

File No.: RKA/FY19-20/MUM-191A

Dated:27.08.2019

VALUATION REPORT

OF

INDUSTRIAL PLANT & MACHINERY

SITUATED AT

**ARSHIYA NORTHERN FTWZ, JUNCTION ROAD, INDUSTRIAL AREA, VILL -
MAUJPUR, KHURJA, DISTRICT - BULANDSHAHR, U.P -203131**

OWNER/S

M/S. ARSHIYA NORTHERN FREE TRADE WAREHOUSING ZONE

BORROWER: M/S. ARSHIYA NORTHERN FREE TRADE WAREHOUSING ZONE

REPORT PREPARED FOR

STATE BANK OF INDIA, SARG-III BRANCH, MUMBAI

*****Important - In case of any query/ issue or escalation you may please contact Incident Manager
at valuers@rkassociates.org. We will appreciate your feedback in order to improve our services.***

***NOTE: As per IBA Guidelines please provide your feedback on the report within 15 days of its submission after which
report will be considered to be correct.***

PART A PLANT & MACHINERY VALUATION PROCEDURE

Name & Address of Branch	State Bank of India, SARG- III Branch, Mumbai
Name of Customer (s)/ Borrower Unit	M/s. Arshiya Northern Free Trade Warehousing Zone

S.NO.	CONTENTS	DESCRIPTION
1.	INTRODUCTION	
a.	Name of Property Owner	M/s. Arshiya Northern Free Trade Warehousing Zone
	Address & Phone Number of the Owner	M/s. Arshiya Limited 302, Level 3 , Ceejay House , Opp. Atria Mall , Dr. Annie Besant Road, Worli, Mumbai - 400 018, India T: +91 22 4230 5500/502
b.	Purpose of the Valuation	For Distress Sale of mortgaged assets under NPA a/c
c.	Date of Inspection of the Property	31 January 2020
d.	Date of Valuation Report	24 February 2020
e.	Name of the Developer of the Property	Property built by owners themselves
	Type of Developer	Property built by owner's themselves

2.	TECHNICAL DESCRIPTION OF THE PLANT/ MACHINERY		
a.	Nature of Plant & Machinery	Material Handling Equipments of Warehouse	
b.	Size of the Plant	NA, It is a Warehouse	
c.	Type of the Plant	NA, Material Handling Equipment	
d.	Year of Installation/ Commissioning/ COD (Commercial Operation Date)	Almost all the equipment was purchased in the year 2011-12	
e.	Production Capacity	Not applicable, these are Material Handling Equipment	
f.	Capacity at which Plant was running at the time of Survey	Only one warehouse is operational at the time of survey.	
g.	Number of Production Lines	Not Applicable	
h.	Condition of Machines	Good.	
i.	Status of the Plant	Partially operational Only one warehouse is operational.	
j.	Products Manufactured in this Plant	NA. This is a warehouse only.	
k.	Recent maintenance carried out on	No information available but all the equipment are in good condition and appear to be well and regularly maintained	
l.	Recent upgradation, improvements if done any	Not applicable.	
m.	Total Gross Block & Net Block of Assets	Gross Block	Net Block
		As on 31/01/2020	
		Rs.31,12,30,575/-	NA
n.	Any other Details if any	NA	
1.	LOCATION/ ADDRESS WHERE PLANT/ MACHINES ARE FOUND TO BE INSTALLED		

	All the material handling equipment items and other machinery as per the list provided to us was considered to be present inside the factory which is located inside the premises of M/s Arshiya Northern Free Trade Warehousing Zone, situated at Village Maujpur, Khurja, Buladsahar, Uttar Pradesh.	
2.	SURVEY DETAILS	
I.	The Warehouse has been surveyed by our Engineering Team on 31/01/2019.	
II.	Site inspection was done in the presence of Company's Employee Mr. Nishant Vashisth who was available from the company to furnish any specific detail about the items.	
III.	Our team examined & verified the different items of material handling equipment and machinery from the FAR provided by the Company. Only major items have been verified.	
IV.	Photographs have been taken of the different items of material handling equipment and other machinery and its accessories installed there by our surveyors.	
V.	Warehouse was found to be Partially operational at the time of survey and hence very few material handling equipment were in use as observed at the time of site survey. Only one warehouse is operational.	
VI.	All the details have been cross checked as per the documents provided to us by the company and what was observed at the site.	
VII.	Condition of the material handling equipment and other machinery is checked through visual observation only. No technical/ mechanical/ operational testing has been carried out to ascertain the condition and efficiency of items under valuation.	
VIII.	Site Survey has been carried out on the basis of the physical existence of the assets rather than their technical expediency.	
IX.	As per the overall site visit summary, the items appeared to be in good condition.	
3.	MANUFACTURING PROCESS	
	NA	
4.	TECHNOLOGY TYPE/ GENERATION USED AND TECHNOLOGICAL COLLABORATIONS IF ANY	
	None	
5.	RAW MATERIALS REQUIRED & AVAILABILITY	
	Type of Raw Material:	NA
	Availability:	NA
6.	AVAILABILITY & STATUS OF UTILITIES	
	Power/ Electricity	Yes
	Water	Yes
	Road/ Transport	Yes, Available
7.	COMMENT ON AVAILABILITY OF LABOUR	
	Availability:	Appears to be easily & adequately available and no labour issues came to our knowledge during site inspection.
	Number of Labours	Approx. 100 Guards, 45 to 50 other persons as per the information provided

	working in the Factory	to our team at the site
8.	SALES TRANSACTIONAL PROSPECTS OF SUCH PLANTS/ MACHINERY	
	Strategic Sale as part of the complete Project. Also on Piecemeal basis if so desired. Reason: This is a warehouse used for logistics, The machines/equipment available are used for material handling. The warehouse has all general use machine which can be used in similar industry and these are all mobile items of material handling equipment that can easily moved to another site. All the items under valuation can be sold as part of a complete project in case this whole project of the Warehouse is sold to some strategic buyer. But in case these material handling equipment are required to be sold on piecemeal basis, these can be easily sold in this mode also.	
9.	DEMAND OF SUCH PLANT & MACHINERY IN THE MARKET	
	Appears to be moderate as per general information available in public domain. As per the information available in public domain, the new Jewar International Airport has been sanctioned and it's contract for construction has been awarded and it should get operational in 3-4 years. The Railways has also established the dedicated freight corridor which starts from nearby location. So the demand of such facility and consequently such material handling equipment will be high in near future.	
10.	VALUATION PROEDURE	
a.	Basic Methodology: For arriving at fair market value of P&M & other fixed assets our engineering team has rationally applied the mixture of <u>'sales comparison approach (market approach)'</u> and the <u>'cost approach (depreciated replacement cost)'</u> . 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.	
b.	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.	
c.	Main Machinery of this Warehousing Facility are general purpose machines such as Rubber Gantry Cranes (RTGC), Reach Stacker, Hydra, Diesel Operated Forklift 3MT & 5MT, Battery operated Pallet Truck (2MT & 1.8 MT), Pallet Hand Trolleys, Dock Levelers, Dock levelers, Docking Gates, Racking Systems that can be used in any handling or logistics industry where handling of containers and goods is carried out and have widespread use.	
d.	The main data point for the Valuation of Plant & Machinery is the Fixed Asset Register maintained by the company. Plant & Machinery FAR has been provided by the company which has been relied upon in good faith. For the Machinery list and purchase cost & date Old Valuation Report has been referred provided to us by the Bank/ client. 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.	

e.	Provided Capitalization cost include 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 figure.
f.	For calculating Replacement Cost of the items as on date Cost Inflation Index is taken into consideration since the items are 8-9 years old and since then fluctuation has occurred in the prices of metals or industrial commodities.
g.	For evaluating depreciation Chart of Companies Act-2013 and generally accepted norms for such items in the industry are followed for ascertaining useful life of different types of machines. Useful life varies from 10-15 years depending upon the nature of the item.
h.	Market & Industry scenario is also explored for demand of such Industrial machines and it is found that many other Logistics and warehouse handling units are planned to operate in near future in this area. Currently no any major Warehouse and logistics industry are setup in this area.
i.	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.
j.	Underlying assumption for the evaluation of this Plant & Machinery is that it can be sold individually in market since demand of used & second hand machinery of this type is available in the market. But to preserve the value of this very well maintained industry, it can be sold as a Strategic Asset as a whole also.
11.	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 cumulated together. Our engineering team has separated the Cost of Equipment's in the different sections of the plant.

VALUATION ASSESSMENT

M/S. ARSHIYA NORTHERN FREE TRADE WAREHOUSING ZONE

Sr. No.	Asset Name	Date of Purchase	Date of Valuation	Life Consumed (Years)	Purchased Cost (in INR)	Estimated Economic Life of Asset	Depreciation Factor	Estimated Reproduction Cost of the Assets (As per WPI Index)	Depreciation	Depreciated Value	Prospective Fair Market Value
1	125 KVA DIESEL GENERATOR WITH AMF PANEL	11/08/2010	1/31/2020	9.5	Rs. 603,652.00	15	0.06	Rs. 718,345.88	Rs. 431,269.94	Rs. 287,075.94	Rs. 344,491.13
2	D.G. Set - 500KVA	6/27/2011	1/31/2020	8.6	Rs. 4,510,000.00	15	0.06	Rs. 5,366,900.00	Rs. 2,924,102.78	Rs. 2,442,797.22	Rs. 2,931,356.67
3	DOCKING GATE 3X3, 4x5	6/26/2011	1/31/2020	8.6	Rs. 1,824,573.00	10	0.10	Rs. 2,736,859.50	Rs. 2,237,438.88	Rs. 499,420.62	Rs. 599,304.75
4	Docking Gate (3m x 3m), (4m x 5m)	9/29/2011	1/31/2020	8.3	Rs. 1,224,036.00	10	0.10	Rs. 1,224,036.00	Rs. 970,409.03	Rs. 253,626.97	Rs. 304,352.36
5	Transformer (33KV/433V,1500KVA)	8/31/2011	1/31/2020	8.4	Rs. 1,180,000.00	15	0.06	Rs. 1,180,000.00	Rs. 629,602.74	Rs. 550,397.26	Rs. 660,476.71
6	Transformer (33KV/433V,1500KVA)	8/31/2011	1/31/2020	8.4	Rs. 1,180,000.00	15	0.06	Rs. 1,180,000.00	Rs. 629,602.74	Rs. 550,397.26	Rs. 660,476.71
7	LIFT 1 TON CAPACITY, 1.6	8/18/2011	1/31/2020	8.5	Rs. 3,399,469.00	15	0.06	Rs. 3,671,426.52	Rs. 1,967,214.03	Rs. 1,704,212.49	Rs. 2,045,054.98
8	DOCK LEVELLERS WITH 1 SET RUBBER BUMPER	4/20/2011	1/31/2020	8.8	Rs. 1,827,910.00	15	0.06	Rs. 1,919,305.50	Rs. 1,068,360.81	Rs. 850,944.69	Rs. 1,021,133.63
9	DOCK LEVELLERS WITH 1 SET RUBBER BUMPER	9/5/2011	1/31/2020	8.4	Rs. 2,507,544.00	15	0.06	Rs. 2,632,921.20	Rs. 1,402,541.49	Rs. 1,230,379.71	Rs. 1,476,455.65
10	DOCK LEVELLERS WITH 1 SET RUBBER BUMPER	9/5/2011	1/31/2020	8.4	Rs. 2,700,432.00	15	0.06	Rs. 2,835,453.60	Rs. 1,510,429.30	Rs. 1,325,024.30	Rs. 1,590,029.16
11	HYDRA - 12 MT WITH TOOL KIT	1/5/2012	1/31/2020	8.1	Rs. 815,000.00	10	0.10	Rs. 815,000.00	Rs. 625,339.45	Rs. 189,660.55	Rs. 227,592.66
12	Automatic Road Sweeper	2/28/2012	1/31/2020	7.9	Rs. 568,244.00	10	0.10	Rs. 670,527.92	Rs. 505,063.67	Rs. 165,464.25	Rs. 198,557.10
13	Rubber Tyre Gantry Crane 2	4/26/2011	1/31/2020	8.8	Rs. 144,760,000.00	10	0.10	Rs. 149,102,800.00	Rs. 124,261,865.02	Rs. 24,840,934.98	Rs. 29,809,121.98
14	Reach Stacker 1	5/27/2011	1/31/2020	8.7	Rs. 24,651,000.00	10	0.10	Rs. 26,130,060.00	Rs. 21,565,890.20	Rs. 4,564,169.80	Rs. 5,477,003.75
15	Reach Stacker 3	7/21/2011	1/31/2020	8.5	Rs. 73,953,000.00	10	0.10	Rs. 78,390,180.00	Rs. 63,575,509.82	Rs. 14,814,670.18	Rs. 17,777,604.22
16	Battery Operated Forklift 1 (1.8 TON)	6/20/2011	1/31/2020	8.6	Rs. 1,928,000.00	10	0.10	Rs. 2,043,680.00	Rs. 1,673,941.89	Rs. 369,738.11	Rs. 443,685.73
17	Battery Operated Forklift 3 (3 TON)	6/20/2011	1/31/2020	8.6	Rs. 5,470,000.00	10	0.10	Rs. 5,798,200.00	Rs. 4,749,202.36	Rs. 1,048,997.64	Rs. 1,258,797.16
18	Diesel Operated Forklift 3 Ton	7/29/2011	1/31/2020	8.5	Rs. 1,300,000.00	10	0.10	Rs. 1,378,000.00	Rs. 1,114,707.62	Rs. 263,292.38	Rs. 315,950.86
19	Diesel Operated Forklift 3 Ton	7/29/2011	1/31/2020	8.5	Rs. 650,000.00	10	0.10	Rs. 689,000.00	Rs. 557,353.81	Rs. 131,646.19	Rs. 157,975.43
20	Diesel Operated Forklift 1 (YARD) 5 TON	12/30/2011	1/31/2020	8.1	Rs. 1,150,000.00	10	0.10	Rs. 1,219,000.00	Rs. 937,227.32	Rs. 281,772.68	Rs. 338,127.22
21	Reach Truck	9/28/2011	1/31/2020	8.3	Rs. 9,308,000.00	10	0.10	Rs. 9,866,480.00	Rs. 7,824,659.27	Rs. 2,041,820.73	Rs. 2,450,184.88
22	Battery Operated Pallet Truck	9/28/2011	1/31/2020	8.3	Rs. 1,305,000.00	10	0.10	Rs. 1,383,300.00	Rs. 1,097,032.70	Rs. 286,267.30	Rs. 343,520.76
23	Hand Pallet Truck	11/25/2011	1/31/2020	8.2	Rs. 58,200.00	10	0.10	Rs. 62,856.00	Rs. 48,899.38	Rs. 13,956.62	Rs. 16,747.94
24	HAND TROLLY	10/21/2011	1/31/2020	8.3	Rs. 80,916.00	10	0.10	Rs. 87,389.28	Rs. 68,781.35	Rs. 18,607.93	Rs. 22,329.52
25	WEIGH BRIDGE 100MT,18 x 3m,PITLESS TYPE	2/26/2011	1/31/2020	8.9	Rs. 1,265,000.00	15	0.06	Rs. 1,265,000.00	Rs. 715,782.05	Rs. 549,217.95	Rs. 659,061.53
26	IN MOTION WEIGH BRIDGE	2/26/2011	1/31/2020	8.9	Rs. 2,397,134.00	15	0.06	Rs. 2,397,134.00	Rs. 1,356,383.79	Rs. 1,040,750.21	Rs. 1,248,900.25
27	HVAC W/H-52, 53, 54, Plant Room	2/26/2011	1/31/2020	8.9	Rs. 19,009,991.00	10	0.10	Rs. 21,291,189.92	Rs. 18,070,970.36	Rs. 3,220,219.56	Rs. 3,864,263.47
28	HVAC - DATA CENTRE	2/26/2011	1/31/2020	8.9	Rs. 1,603,474.00	10	0.10	Rs. 1,795,890.88	Rs. 1,524,268.53	Rs. 271,622.35	Rs. 325,946.81
Total value					Rs. 311,230,575.00			Rs. 327,850,936.20	Rs. 264,043,850.36	Rs. 63,807,085.84	76,568,503.01

Notes-

- Asset items pertaining to M/s Arshiya Northern FTWZ- Khurja is only considered in this report.
- All the items mentioned in the FAR were observed and verified by our engineering team during the site survey.
- Useful life of Equipments is taken as 10-15 Years, as specified under the Companies Act 2013 & generally accepted norms in this industry.
- For the valuation purpose, Details like Machine name, purchase cost, purchase date and other details were provided to us by the Bank which have been accepted by us in good faith.
- Since all the items are very well maintained and appear to have been used very sparingly, we have added 20% to the Depreciated Replacement Cost of the items to arrive at Fair Market Value of these items
- Major equipments of the FTWZ are Rubber Gantry Cranes (RTGC), Reach Stacker, Hydra, Diesel Operated Forklift 3 MT & 5 MT, Battery operated Pallet Truck (2 MT & 1.8 MT), Pallet Hand Trolleys, Dock Levelers, Dock levelers, Docking Gates, Racking Systems etc
- Currently few equipments are in use in warehouses and other equipments are on standby.
- We have not taken any obsolescence factor for these equipments since these equipments are in good usable condition, since these appear to be very sparingly used.

PART C CONSOLIDATED VALUATION ASSESSMENT OF PLANT & MACHINERY

S.No.	Particulars	Gross Block Value	Prospective Fair Market Value
1.	Plant & Machinery Value	Rs. 31,12,30,575/-	Rs. 7,65,68,503/-
2.	Additional Premium if any	-----	----
	Details/ Justification	-----	-----
3.	Deductions charged if any	-----	-----
	Details/ Justification	-----	-----
4.	Total Prospective Fair Market Value[#]	-----	Rs. 7,65,68,503/-
5.	Rounded Off	----	Rs. 7,66,00,000/-
6.	Expected Realizable Value[^] (@ ~15% less)	----	Rs. 6,51,10,000/-
7.	Expected Forced Distress Sale Value[*] (@ ~25% less)	----	Rs. 5,74,50,000/-
8.	Valuation for Insurance purpose	NA	Rs. 6,00,00,000/-

9.	Concluding Comments & Disclosures if any	<p>i. This Valuation report is prepared based on the copies of the documents/ information which interested organization or customer could provide to us out of the standard checklist of documents sought from them and further based on our assumptions and limiting conditions. All such information provided to us has been relied upon in good faith and we have assumed that it is true and correct.</p> <p>ii. Legal aspects for eg. Investigation of title, ownership rights, lien, charge, mortgage, lease, verification of documents from originals, etc. has to be taken care by legal experts/ Advocates.</p> <p>iii. This report only contains opinion based on technical & market information which came to knowledge during course of the assignment. It doesn't contain any recommendations.</p> <p>iv. This valuation assessment doesn't cover any Value addition or Enterprise/ Company Valuation factors of the Project/ Industry which may have additional premium or discounting impact on the overall Project/ Industry Value due to various other financial conditions of the Project.</p> <p>v. This report is prepared following our Standard Operating Procedures & Best Practices, Limitations, Conditions, Remarks, Important Notes, Valuation TOR.</p>
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(Rupees Seven Crores Sixty Six Lakhs Only)

PART D

SUMMARY OF THE VALUATION REPORT

S.NO.	CONTENTS	DESCRIPTION
1.	GENERAL DETAILS	
a.	Report prepared for	Bank
b.	Name & Address of Organization	State Bank of India, SARG III Branch, Mumbai.
c.	Name of Borrower unit	M/s Arshiya Northern Free Trade Warehousing Zone
d.	Name of Property Owner	M/s Arshiya Northern Free Trade Warehousing Zone
e.	Address & Phone Number of the owner	Arshiya Limited 302, Level 3 , Ceejay House , Opp. Atria Mall , Dr. Annie Besant Road, Worli, Mumbai - 400 018, India T: +91 22 4230 5500/502
f.	Address at which Plant & Machinery located	Arshiya Northern Ftwz, Junction Road, Industrial Area, Vill - Maujpur, Khurja, District - Bulandshahr, U.P -203131
g.	Type of the Property	Warehouse
h.	Nature of Industry	Warehouse
i.	Type of Loan	NA
j.	Type of Valuation	Plant & Machinery and other miscellaneous asset Valuation
k.	Report Type	Plain Asset Valuation
l.	Date of Inspection of the Property	31 January 2020
m.	Date of Valuation Report	24 February 2020
n.	Plant Technical person name, contact number & designation assisted for Survey	Mr. Nishant Vashisth ☎ +91-8006660011
o.	Purpose of the Valuation	Distress Sale for NPA a/c
p.	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.
q.	Out-of-Scope of the Assessment	<ul style="list-style-type: none"> i. Verification of authenticity of documents from originals or cross checking from any Govt. deptt. is not done at our end. ii. Legal aspects & rights of the Plant & Machinery are out-of-scope of this report. iii. Inventorization of P&M is out of scope of work. iv. Componentization of Plant & Machinery is out of scope of this report. v. Identification of the P&M is only limited to cross verification of major machines & production lines. vi. Technical/ mechanical/ operational testing of the machines is out-of-scope of the report. vii. Comment/ determination on technological aspect is out of scope of this report. viii. Any kind of machine/ process design is out of scope of the report.
r.	Information provided/ available for	<div>Documents Requested</div> <div>Documents Provided</div>

	assessment	Total 04 documents requested.		Total 01 documents provided.		
		Detailed Fixed Asset Register/ Inventory Sheet		Detailed Fixed Asset Register		
		Old valuation report		None		
		Invoices/ Bills		None		
		EPC contract agreements		None		
s.	Identification of the property	<input type="checkbox"/>	Cross checked from the name of the machines mentioned in the FAR/ Inventory list name plate displayed on the machine			
		<input checked="" type="checkbox"/>	Identified by the company's representative			
		<input type="checkbox"/>	Identified from the available Invoices			
		<input type="checkbox"/>	Identification of the machines could not be done properly			
		<input checked="" type="checkbox"/>	Due to large number of machines/ inventory, only major production lines & machines have been checked			
		<input type="checkbox"/>	Physical inspection of the machines could not be done			

2.	BRIEF DESCRIPTION OF THE ASSET UNDER VALUATION
a.	 <p style="text-align: center;"><u>Snapshot of the Asset/ Property Under Valuation</u></p> <p>This Valuation report is prepared for the Plant & Machinery related to the M/s Arshiya Northern Free</p>

Trade warehousing Zone located at Junction Road, Industrial Area, Village - Maujpur, Khurja, District - Bulandshahr, U.P -203131. In this section of the report Valuation of Material Handling Equipment is carried out.

Material Handling Equipment used in this FTWZ (Free Trade Warehousing Zone) are Rubber Gantry Cranes (RTGC), Reach Stacker, Hydra, Diesel Operated Forklift 3MT & 5MT, Battery operated Pallet Truck (2MT & 1.8 MT), Pallet Hand Trolleys, Dock Levelers, Dock levelers, Docking Gates, Racking Systems. As per site survey, some of the equipment was not in use.

The various sophisticated machinery at the plant are very well maintained and are in good running condition. All the items as per the list provided to us was considered to be present inside the warehouse premises of M/s. Arshiya Northern Free Trade warehousing Zone.

3.	VALUATION SUMMARY	
a.	Gross Block	Rs. 31,12,30,575/-
b.	Total Prospective Fair Market Value	Rs. 7,66,00,000/-
c.	Total Expected Realizable/ Fetch Value	Rs. 6,12,80,000/-
d.	Total Expected Distress/ Forced Sale Value	Rs. 5,74,50,000/-
e.	Valuation for the purpose of Insurance	Rs. 6,00,00,000/-

4.	ENCLOSURES	
a.	Part B	Valuation Report as per SBI Format
b.	Part C	Consolidated Valuation Assessment of Plant & Machinery
c.	Enclosure 1	Valuer's Remark - Page No.17,18,19
d.	Enclosure 2	Screenshot of the price trend references of the similar related properties available on public domain - Page No.x
e.	Enclosure 4	Photographs – Page No. 14,15,16
f.	Enclosure 6	Survey Summary Sheet – Pages 02
g.	Enclosure 7	Copy of relevant papers from the property documents referred in the Valuation – Pages 02

5.	DECLARATION	
	i. The property was inspected by our authorized surveyor on 31 January 2020 by name AE Praveen Sharma & AE Zaid Mairaj in the presence of Company's Representative ii. The undersigned does not have any direct/indirect interest in the above property. iii. The information furnished herein is true and correct to the best of our knowledge. iv. We have submitted Valuation report directly to the Bank. v. This valuation report is carried out by our Engineering team on the request from State Bank of India, SARG III Branch, Mumbai.	
1.	Name & Address of Valuer company	M/s R.K. Associates Valuers & Techno Engineering Consultants Pvt. Ltd.

		G-183, Preet Vihar, Delhi-110092		
2.	Enclosed Documents	S.No.	Documents	No. of Pages
		i.	General Details	02
		ii.	Screenshot of the price trend references of the similar related properties available on public domain	01
		iii.	Google Map	01
		iv.	Photographs	03
		v.	Copy of Circle Rate	01
		vi.	Survey Summary Sheet	02
		vii.	Valuer's Remark	02
		viii.	Copy of relevant papers from the property documents referred in the Valuation	02
3.	Total Number of Pages in the Report with Enclosures	20		
4.	Engineering Team worked on the report	SURVEYED BY: AE Praveen Sharma & AE Zaid Mairaj		
		PREPARED BY: AE Vibhanshu Vaibhav		
		REVIEWED BY: HOD Valuations		

R.K ASSOCIATES IMPORTANT NOTES:

DEFECT LIABILITY PERIOD - In case of any query/ issue or escalation you may please contact Incident Manager by writing at valuers@rkassociates.org. 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 at valuers@rkassociates.org within 30 days of the report delivery, to get these rectified timely, failing which R.K Associates 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 **ONE 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.

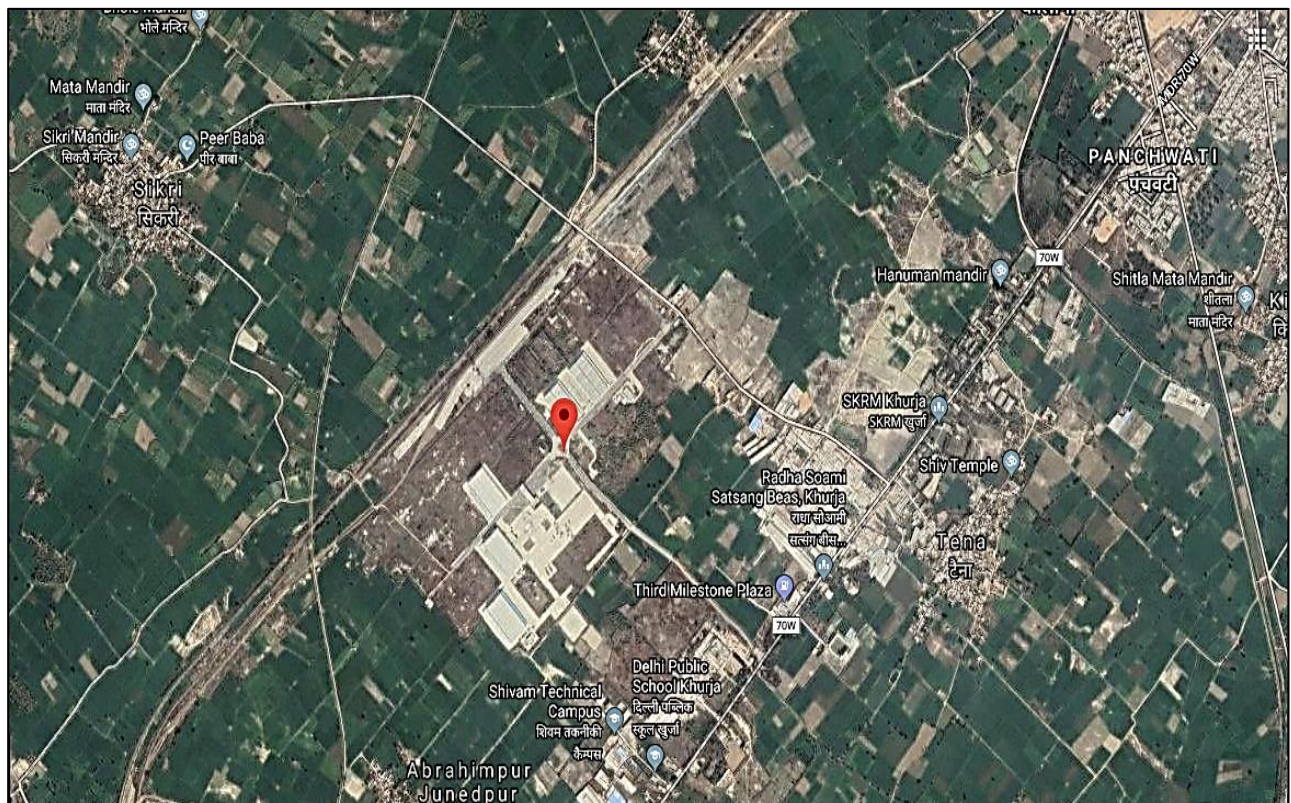
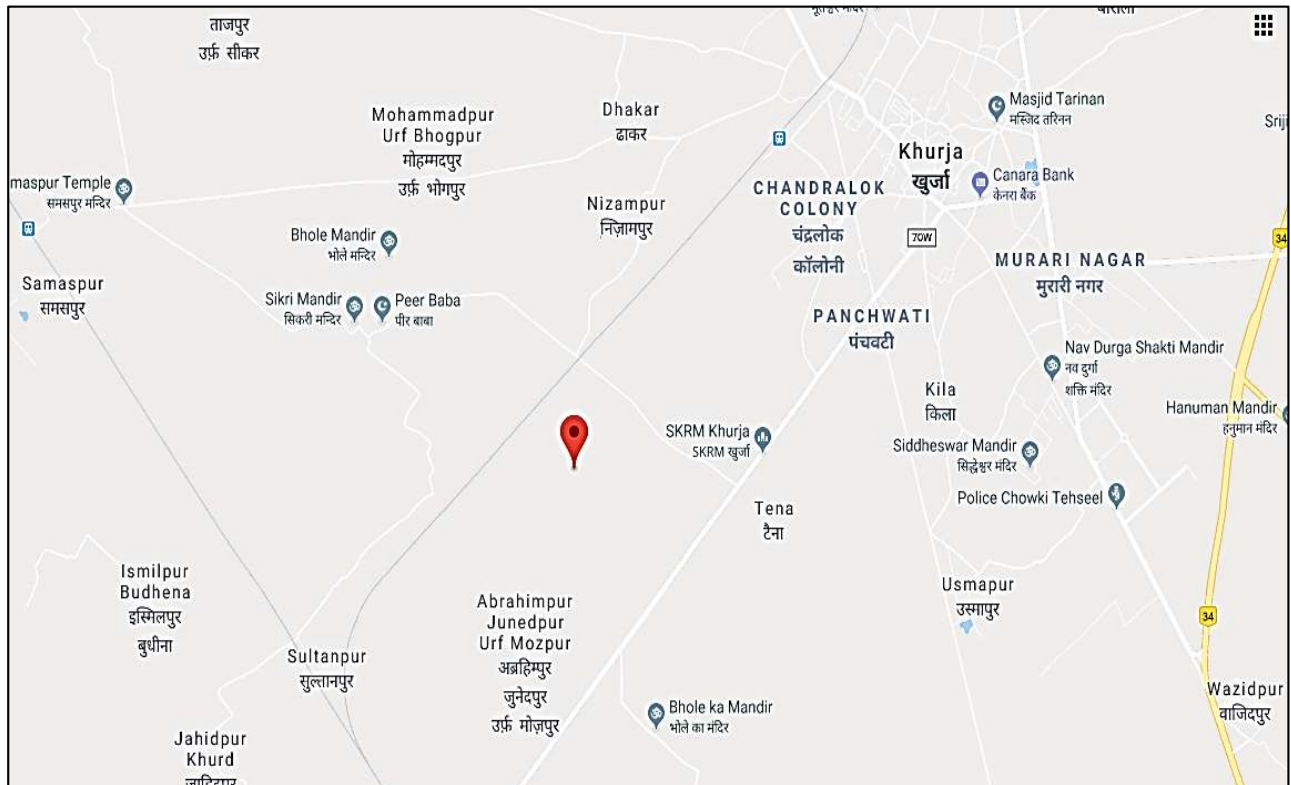
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IF REPORT IS USED FOR BANK/ FIs

NOTE: As per IBA Guidelines in case the valuation report submitted by the valuer is not in order, the banks / FIs shall bring the same to the notice of the valuer within 15 days of submission for rectification and resubmission. In case no such communication is received, it shall be presumed that the valuation report has been accepted.

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

GOOGLE MAP LOCATION- ANNEXURE V



PHOTOGRAPHS OF THE PROPERTY – ANNEXURE VI









VALUER'S REMARKS - ANNEXURE IX

i.	This Valuation report is prepared based on the copies of the documents/ information which interested organization or customer could provide to us out of the standard checklist of documents sought from them and further based on our assumptions and limiting conditions. All such information provided to us has been relied upon in good faith and we have assumed that it is true and correct. Verification or cross checking of the documents provided to us from the originals has not been done at our end.
ii.	Legal aspects for eg. Investigation of title, ownership rights, lien, charge, mortgage, lease, verification of documents, 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 property for which the legal verification has been already taken and cleared by the competent Advocate before requesting for the Valuation report.
iii.	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.
iv.	Value varies with the Purpose/ Date/ Condition prevailing in the market. We recommend not to refer the indicative & estimated prospective Value of the asset given in this report if any of these points are different from the one mentioned aforesaid in the Report. We also recommend that the indicative estimated Value in the Valuation Report holds good only upto the period of 3 months from the date of Valuation.
v.	This report is having limited scope as per its fields & format <u>to provide only the general basic idea of the value of the property prevailing in the market</u> based on the documents/ data/ information provided by the client. The suggested indicative prospective estimated value should be considered only if transaction is happened <u>as free market transaction</u> .
vi.	This Valuation report is prepared based on the facts of the property on the date of the survey. It is a well-known fact that the market value of any asset varies with time & socio-economic conditions prevailing in the country. In future property Market may go down, property conditions may change or may go worse, Property reputation may differ, Property vicinity conditions may go down or become worse, Property market may change due to impact of Govt. policies or effect of World economy, Usability prospects of the property may change, etc. 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 property value.
vii.	Valuation of the same asset/ property can fetch different values in different 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 market will fetch better value and if the same asset/ property is sold by any financier due to encumbrance on it will fetch lower value. Hence before financing, Banker/ FI should take into consideration all such future risks and should loan conservatively to keep the advanced money safe in case of any such situation.
viii.	Getting cizra map or coordination with revenue officers for site identification is not done at our end.
ix.	Valuation is done for the property identified to us by the owner/ owner representative. At our end we have just cross verified the identification of the property with reference to the documents produced for perusal. Method by which identification of the property is carried out is also mentioned in the report clearly. Responsibility of identifying the correct property 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 property for which Valuation has to be carried out to ensure that owner has not misled the Valuer company or misrepresented the property due to any vested interest.
x.	In India more than 70% of the geographical area is lying under rural/ remote/ non municipal/ unplanned area where the subject property is surrounded by vacant lands having no physical demarcation or having any display of property survey or municipal number / name plate on the property clearly. Even in old locations of towns, small cities & districts where property number is either not assigned or not displayed on the properties clearly and also due to the presence of multiple/ parallel departments due to which ownership/ rights/ illegal possession/ encroachment issues are rampant across India and due to these limitations at many occasions it becomes tough to identify the property with 100% surety from the available documents, information & site whereabouts and thus chances of error, misrepresentation by the borrower and margin of chances of error always persists in such cases. To avoid any such chances of error it is advised to the Bank to engage municipal/ revenue department officials to get the confirmation of the property to ensure that the property shown to Valuer/ Banker is the same as for which documents are provided.
xi.	If this Valuation Report is prepared for the Flat/ dwelling unit situated in a Group Housing Society or Integrated Township then approvals, maps of the complete group housing society/ township is out of scope of this report and this report will be made for the specific unit based on the assumption that complete Group Housing Society/

	Integrated Township must be approved in all respect..
xii.	Due to fragmented & frequent change in building/ urban planning laws/ guidelines from time to time, different laws/ guidelines between regions/ states and no strict enforceability of Building Bye-Laws in India specially in non-metro and scale b & c cities & Industrial areas, property owners many times extend or make changes in the covered area/ layout from the approved/ applicable limits. There are also situations where properties are decades old when there was no formal Building Bye-Laws applicable when the construction must have been done. Due to such discrete/ unplanned development in many regions sometimes it becomes tough to determine the exact lawful situation on ground for the Valuer. In case nothing specific is noted on the covered built-up area considered in the Valuation Report, the covered area present on the site as per site survey will be considered in the Valuation.
xiii.	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.
xiv.	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.
xv.	This report is prepared on the RKA V-L10 (Medium P&M) Valuation format as per the client requirement 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 property 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 property.
xvi.	In case of Valuation of Plant & Machinery or equipment, condition of machines is evaluated by visual observation only. No technical/ mechanical testing of any kind has been carried out at our end to ascertain the condition and efficiency of the machines. Valuation of Plant & Machinery is done on the basis of physical existence of the assets rather than their technical expediency.
xvii.	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 property that they should consider all the different associated relevant & related factors & risks before taking any business decision based on the content of this report.
xviii.	All Pages of the report including annexures are signed and stamped from our office. In case any paper in the report is without stamp & signature then this should not be considered a valid paper issued from this office.
xix.	Defect Liability Period is 30 DAYS . We request the concerned authorized reader of this report to check the contents, data 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. Corrections only related to typographical, calculation, spelling mistakes will be entertained within the defect liability period. No request for any illegitimate value revision, date change or any other change will be entertained other than the one mentioned above.
xx.	R.K Associates encourages its customers to give feedback or inform concerns over its services through proper channel at valuers@rkassociates.org in writing within 30 days of report delivery. After this period no concern/ complaint/ proceedings in connection with the Valuation Services can be entertained due to possible change in situation and condition of the property.
xxi.	Our Data retention policy is of ONE 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.
xxii.	This Valuation report is governed by our (1) Internal Policies, Processes & Standard Operating Procedures, (2) R.K Associates Quality Policy, (3) Valuation & Survey Best Practices Guidelines formulated by management of R.K Associates, (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 R.K Associates 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 at least within the defect liability period bring all such act into notice of R.K Associates management so that corrective measures can be taken instantly.

xxiii.	R.K Associates 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.
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