general assessment & opinion on the Depreciated market value of the assets of the project found on as-is-where basis on site for which the Bank/ customer has shown & asked us to conduct the Valuation for which photographs is also attached with the report. No legal aspects in terms of ownership or any other legal aspect is taken into consideration. It doesn’t contain any due-diligence other than the valuation assessment of the property shown to us on site. Information/ data/ documents given to us by Bank/ client has been relied upon in good faith. This report doesn’t contain any other recommendations of any sort.*
* *This is just core Asset Valuation and doesn’t cover any prospective sale value of the Plant as a whole.*
* *Any kind of unpaid statutory, utilities, lease, interest or any other pecuniary dues on the asset has not been factored in the Valuation.*
* *This Valuation is conducted based on the macro analysis of the asset/ property considering it in totality and not based on the micro, component or item wise analysis. Analysis done is a general assessment and is not investigative in nature.*
* *There is no fixed formula for assigning the discounting factors and it depends largely on the nature, type of the asset and the market trend.*
* *This report is prepared following our Standard Operating Procedures & Best Practices, Limitations, Conditions, Remarks, Important Notes, Valuation TOR.*
  + - 1. ***DEFINITIONS***
* ***Fair Value*** *suggested by the competent Valuer is that prospective estimated amount in his expert & prudent opinion of the subject asset/ assets without any prejudice after he has carefully & exhaustively evaluated the facts & information came in front of him related to the subject asset at which the subject asset/ assets should be exchanged between a willing buyer and willing seller at an arm’s length transaction in an open & unrestricted market, after proper marketing, wherein the parties, each acted knowledgeably, prudently and without any compulsion on the date of the Valuation.*

*Forced, under compulsion & constraint, obligatory sales transactions data doesn’t indicate the Fair Value.*

* ***Liquidation Value*** *As per International Valuation Standard Council, Liquidation Value is the amount that would be realized when an asset or group of assets are sold on a piecemeal basis that is without consideration of benefits (or detriments) associated with a going-concern business. Liquidation value can be either in an orderly transaction with a typical marketing period or in a forced transaction with a shortened marketing period.*

*In light of the Indian statutory context, Liquidation Value of the Physical Assets on ongoing concern basis can be best defined which is assigned to any asset as a whole in operational condition having some functional & utility value of that company/ industry/ business which is not doing good economically/ financially and is unable to repay its liabilities/ debts and has crossed all the stages of revival, restructuring & resolution available to it by law and is now in the last stage of revival by way of selling the assets by way of slump sale or which may generate interest in the buyer to take up the assets of the company in its last stage which has to be disposed of in a time bound manner.*

*In this condition the negotiation power of the buyer will be highest in this condition to buy the complete asset as a whole as it is and the discounting factor assigned is considering this market scenario & trend.*

* + - 1. ***JUSTIFICATION FOR LIQUIDATION VALUE***
* *Liquidation value in this report is calculated based on the corporate debtor as Ongoing Basis assuming the mode of sale through private auction as per IBBI (Liquidation Process) Regulations, 2016 clause 35. In such a case Liquidation value on ongoing basis should be treated as the minimum reserve realizable Value of the assets on ongoing basis.*
* *As defined in the IBBI, LIQUIDATION Regulations, 2016 Liquidation value is the estimated realizable value of the assets of the corporate debtor if the corporate debtor were to be liquidated on the insolvency commencement date.*
* *Liquidation value of the physical asset will not cover the Enterprise/ Business Value which can be done only through Enterprise/ Business Valuation principles using Income approach methodologies which will comprise of business future revenue projections, profitability aspects and business & financial risk associated with it.*
* *The resolution value of the subject plant has been calculated on the basis of on-going basis.*
* *Since in ongoing basis, all the equipment’s and machinery of the plant will be sold as a whole. However, due to the limitation of data and other factual information regarding individual machinery and equipment’s, therefore, it is practically impossible to weigh cost of the individual equipment’s and machinery of the plant. Therefore, we have given around 30% discount on Depreciated Replacement market value of the assets to the liquidation value of the plant & machinery considering the each aspect like time, Curable obsolesce, administrative expenses, un-installation & installation expenses.*
* *Since the subject plant was in running condition till Feb, 2020, so all the machinery which was available at the site during the survey was in average condition and can be used again, but near about 80% motors have been stolen from different machines and chain of conveyor in milling area is missing.*

*Therefore taking consideration all these factors the subject plant can fetch its maximum resolution Value (ongoing basis) by weighing the Plant & Machinery as a whole.*

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| **PART D** | **SUMMARY OF THE VALUATION REPORT** |

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| **S.NO.** | **CONTENTS** | **DESCRIPTION** | | | |
|  | **GENERAL DETAILS** | | | | |
|  | Report prepared for | Resolution Professional | | | |
|  | Name of Liquidator | Mr. Ritesh R Mahajan | | | |
|  | Name of Corporate Debtor | M/s. Fabtech Sugar Pvt. Ltd. | | | |
|  | Name of Assets Owner | M/s. Fabtech Sugar Pvt. Ltd. | | | |
|  | Address & Phone Number of the owner | Fabtech Projects and Engineer’s Limited, J504 MIDC, Bhosari, Pune | | | |
|  | Address at which Plant & Machinery located | Village- Nandur, Katral & Arli, Taluka- Mangalwedha, District- Solapur, Maharashtra, Pin Code- 413319 | | | |
|  | Type of the Assets | Industrial | | | |
|  | Nature of Industry | Sugar Industry | | | |
|  | Type of Loan | Industrial Loan | | | |
|  | Type of Valuation | Plant & Machinery and other equipment’s | | | |
|  | Report Type | Plain Asset Valuation | | | |
|  | Date of Inspection of the Assets | 20 August 2021 | | | |
|  | Date of Valuation Report | 31 August 2021 | | | |
|  | Date of Valuation | 13 May 2021 | | | |
|  | Person name, contact number assisted for Survey | Company Representative: Mr. Mohan Tanaji Powar  Mobile No: +91-8308808613 | | | |
|  | Purpose of the Valuation | To estimate realizable value under Resolution | | | |
|  | Scope of the Assessment | Non Binding Opinion on General Prospective Valuation Assessment of the Plant & Machineries as found on site on as-is-where basis. | | | |
|  | Out-of-Scope of the Assessment | 1. Verification of authenticity of documents from originals or cross checking from any Govt. deptt. is not done at our end. 2. Legal aspects & rights of the Plant & Machinery are out-of-scope of this report. 3. Inventorization of P&M is out of scope of work. 4. Componentization of Plant & Machinery is out of scope of this report. 5. Identification of the P&M is only limited to cross verification of major machines & production lines. 6. Technical/ mechanical/ operational testing of the machines is out-of-scope of the report. 7. Comment/ determination on technological aspect is out of scope of this report. 8. Any kind of machine/ process design is out of scope of the report. | | | |
|  | Information provided/ available for assessment | **Documents Requested** | | | **Documents Provided** |
| Total **01** documents requested. | | | Total **01** documents provided. |
| Detailed Fixed Asset Register | | | Detailed Fixed Asset Register |
|  | Identification of the assets |  | Cross checked from the name of the machines mentioned in the FAR, name plate displayed on the machine | | |
|  | Identified by the company's representative | | |
|  | Identified from the available Invoices | | |
|  | Identification of the machines could not be done properly | | |
|  | Due to large number of machines/ inventory, only major production lines & machines have been checked | | |
|  | Physical inspection of the machines could not be done |  | |

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|  | **BRIEF DESCRIPTION OF THE ASSET UNDER VALUATION** |
|  | ***Snapshot of the Asset/ Assets Under Valuation***  This valuation report is prepared for the assessment of Plant & Machinery with all auxiliaries and supporting facilities assets value pertaining to industrial plant of **M/s. Fabtech Sugar Limited.**  The Plant & Machinery and other auxiliary equipment of the company was situated at Village- Nandur, Taluka -Mangalwedha, District- Solapur, Maharashtra  The industrial plant consists of Sugar section, Distillery Section, Power Section, Bagass Section. The company set up Sugar Plant in 2013 & Distillery Section in 2015. The company produces sugar, molasses for distillery, bagass for bio gas at its plant.    **Engineering Procurement Construction Commissioning**  There is no EPC contract signed by the company. The plant has been developed in phases since 2013 by the engineers and technicians hired by the company. The work was done under the supervision of company's officials.  **Location**  The nearest railway station from plant is “Pandhapur” railway station which is at a distance of 22 km. “Pune International Airport” is the nearest airport which is at 400 km. This Plant is around 5 km from the Mangalwedha city.  For the purpose of valuation, Fixed Asset Register has been provided to us, from which we have taken many information like cost of capitalization, date of purchase or installation of items.  "This report only contains general assessment & opinion on the Guideline Value and the indicative, estimated Value of the assets found on as-is-where basis on site for which the Liquidator has shown & asked us to conduct the Valuation for which photographs is also attached with the report. No legal aspects in terms of ownership or any other legal aspect is taken into consideration. It doesn’t contain any due-diligence other than the valuation assessment of the assets shown to us on site. Information/ data/ documents given to us by Liquidator has been relied upon in good faith. This report doesn’t contain any other recommendations of any sort." |

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|  | **VALUATION SUMMARY** | |
|  | Gross Block | **Rs.251,76,14,644/-** |
|  | Fair Value | **Rs.125,04,00,000/-** |
|  | Realizable Value under Liquidation *(ongoing sale basis)* | **Rs.87,50,00,000/-** |

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| **DECLARATION** | | | |
|  | 1. The undersigned does not have any direct/indirect interest in the above Company/ Corporate Debtor. 2. The information furnished herein is true and correct to the best of valuer’s knowledge. 3. I have submitted Valuation report directly to the Resolution Professional. 4. This valuation report is carried out on the request from Mr. Ritesh R Mahajan, Resolution Professional (IBBI REG. NO.: IBBI/IPA-002/IP-N00048/2017-18/10132) for M/s. Fabtech Sugar Limited. 5. During of the course of execution of this assignment, I have taken Infrastructure Support & Knowledge Service from R.K. Associates Valuers & Techno Engineering consultants (P) Ltd. and its team. However, the valuation has been conducted independently by me in all respects. | | |
|  | **Name & Address of Registered Valuer** | **IBBI Registration No.** | **Signature of the Registered Valuer** |
| MR. Ramanjeet Singh  1747, Outram Line, G.T.B Nagar, Delhi-110009 | IBBI/RV/02/2019/10568 |  |
|  | **Total Number of Pages in the Report with Enclosures** |  | |

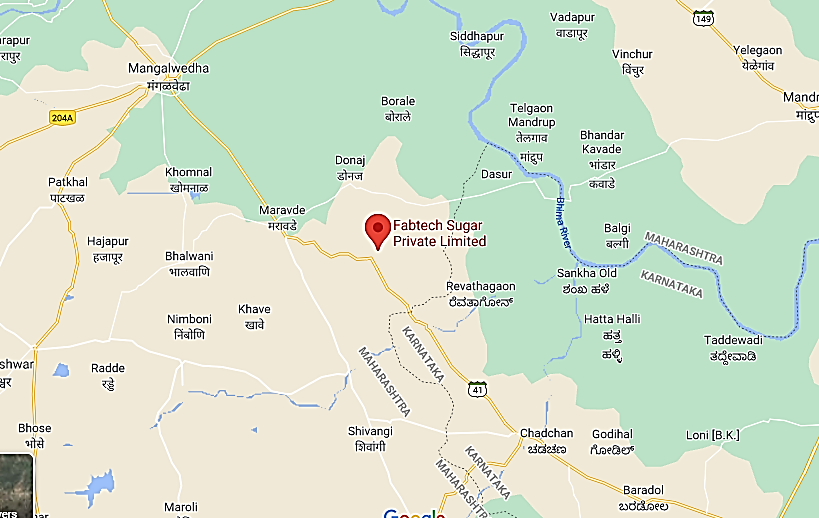
**IMPORTANT NOTES:**

***DEFECT LIABILITY PERIOD****- In case of any query/ issue or escalation you may please us. We try our level best to ensure maximum accuracy in the Calculations done, Rates adopted and various other data points & information mentioned in the report but still can’t rule out typing, human errors or any other mistakes. In case you find any mistake, variation, discrepancy or inaccuracy in any data point of the report, please help us by bringing all such points into our notice in writing to us within 30 days of the report delivery, to get these rectified timely, failing which we won’t be held responsible for any inaccuracy in any manner. Also if we will not hear back anything from you within 30 days, we will assume that report is correct in all respect and no further claim of any sort will be entertained thereafter. We would welcome and appreciate your feedback & suggestions in order to improve our services.*

*Our* ***DATA RETENTION POLICY*** *is of* ***THREE YEAR****. After this period we remove all the concerned records related to the assignment from our repository. No clarification or query can be answered after this period due to unavailability of the data.*

***At our end we have not verified the authenticity of any documents provided to us. Liquidator is advised to verify the genuineness of the assets documents before taking any credit decision.***

**GOOGLE MAP LOCATION– ANNEXURE I**

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**LIMITATIONS & DEAPRTURE & CAVEATS- ANNEXURE II**

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|  | This Valuation report is prepared based on the copies of the documents/ information which the client & its customer could provide to us within the reasonable expected time either verbally or in writing out of the standard checklist of documents sought from them and further based on the information came apparently in front of us during the limited available time in the assignment and based on certain assumptions and limiting conditions. The client/ owner and its management/representatives warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. All such information provided to us either verbally, in writing or through documents has been relied upon in good faith and we have assumed that it is true & correct without any fabrication or misrepresentation. I/We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or wilful default on part of the owner, company, its directors, employee, representative or agents. Verification or cross checking of the documents provided to us from the originals or from any Govt. departments/ authority/ Record of Registrar has not been done at our end since this is beyond the scope of our work and has to be taken care by Bank empanelled Legal expert/ Advocate. |
|  | The information, documents, data which has become primary basis of the report has been supplied by the client which has been relied upon in good faith and is not generated by the Valuer. |
|  | This is just an opinion report on Valuation based on the copy of the documents/ information provided to us by the client which has been relied upon in good faith of the assets found as per the information given in the documents provided to us and/ or confirmed by the owner/ owner representative to us on site. |
|  | Legal aspects for eg. Investigation of title, ownership rights, lien, charge, mortgage, lease, sanctioned maps, verification of documents provided to us such as title documents, Map, etc. from any concerned Govt. office etc. have to be taken care by legal expert/ Advocate and same are not done at our end. It is assumed that the concerned Lender/ Financial Institution has asked for the valuation of that assets after satisfying the authenticity of the documents given to us and for which the legal verification has been already taken and cleared by the competent Advocate before requesting for the Valuation report. I/ We assume no responsibility for the legal matters including, but not limited to, legal or title concerns. |
|  | In the course of the valuation, we were provided with both written and verbal information. We have however, evaluated the information provided to us through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Our conclusions are based on the assumptions and other information provided to us by the client during the course of the assessment. |
|  | Valuation of the asset is done as found on as-is-where on site as identified to us by client/ owner/ owner representative during site inspection by our engineer/s unless otherwise mentioned in the report. |
|  | Getting cizra map or coordination with revenue officers for site identification is a separate activity and is not part of the Valuation services. |
|  | We have made certain assumptions in relation to facts, conditions or situations affecting the subject of, or approach to this exercise that has not been verified as part of the engagement rather, treated as “a supposition taken to be true”. If any of these assumptions prove to be incorrect then our estimate on value will need to be reviewed. |
|  | This report only contains general assessment & opinion on the indicative, estimated Market Value of the assets for which Bank has asked to conduct the Valuation and found as per the information given in the copy of documents, information, data provided to us and/ or confirmed by the owner/ owner representative to us at site which has been relied upon in good faith. It doesn’t contain any other recommendations of any sort including but not limited to express of any opinion on the suitability or otherwise of entering into any transaction with the borrower. |
|  | We have relied on data from third party, external sources & information available on public domain also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context, however still we can’t vouch its authenticity, correctness or accuracy. |
|  | Analysis and conclusions adopted in the report are limited to the reported assumptions, conditions and information came to our knowledge during the course of the work and based on the Standard Operating Procedures, Best Practices, Caveats, Limitations, Conditions, Remarks, Important Notes, Valuation TOR and definition of different nature of values. |
|  | Value varies with the Purpose/ Date/ Asset Condition & situation/ Market condition, demand & supply, asset utility prevailing on a particular date/ Mode of sale. The indicative & estimated prospective Value of the asset given in this report is restricted only for the purpose and other points mentioned above prevailing on a particular date as mentioned in the report. If any of these points are different from the one mentioned aforesaid in the Report then this report should not be referred. |
|  | This report has been prepared for the purposes stated in the report and should not be relied upon for any other purpose. Our client is the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. I/we do not take any responsibility for the unauthorized use of this report. |
|  | Our report is meant for the purpose mentioned in the report and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. |
|  | I/We owe responsibility to only to the authority/client that has appointed me/us under the terms of the engagement letters. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the client or borrower or companies, their directors, employees, agents or representatives. |
|  | This report is having limited scope as per its fields & format to provide only the general basic idea of the value of the assets prevailing in the market based on the documents/ data/ information provided by the client. The suggested indicative prospective estimated value should be considered only if transaction is happened as free market transaction. |
|  | The sale of the subject assets is assumed to be on an all cash basis. Financial arrangements would affect the price at which the assets may sell for if placed on the market. |
|  | The actual realizable value that is likely to be fetched upon sale of the asset under consideration shall entirely depend on the demand and supply of the same in the market at the time of sale. |
|  | While our work has involved an analysis & computation of valuation it does not include detailed estimation, design/ technical/ engineering/ financial/ structural/ environmental/ architectural/ compliance survey/ safety audit & works in accordance with generally accepted standards of audit & other such works. The report in this work in not investigative in nature. It is mere an opinion on the likely estimated valuation based on the facts & details presented to us by the client and third party market information came in front of us within the limited time of this assignment. |
|  | Under this valuation assignment, we have not made a specific compliance survey or analysis of the various permits and licenses under central, state and local laws / regulations applicable to the operation and use of the subject assets, and this valuation does not consider the effect, if any, of non-compliance. |
|  | This report only contains opinion based on technical & market information which came to knowledge during course of the assignment and as per the information given in the copy of documents, information, data provided to us and/ and confirmed by the owner/ owner representative to us at site verbally and in writing which has been relied upon in good faith. It doesn’t contain any other recommendations of any sort including but not limited to express of any opinion on the suitability or otherwise of entering into any transaction with the borrower. |
|  | This Valuation report is prepared based on the facts of the assets on the date of the survey. Due to possible changes in market forces, socio-economic conditions, assets conditions and circumstances, this valuation report can only be regarded as relevant as at the valuation date. Hence before financing, Banker/ FI should take into consideration all such future risk and should loan conservatively to keep the advanced money safe in case of the downward trend of the assets value. |
|  | Valuation of the same asset/ assets can fetch different values under different circumstances & situations. For eg. Valuation of a running/ operational shop/ hotel/ factory will fetch better value and in case of closed shop/ hotel/ factory it will have considerable lower value. Similarly an asset sold directly by an owner in the open market through free market transaction then it will fetch better value and if the same asset/ assets is sold by any financer due to encumbrance on it, will fetch lower value. Hence before financing, Lender/ FI should take into consideration all such future risks while financing and take decision accordingly. |
|  | Valuation is done for the assets identified to us by the owner/ owner representative. At our end we have just visually matched the land boundaries, schedule (in physical terms) & dimensions of the assets with reference to the documents produced for perusal. Method by which identification of the assets is carried out is also mentioned in the report clearly. Responsibility of identifying the correct assets to the Valuer/ its authorized surveyor is solely of the client/ owner for which Valuation has to be carried out. It is requested from the Bank to cross check from their own records/ information if this is the same assets for which Valuation has to be carried out to ensure that owner has not misled the Valuer company or misrepresented the assets due to any vested interest. Where there is a doubt about the precision position of the boundaries, schedule, dimensions of site & structures, it is recommended that a Licensed Surveyor be contacted. |
|  | The report assumes that the borrower/company/business/asset complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies/business/assets will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the documents/ details/ information/ data provided to us. |
|  | Valuation is a subjective field and opinion may differ from consultant to consultant. To check the right opinion, it is important to evaluate the methodology adopted and various data point/ information/ factors/ assumption considered by the consultant which became the basis for the Valuation report before reaching to any conclusion. |
|  | Although every scientific method has been employed in systematically arriving at the value, there is, therefore, no indisputable single value and the estimate of the value is normally expressed as falling within a likely range. |
|  | Value analysis of any asset cannot be regarded as an exact science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. Given the same set of facts and using the same assumptions, expert opinions may differ due to the number of separate judgment decisions, which have to be made. Therefore, there can be no standard formula to establish an indisputable exchange ratio. In the event of a transaction, the actual transaction value achieved may be higher or lower than our indicative analysis of value depending upon the circumstances of the transaction. The knowledge, negotiability and motivations of the buyers and sellers and the applicability of a discount or premium for control will also affect actual price achieved. Accordingly, our indicative analysis of value will not necessarily be the price at which any agreement proceeds. The final transaction price is something on which the parties themselves have to agree. However our Valuation analysis can definitely help the stakeholders to make them informed and wise decision about the Value of the asset and can help in facilitating the arm’s length transaction. |
|  | The actual market price achieved may be higher or lower than our estimate of value (or value range of value) depending upon the circumstances of the transaction (for example the competitive bidding environment), the nature of the asset (for example the purchaser’s perception of potential synergies). The knowledge, negotiating ability and motivation of the buyers and sellers, demand & supply prevailing in the market and the applicability of a discount or premium for control will also affect actual market price achieved. Accordingly, our valuation conclusion will not necessarily be the price at which actual transaction will take place. |
|  | References regarding the prevailing market rates and comparable are based on the verbal/ informal/ secondary/ tertiary information collected by our team from the assets consultants/ recent deals/ demand-supply/ internet postings as may be available or can be fetched within the limited time & resources of the assignment during market survey in the subject location are relied upon. No written record is generally available for such market information and analysis has to be derived mostly based on the verbal information which has to be relied upon. |
|  | Any kind of unpaid statutory, utilities, lease, interest or any other pecuniary dues on the asset or on its owners has not been factored in the Valuation. |
|  | This Valuation is conducted based on the macro analysis of the asset/ assets considering it in totality and not based on the micro, component or item wise analysis. Analysis done is a general assessment and is not investigative in nature. |
|  | This report is prepared on the IVS and scope of work. This report is having limited scope as per its fields & format to provide only the general estimated & indicative basic idea of the value of the assets prevailing in the market based on the information provided by the client. No detailed analysis, audit or verification has been carried out of the subject assets. 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. |
|  | This is just an opinion report and doesn’t hold any binding on anyone. It is requested from the concerned Client/ Bank/ Financial Institution which is using this report for mortgaging the assets that they should consider all the different associated relevant & related factors & risks before taking any business decision based on the content of this report. |
|  | All Pages of the report including annexures are signed and stamped by undersigned. In case any paper in the report is without stamp & signature then this should not be considered a valid paper. |
|  | **Defect Liability Period is 15 DAYS.** We request the concerned authorized reader of this report to check the contents, data, information and calculations in the report within this period and intimate us in writing if any corrections are required or in case of any other concern with the contents or opinion mentioned in the report. If no intimation is received within 15 (Fifteen) days in writing from the date of issuance of the report, then it shall be considered that the report is complete in all respect and has been accepted by the client upto their satisfaction & use and further to which valuer shall not be held responsible in any manner. |
|  | Though adequate care has been taken while preparing this report as per its scope, but still we can’t rule out typing, human errors, over sightedness of any information or any other mistakes. Therefore the concerned organization is advised to satisfy themselves that the report is complete & satisfactory in all respect. Intimation regarding any discrepancy shall be brought into our notice immediately. If no intimation is received within 15 (Fifteen) days in writing from the date of issuance of the report, to rectify these timely, then it shall be considered that the report is complete in all respect and has been accepted by the client upto their satisfaction & use and further to which valuer shall not be held responsible in any manner. |
|  | Valuer encourages its customers to give feedback or inform concerns over its services through proper channel at [ramanjeet\_sethi@rediffmail.com](file:///C:\Users\engineer3\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\L2ACT7EB\ramanjeet_sethi@rediffmail.com) in writing within 15 days of report delivery. After this period no concern/ complaint/ proceedings in connection with the Valuation Services will be entertained due to possible change in situation and condition of the assets. |
|  | Our Data retention policy is of **THREE YEAR**. After this period we remove all the concerned records related to the assignment from our repository. No clarification or query can be answered after this period due to unavailability of the data. |
|  | This Valuation report is governed by our (1) Internal Policies, Processes & Standard Operating Procedures, (2) Valuer Quality Policy, (3) Valuation & Survey Best Practices Guidelines formulated by management of valuer, (4) Information input given to us by the customer and (4) Information/ Data/ Facts given to us by our field/ office technical team. Management of valuer never gives acceptance to any unethical or unprofessional practice which may affect fair, correct & impartial assessment and which is against any prevailing law. In case of any indication of any negligence, default, incorrect, misleading, misrepresentation or distortion of facts in the report then it is the responsibility of the user of this report to immediately or atleast within the defect liability period bring all such act into notice of valuer management so that corrective measures can be taken instantly. |
|  | We owe responsibility to only to the authority/client that has appointed us as per the scope of work mentioned in the report. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the client or companies, their directors, employees or agents. |
|  | Valuer never releases any report doing alterations or modifications by pen. In case any information/ figure of this report is found altered with pen then this report will automatically become null & void. |
|  | I/We are fully aware that based on the opinion of value expressed in this report, I/we may be required to give testimony or attend court / judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and my / our tendering evidence before such authority shall be under the applicable laws. |
|  | The final copy of the report shall be considered valid only if it is in hard copy on the original letter head with proper stamp and sign on it upon payment of the agreed fees. The report is designated for the exclusive utilization of liquidator of the M/.s Concast & other authorized by liquidator as per IBC-2016. The report shall be used for liquidation purpose of said company and we don’t take any responsibility for unauthorized use of this report. |

**PHOTOGRAPHS OF THE ASSETS – ANNEXURE III**

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