

REPORT FORMAT: Securities or Financial Assets | Version: 2.0, 2019

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File No.: VIS (2022-23)-PL105-088-143 (Part-B)

Dated: 05.08.2022

VALUATION REPORT

OF

CURRENT ASSET (SECURITIES AND FINANCIAL ASSETS)

OF

M/S NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED

REGISTERED AT

D.No.8-2-248, NAGARJUNA HILLS, HYDERABAD, ANDHRA
PRADESH, INDIA - 500 082

- Corporate Valuers
- Business/ Enterprise/ Equity Valuations
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- Agency for Specialized Account Monitoring (ASM)
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- Industry/ Trade Rehabilitation Consultants
- NPA Management
- Panel Valuer & Techno Economic Consultants for PSU Banks

REPORT PREPARED FOR:

IDBI BANK, WORLD TRADE CENTER COMPLEX, 7TH FLOOR, LCG, D-WING, IDBI
TOWER, CUFFE PARADE, MUMBAI – 400005

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.

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At valuers@rkassociates.org. We will appreciate your feedback in order to improve our services.



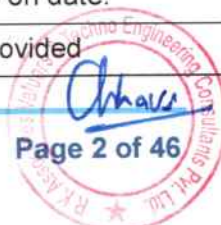
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PART A	INTRODUCTION
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S. No.	CONTENTS	DESCRIPTION		
a.	Name of the Company/ Corporate Debtor	M/s Nagarjuna Fertilizers and Chemicals Limited CIN No.: L24129TG2006PLC076238		
b.	Nature of Business	Currently M/s. Nagarjuna Fertilizers and Chemicals Limited became an NPA account while company has been engaged in manufactures and distributes ammonia, urea and several plant protection products which consist of herbicides, insecticides, and fungicides from the 7th November 2006.		
c.	Name of Owner/s	Nagarjuna Fertilizers and Chemicals Limited is a listed company limited by Share		
d.	Corporate & Registered Office	D.No.8-2-248, Nagarjuna Hills, Hyderabad, Andhra Pradesh, India – 500082 India		
e.	Name of the Directors/ Managing Directors	DIN No.	Name	Begin Date
		0000015990	Kanumuru Raju Rahul	1 th August, 2014
		0000023382	Chandrapal Singh Yadav	18 th August, 2011
		0000056510	Uday Jha Shankar	6 th August, 2016
		0002354356	Rajendra Gonela Mohan	28 th May, 2020
		0007161344	Lalitha Raghuram	18 th April 2015
		BPXPB9700F	Vijaya Bhasker Masapathri	29 th November 2019
		ACDPA7874P	Sudhakara Rao Annam	24 th May 2021
f.	Report Prepared for Organization	IDBI Bank, D-Wing, IDBI Tower, Cuffe Parade, Mumbai		
g.	Date of Valuation	5th August-2022		
h.	Report Type	Valuation of Securities or Financial Assets/ Current Assets.		
i.	Purpose of the Report	To estimate the value of Securities or Financial Assets of the NPA account of M/s Nagarjuna Fertilizers and Chemicals Limited on the request of Bank as on date.		
j.	Scope of the Report	To estimate the value of Securities or Financial Assets/Current Assets of the NPA account of M/s Nagarjuna Fertilizers and Chemicals Limited on the request of Bank as on date.		
		Documents Requested	Documents Provided	



S. No.	CONTENTS		DESCRIPTION
k.	Documents requested vs. produced for perusal	Latest Available Audited/Provisional Financial Statement of the company	Balance Sheet (FY 2021-2022)
		Details of Inventory	Inventory item wise as on 31th March 2022
		Investment and Loans & Advances	Statement of holding as on 31th March 2022
		Details of Trade Receivables	Age wise Trade Receivables as on 31th March 2022
		Details of Cash & Cash Equivalents	Statement of Cash & Cash Equivalents as on 31th March 2022
		Details of other current assets and others Current Financial Assets	Statement of Current Financial Assets as on 31th March 2022
I.	ANNEXURES	i. Non-current Financial Assets i-A Non-Current Security Deposit Ageing ii. Inventories iii. Trade Receivables iii-A Trade Receivables Ageing iv. Cash & Cash equivalents and Bank Balance v. Current Financial Assets and Tax Assets v-A Current Security Deposit Ageing vi. Other Current Assets	

PART B

**PRELIMINARY INFORMATION OF SECURITIES OR FINANCIAL ASSETS
UNDER ASSESSMENT**

- 1. OVERVIEW OF THE COMPANY/CORPORATE DEBTOR:** M/s Nagarjuna Fertilizers and Chemicals Limited is a listed company incorporated on 7th November 2006. It is classified as Non-Government limited by shares Public Company and is registered at Registrar of Companies (ROC), Hyderabad. Its authorized share capital is INR 8010000000 and its paid up capital is INR 598065003. The company is primarily engaged in the manufactures and distributes ammonia, urea and several plant protection products which consist of herbicides, insecticides, and fungicides.

M/s Nagarjuna Fertilizers and Chemicals Limited Annual General Meeting (AGM) was last held on 14th June 2022 and as per records from Ministry of Corporate Affairs (MCA), its balance sheet was last filed on 31 March 2022. Details of the directors of M/s Nagarjuna Fertilizers and Chemicals Limited are shown in the below table:

DIN No.	Name	Appointment Date
0000015990	Kanumuru Raju Rahul	1 th August, 2014
0000023382	Chandrapal Singh Yadav	18 th August, 2011
0000056510	Uday Jha Shankar	6 th August, 2016
0002354356	Rajendra Gonela Mohan	28 th May, 2020
0007161344	Lalitha Raghuram	18 th April 2015
BPXPB9700F	Vijaya Bhasker Masapathri	29 th November 2019
ACDPA7874P	Sudhakara Rao Annam	24 th May 2021

M/s Nagarjuna Fertilizers and Chemicals Limited is having Corporate Identification Number is (CIN) L24129TG2006PLC076238 and its registration number is 076238. Company is having its corporate office is located in D.No.8-2-248, Nagarjuna Hills, Hyderabad, Andhra Pradesh, India – 500082 India.

- 2. METHODOLOGY ADOPTED:** Valuation of Current Assets/Securities or Financial Assets is more like assessment & analysis rather than any scientific calculation based on any established norms, approach or formula. Valuation of Securities or Financial Assets is based on the analysis & review of the details, information/ data and discussion with Corporate Debtor/ Resolution Professional that what is recoverable for use of the Company/ Corporate Debtor and what has become non-recoverable and does not hold any value any more in the Securities or Financial Assets of the Company/ Corporate Debtor.



It is done basically adopting following approach:

- Identification of Current Assets/Securities or Financial Assets from the Balance Sheet/ Trail Balance of the company/ Corporate Debtor.
- Thorough review of breakup of each head under Current Assets/Securities or Financial Assets as per Securities or Financial Assets Notes in last available financial statements or outstanding balance as per latest statements provided by the client.

Gathering of Information on high level breakup of each head of Securities or Financial Assets for assessment (as per Prescribed Format)

- Review of data/ inputs/ information which Corporate Debtor/ Resolution Professional could provide to us against the queries raised by the valuer.
- Final assessment as per the data /information available on record.

All the information and data produced by the Liquidator are relied upon for undergoing the assessment of the Securities or Financial Assets. The Valuation of Current Assets/Securities or Financial Assets includes the following:

- Non-current Financial Assets (Non-Current Security Deposit Ageing)
- Inventories
- Trade Receivables (Trade Receivables Ageing)
- Cash & Cash Equivalents and Bank Balance
- Current Financial Assets and Tax Assets (Current Security Deposit Ageing)
- Other Current Assets

Notes:

- a. *There is no a fixed criterion, formula or norm for the Valuation of Current Assets/Securities or Financial Assets. It is purely based on the individual assessment and may differ from valuer to valuer based on the practicality he/ she analyses in recoveries of the outstanding dues. Ultimate recovery depends on efforts, extensive follow-ups of the individual case by the Corporate Debtor/ Resolution Professional. So, our values should not be regarded as any judgement in regard to the recoverability of Securities or Financial Assets but should only be read in terms of analysis.*

- b. *For arriving at the Liquidation Value, appropriate discounting factor against each Securities or Financial Assets item is applied based on the nature of Securities or Financial Assets and level of difficulty in realization of these.*

3. SCOPE OF WORK: To assess the estimated fair value of Current Assets/Securities or Financial Assets of NPA account M/s Nagarjuna Fertilizers and Chemicals Limited / Corporate Debtor based on the details, data/ information which Corporate Debtor/ Resolution Professional/Client could provide to us out of the standard checklist of the documents/ information requested from Corporate Debtor/ Resolution Professional/Client. As per our Scope, we are appointed for Valuation of Securities or Financial Assets of the Company/ Corporate Debtor.

Notes:

- a) *No audit of any kind is performed by us at our end from the books of account or ledger statements. All the data/ information/ input/ details provided to us by the Corporate Debtor/ Resolution Professional are taken by us as-it-is in good faith and assumed that that these are factually correct information.*
- b) *This is a general assessment of the estimated fair and Liquidation value of the Current Assets/Securities or Financial Assets based on the data/ input/ information that Corporate Debtor/ Resolution Professional could provide to us against our questions/ queries. In no manner this should be regarded as an audit activity/ report and NO micro analysis or detailed or forensic audit/ scrutiny of the financial transactions or accounts of any kind has been carried out at our end.*



PART C

VALUATION ASSESSMENT OF SECURITIES OR FINANCIAL ASSETS

1. SUMMARY OF VALUATION ASSESSMENT:

SUMMARY OF VALUATION ASSESSMENT OF SECURITIES OR FINANCIAL ASSETS						
Details are as on 31st March 2022						
S. No.	Particulars	Book Value	Fair Value Assessment	Liquidation Value (Going Concern)	Liquidation Value (Piecemeal)	Annexure
(Figures in INR Crores)						
1	Non-current Financial Assets	4.75	4.75	3.56	0.95	I
2	Inventories	46.40	41.40	41.22	17.71	II
3	Trade Receivables	484.93	62.47	26.91	11.59	III
4	Cash & Cash equivalents and Bank Balance	43.58	7.83	7.83	7.83	IV
5	Current Financial Assets and Tax Assets	11.24	4.81	4.44	3.98	V
6	Other Current Asset	59.59	56.08	28.47	11.59	VI
Total		650.74	177.34	112.43	53.65	
REMARKS & NOTES:-						
<ol style="list-style-type: none"> Assessment is done based on the discussions done with the Liquidator/ RP/ Corporate Debtor and the details which they could provide to us on our queries. All the notes on the current status of amount recovery are given by Liquidator/ RP/ Corporate Debtor. Notes and data provided by Liquidator/ RP/ Corporate Debtor has been relied upon in good faith on the basis of which independent potential value assessment of the Securities or Financial Assets has been carried out. For the basis of arriving at the Value of each Securities or Financial Assets, please refer to the specific annexure. This is just a general assessment on the basis of general Industry practice based on the details which the Liquidator/ RP/ Corporate Debtor could provide to us as per our queries & discussions held during 						

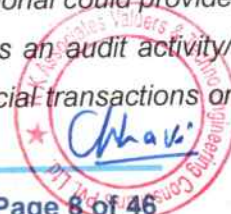
the course of the assessment and further opinion made by us based on the available information and facts on record.

5. Valuation of Securities or Financial Assets is more of a kind of an assessment based on the Industry practice and an assumption based on the facts & verbal discussion carried out with the Liquidator/ RP/ Corporate Debtor that what is the minimum amount can be recovered out of the receivables, loans & advances, etc.
6. No audit of any kind is performed by us from the books of account or ledger statements and all this data/ information/ input/ details provided to us by the Liquidator/ RP/ Corporate Debtor are taken as is it on good faith that these are factually correct information.
7. There are no fixed criteria, formula or norm for the Valuation of Securities or Financial Assets. It is purely based on the individual assessment and may differ from valuer to valuer based on the practicality he/ she analyses in recoveries of outstanding dues. Ultimate recovery depends on efforts, extensive follow-ups, and close scrutiny of individual case made by the Liquidator / RP / Corporate Debtor. So our values should not be regarded as any judgment in regard to the recoverability of Securities or Financial Assets.

Note: We have asked the current status of the assets of the valuation with corporate debtor/ Client and requested them to provide detailed break up of Securities and Financial Assets data (as per Prescribed Format). **All the detailed breakup of the information sought has been provided to us directly by the corporate Debtor/Client. Majority of information regarding the current recovery given by corporate Debtor/Client verbally/email which we have to rely upon in good faith. In case at any point of time it is found that false, incorrect or forged information is provided to us, then this should become null & void.**

This valuation has been done as per the Insolvency and Bankruptcy Code of India 2016. According to this code we have calculated Fair market value, liquidation value / realisable value. Liquidation value / Realisable value has been assessed on the basis of going concern and piecemeal. According to IBC for current asset valuation we cannot determine distressed value.

This is an only a general assessment of the current value of the Securities or Financial Assets based on the data/ input/ information that Corporate Debtor/ Resolution Professional could provide to us against our questions/ queries. In no manner this should be regarded as an audit activity/ report and NO micro analysis or detailed or forensic audit/ scrutiny of the financial transactions or accounts of any kind has been carried out at our end.



REFERENCES & ANNEXURES:

- *Annexure I – Non-current Financial Assets*
- *Annexure I(A) – Non Current Security Deposit Ageing*
- *Annexure II – Inventories*
- *Annexure III – Trade Receivables*
- *Annexure III(A) – Trade Receivables Ageing*
- *Annexure IV – Cash & Cash Equivalents and Bank Balance*
- *Annexure V – Current Financial Assets and Tax Assets*
- *Annexure V(A) – Current Security Deposit Ageing*
- *Annexure VI- Other Current Assets*

PART D

ASSUMPTIONS | REMARKS | LIMITING CONDITIONS | ANNEXURES

1. **Fair Market Value** suggested by the competent Valuer in his opinion is a prospective estimated amount without any prejudice after evaluating all the facts related to the subject asset at which the subject asset should be realizable on the date of Valuation.
2. **Liquidation Value** suggested by the competent Valuer in his opinion is a prospective estimated amount without any prejudice after evaluating all the facts related to the subject asset at which the subject asset should be realizable when the company is undergoing Liquidation process on the date of the Valuation.
 - a) Securities or Financial Assets Valuation is computed based on the Estimated Realizable assessment analysis.
 - b) This report is prepared based on the copies of the documents/ information/ data which interested organization or customer could provide to us out of the standard checklist of documents/ details/ information sought from them and further based on our assumptions and limiting conditions. All such information provided to us has been relied upon and we have assumed that it is true and correct. Verification or cross checking of the documents/ data/ information provided to us from the originals has not been done at our end. If at any time in future it's found or came to our knowledge that misrepresentation of facts or incomplete or distorted information has been provided to us then this report will automatically become null & void.
 - c) Legal aspects are not considered in this report. It is assumed and taken into account that the concerned Corporate Debtor/ Resolution Professional has first got the legal verification cleared by the competent Advocate before requesting for the Valuation report. Assessment of legal rights of Securities or Financial Assets in terms of its sale/ recoverability/ claims is beyond the scope of this report.
 - d) There are no fixed criteria, formula or norm for the Valuation of Securities or Financial Assets. It is purely based on the individual assessment and may differ from valuer to valuer based on the practicality he/ she analyses in recoveries of the outstanding dues. Ultimate recovery depends on efforts, extensive follow-ups of the individual case by the company. So, our values should not be regarded as any judgment in regard to the recoverability of Securities or Financial Assets but should only be read in terms of analysis.



- e) For arriving at the Liquidation Value, appropriate discounting factor against each Securities or Financial Assets item is applied based on the nature of Securities or Financial Assets and level of difficulty in realization of these.
- f) This is a general assessment of the fair and Liquidation value of the Securities or Financial Assets based on the data/ input/ information Corporate Debtor/ Resolution Professional could provide to us against our questions/ queries. In no manner this should be regarded as an audit activity/ report and NO micro analysis or detailed or forensic audit/ scrutiny of the financial transactions or accounts of any kind has been carried out at our end.
- g) No audit of any kind is performed by us at our end from the books of account or ledger statements. All the data/ information/ input/ details provided to us by the Corporate Debtor/ Resolution Professional are taken by us as-it-is on good faith and assumed that that these are factually correct information.
- h) The valuer has no direct/ indirect interest in the property.
- i) This report is having limited scope as per its fields to provide only the general basic idea of the value of the Securities or Financial Assets which can be recovered based on the analysis of the documents/ data/ information and formal & informal discussion in writing & verbally with the Corporate Debtor/ Resolution Professional.
- j) Secondary/ Tertiary costs related to asset transaction like Brokerage pertaining to the sale/ purchase/ recoverability/ transaction of any of the items lying under Securities or Financial Assets are not considered while assessing the fair and Liquidation Value.
- k) Value varies with the Purpose/ Date/ Condition of the market. This report should not to be referred if any of these points are different from the one mentioned aforesaid in the Report. The Value indicated in the Valuation Report holds good only up to the period of 6 months from the date of Valuation.
- l) 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.
- m) This report is prepared on the Securities or Financial Assets | Version: 2.0_2019 Valuation format as per the client requirement, charges paid and the time allotted. This report is having limited scope as per its fields to provide only the general estimated basic idea of the value of the Securities or Financial Assets based on the information provided by the client. No detailed analysis or verification of the information is carried upon pertaining to the value of the subject assets. No claim for any extra information will be entertained whatsoever be the reason. For

any extra work over and above the fields mentioned in the report will have an extra cost which has to be borne by the customer.

- n) This is just an opinion report and doesn't hold any binding on anyone. It is requested from the concerned Financial Institution/ Customer who are using this report that they should consider all the different associated relevant & related factors associated with the assets before taking any business decision based on the content of this report.
- o) 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.
- p) 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.
- q) Valuer 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.
- r) Our Data retention policy is of TWO 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.
- s) This Valuation report is governed by the (1) Internal Policies, Processes & Standard Operating Procedures, (2) Valuer Quality Policy, (3) Valuation & Survey Best Practices Guidelines, (4) Information input given to us by the customer and (4) Information/ Data/ Facts given to us by the field/ office technical team. Valuer never give 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 the valuer so that corrective measures can be taken instantly.




- t) Valuer never release any report doing alterations or modifications from pen. In case any information/ figure of this report is found altered with pen then this report will automatically become null & void.
- u) If this report is prepared for the matter under litigation in any Indian court, no official or employee of the valuer will be under any obligation to give in person appearance in the court as a testimony. For any explanation or clarification, only written reply can be submitted on payment of charges by the plaintiff or respondent which will be 10% of the original fees charged where minimum charges will be Rs.5000/-
- v) Valuation is a subjective field and opinion may differ from valuer to valuer. To check the right opinion, it is important to evaluate the methodology adopted, assumptions taken and various factors/ basis considered during the course of assessment before reaching to any conclusion.
- w) At the outset, it is to be noted that 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 formulae 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.



DECLARATION		
1.	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) During of the course of execution of this assignment, I have taken infrastructure, logistical, and operational support 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.	
2.	Report Prepared:	Signature of the Valuer
	Report Prepared By: R.K. ASSOCIATES VALUERS & TECHNO ENGINEERING CONSULTANTS (P) LTD. Report Prepared For: IDBI BANK, D-WING, IDBI TOWER, CUFFE PARADE, MUMBAI	
3.	Enclosed Documents	<ul style="list-style-type: none"> • Non-current Financial Assets • Inventories • Trade Receivables • Cash & Cash equivalents and Bank Balance • Current Financial Assets and Tax Assets • Other Current Assets
4.	Total Number of Pages in the Report with ANNEXURES	46
5.	Financial Analyst Team worked on the report	PREPARED BY: Mrs. Chhavi Toshan
		REVIEWED BY: Mr. Gaurav Kumar

For R.K Associates Valuers & Techno
 Engineering Consultants (P) Ltd.

Place : NOIDA
 Date : 5th August 2022


 (Authorized Signatory)
 Valuations

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R. K. Associates Important Disclaimer and Remarks are integral part of this report and Feasibility assessment is subject to this section. Reader of the report is advised to read all the points mentioned in these sections carefully.



ANNEXURE I – NON CURRENT FINANCIAL ASSETS

Items	Trial Balance	Fair Market Value	Liquidation value (Going concern)	Liquidation value (Piecemeal)	Remarks
Other Financial Assets - Security Deposit	4.75	4.75	3.56	0.95	<p>1. The security deposits shown in financial statements can be grouped in two kind of deposits. First other deposits related to various facilities like Electricity deposit, Water deposit, Drip Irrigation, Telephone, Power etc. and second is rental deposits for the various premises taken by the company on rent.</p> <p>2. Other deposits include deposits with Govt authorities towards various facilities like electricity deposit, water deposit, Drip Irrigation, telephone, power etc. From total of 3.26 Crs. we consider 100% as fair market value because company is ongoing concern and all these facilities have economic value to the company in its operation.</p> <p>In present times it might be the case that for the fresh procurement of these services, new promoter may have to shelve out even more that these deposits as per current rate. However since we do not know about the present security deposit rates and it is not possible to gather this information therefore we are atleast taking these deposits on its face value as it is.</p> <p>3. In regard to rental deposits, as per the financial statements there are no dues against rental deposits. These rental deposits are for different places taken by the company for office purpose only. Since company is ongoing concern and these sites are important to run the</p>

					<p>business of the company and therefore these deposits holds economic benefit to the company in its business. That is why company regularly honoring its rental from time to time. Therefore we are seeing 100% economic value of it for the business purpose.</p> <p>4. Although all these security deposits carry 100% economic value to the business in operation but in case of liquidation on going concern basis we are giving 25% discount since on sentimental grounds buyer would like to take advantage of the situation and would expect some discount since the negotiation power of buyer will be more than the seller in liquidation.</p> <p>5. During Liquidation on piece meal basis, since business will not be in operation therefore other deposits will not have any benefit and recovery of it will be insurmountable task and will be subject to the contract condition, legality issues and dues of the authority.</p> <p>6. Also, rental premises will not be required in piecemeal, therefore company will be vacating the premises and the liquidator can claim the refund of security deposits subject to condition of rent agreements. However in such In this case company will try to adjust it with the rent dues itself.</p> <p>Therefore on a general assumption we are of the view that in such a situation not more than 20% recovery will be possible based on the nature of deposits.</p> <p>Hence based on that we are considering only 20% liquidation value on piece meal basis.</p>
Total	4.75	4.75	3.56	0.95	

REMARKS & NOTES:-

1. Assessment is done based on the discussions done with the Banker/ Company and the details which they could provide to us on our queries.
2. The outstanding are taken from the data provided by the company standing as on 31st March 2022.
3. Based on the reason for pendency and comments on recoverability, we have arrived at the valuation based on the assumption that in present situation what is the maximum recoverability can come subject to proper follow-up with the counter parties.
4. The recoverability assessed in the potential valuation is subject to rigorous follow-up with individual debtor.
5. This is just a general assessment on the basis of general Industry practice, based on the details which the company/ Banker could provide to us as per our queries & discussions with the Company officials/ Banker.
6. No audit of any kind is performed by us from the books of account or ledger statements and all this data/ information/ input/ details provided to us by the company/ Banker are taken as is it on good faith that these are factually correct information.
7. There is no fixed criteria, formula or norm for the Valuation of Current assets It is purely based on the individual assessment and may differ from valuer to valuer based on the practicality he analyse in recoveries of outstanding dues. Ultimate recovery depends on efforts, extensive follow-ups and close scrutiny of individual case made by the company/ RP. So our values should not be regarded as any judgment in regard to the recoverability of Current assets



ANNEXURE I-A – NON CURRENT SECURITY DEPOSIT AGEING

Date	Particulars	Amount	Tags	Ageing (No of Days)
09.12.2013	Y.S.S. Dattatreya Reddy	4,500	Rental Deposit	3034
26.09.2007	Asst. Accts. Officer, E.R.O. Kakinada	2,150	Other Deposit	5300
06.10.2010	Asst. Accts. Officer, E.R.O. Kakinada	4,550	Other Deposit	4194
18.04.2014	Asst. Accts. Officer, E.R.O. Kakinada	6,000	Other Deposit	2904
21.06.2018	Asst. Accts. Officer, E.R.O. Kakinada	5,470	Other Deposit	1379
20.12.2007	Asst. Pay & Accts. Officer	2,835,000	Other Deposit	5215
04.09.2006	Accounts Officer (Cash), B.S.N.L.,	61,200	Other Deposit	5687
28.02.2008	Accounts Officer (Cash), B.S.N.L.,	6,500	Other Deposit	5145
10.11.2011	Accounts Officer (Cash), B.S.N.L.,	500	Other Deposit	3794
23.11.2011	Accounts Officer (Cash), B.S.N.L.,	500	Other Deposit	3781
05.05.2014	Hindustan Petroleum Corporation Ltd	3,400	Other Deposit	2522
30.09.2000	Eastern Power Dist. Co. Of Ap Ltd	7,293,300	Other Deposit	7852
05.09.2007	Eastern Power Dist. Co. Of Ap Ltd	24,210	Other Deposit	5321
27.06.2017	Eastern Power Dist. Co. Of Ap Ltd	1,038,000	Other Deposit	1738
31.05.2001	Indian Oil Corporation Ltd	24,000	Other Deposit	7609
31.05.2004	K V Vishnu Raju	350,574	Rental deposit	6509
12.07.2007	K. Lakshmi Raju	8,500,000	Rental deposit	5371
30.09.2016	Sohini Kapoor	1,650,000	Rental deposit	2007
07.11.2016	Mohini Kapoor	420,000	Rental deposit	1969
11.07.2016	Rajeev Kapoor	1,680,000	Rental deposit	2088
11.07.2016	Anuradha Vohra	1,200,000	Rental deposit	2088
31.12.1999	APSEB	1,412,908	Other Deposits	8125
31.08.2002	Elect. Deposit - Calcutta	15,172	Other Deposits	7151
01.04.2011	AO/Cash/Bsnl/Hyderabad	15,000	Other Deposits	4017
10.08.2017	The Fertiliser Association of India	100,000	Other Deposits	1694
31.03.2018	The Senior post Master, Khairatabad	8,736	Other Deposits	1
23.04.2010	Sivam Auto	36,790	Other Deposits	4360
28.09.2012	Central Depository Services (I) Ltd.	150,000	Other Deposits	3471
18.03.2008	B E S T	5,000	Other Deposits	5125
23.12.2015	Siddivinayaka Indl. Gases	88,500	Other Deposits	2653

21.07.2011 1.06.2012	Superintending Engineer	62,400	Other Deposits	4270
30.09.2012	Rameshwar Filling Station	300,000	Other Deposits	3834
31.12.2018	Tecnimont SPA	6,293,424	Other Deposits	1551
10.03.2015	AGM (EBP), O/o CGM Telecom,	10,000	Other Deposits	2577
19.03.2021	ICICI Prudential Life Insurance	5,743	Other Deposits	377
31.03.2022	The New India Assurance co. Ltd.	100,000	Other Deposits	1
31.03.2022	M.N.V. Prasada Reddy	12,000	Rental deposit	1533
31.03.2022	Vivek Tyagi	90,000	Rental deposit	2152
31.03.2022	Ramakrishna Radhakrishna Atkare	60,000	Rental deposit	1857
31.03.2022	V. Mahalakshmi	15,600	Rental deposit	1660
31.03.2022	Sonal Mahesh Jariwala	60,000	Rental deposit	1584
31.03.2022	Chendrasekhar B.N.V.Vs	14,931	Rental deposit	4761
31.03.2022	M.N.V. Prasada Reddy	21,000	Rental deposit	5700
31.03.2022	Seshasai B.V.V.S.	20,682	Rental deposit	5700
31.03.2022	Sundara Rao B.N.V.V.S.	52,494	Rental deposit	5700
31.03.2022	Visweswara Rao.V.	30,000	Rental deposit	5700
31.03.2022	Vuppala Neeraja	61,260	Rental deposit	2815
31.03.2022	Y Virupaksha Gowda	30,000	Rental deposit	3354
31.03.2022	S. Geetha Ranjani	25,000	Rental deposit	5340
31.03.2022	M/S R.K. Enterprises	14,000	Rental deposit	4062
31.03.2022	Deo Prakash Singh	74,000	Rental deposit	1744
31.03.2022	Prakash R Bandi	45,000	Rental deposit	4962
31.03.2022	B. Chatarji	50,000	Rental deposit	4077
31.03.2022	G. Veerabhadra Rao	50,000	Rental deposit	3458
31.03.2022	Yarlagadda Ravi Kumar	25,000	Rental deposit	2527
31.03.2022	Bimal Kumar Panda	60,000	Rental deposit	1118
31.03.2022	Premananda Das	140,000	Rental deposit	469
31.03.2022	Shevantabai Mahadev Sakhare	63,000	Rental deposit	106
31.03.2022	Sri Ramakrishna Gas Agency	3,400	Other deposit	2512
31.03.2022	Zuari Agro Chemicals Limited	50,000	Other deposit	1278
31.03.2022	Mangalore Chemicals & Fertilizers L	125,000	Other deposit	1278
31.03.2022	Deposits With Statutory Authorities	-7782290	Other deposit	180
31.03.2022	Bharat Sanchar Nigam Ltd	3,341	Other deposit	1693
31.03.2022	Elect Deposit-Ahmedabad	7,000	Other deposit	8126
31.03.2022	National Savings Certificates	115,000	Other deposit	3867
31.03.2022	S. Hanumantha Reddy	13,377	Other deposit	5700
31.03.2022	Visweswara Rao.V.	21,990	Other deposit	5700
31.03.2022	Vuppala Neeraja	6,240	Other deposit	5700
31.03.2022	Ao/Cash/Bsnl/Hyderabad	5,500	Other deposit	577

31.03.2022	Bharat Sanchar Nigam Limited	5,200	Other deposit	5137
31.03.2022	Avanthi Warehousing Services P Ltd	216,000	Other deposit	2808
31.03.2022	N.H.R.D.F	15,000	Other deposit	4643
31.03.2022	Annapurna Fertilizer Agency	24,000	Other deposit	45
31.03.2022	Gazebo Logistics Private Limited	8,000	Other deposit	455
31.03.2022	Indo Agro Chemicals	8,000	Other deposit	576
31.03.2022	Shree Govind Krupa Goods Carrier	49,000	Other deposit	455
31.03.2022	Cto Circle 8, Raipur	10,000	Other deposit	3811
31.03.2022	The Dcto, Yanam	25,000	Other deposit	3811
31.03.2022	Cto Circle 5, Bhopal	10,000	Other deposit	3811
31.03.2022	Cto, Jaipur	20,000	Other deposit	3800
31.03.2022	Paradeep Phosphates Ltd	10,000	Other deposit	3104
31.03.2022	Deposits With Statutory Authorities	10,361,300	Other deposit	2197
31.03.2022	Bsnl, Bangalore	500	Other deposit	2922
31.03.2022	Acct, Gujarat State	45,000	Other deposit	3376
31.03.2022	Ao/Cash/Bsnl/Hyderabad	3,000	Other Deposits	4538 & 4233
31.03.2022	The Mp State Agro Indus. Dev. Co	20,000	Other Deposits	2851
31.03.2022	Financial Controller, J.K. State	25,000	Other Deposits	4391
31.03.2022	Assistant Director(Accounts-1)	100,000	Other Deposits	4390
31.03.2022	Chief Engineer, Aed , Chennai	20,000	Other Deposits	3030
31.03.2022	Director of Agriculture	150,000	Other Deposits	5794
31.03.2022	Malegaon SSK	50,000	Other Deposits	5843
31.03.2022	Commissioner of Horticulture P	64,000	Other Deposits	5843
31.03.2022	Department of Sericulture	25,000	Other Deposits	5843
31.03.2022	M.P. State Agro Development Co	20,000	Other Deposits	3252
31.03.2022	M.D.C.G. Rajyabeejevam Krishi V	450,000	Other Deposits	1707 & 1155
31.03.2022	Sao/Opc/Rrn/Gunrock/Secundera b	1,332,600	Other Deposits	4748 & 3584 & 3235
31.03.2022	Ao/ Cash/ Trichy, Bsnl	5,625	Other Deposits	4177
31.03.2022	Sao/Operation/Medak Circle, Ap	187,500	Other Deposits	2922
31.03.2022	Sao/ Cpdcl/Habsiguda, Hyderaba	551,600	Other Deposits	3218 & 2745
31.03.2022	Dee/Op/Apcpdcl/Sangareddy	675,000	Other Deposits	2192
31.03.2022	Sr. ACCOUNTS OFFICER, TSSPDCL,	1,215,077	Other Deposits	2358 & 1289
31.03.2022	The Comptoller, Tnau, Coimbatore	20,000	Other Deposits	1094
31.03.2022	Haryana Horticulture	100,000	Other Deposits	1661 & 1659
31.03.2022	The M.P State Agro Industries	40,000	Other Deposits	1595
31.03.2022	Sanchalak Rajya Krishi Vistar	200,000	Other Deposits	1300
31.03.2022	The Chief Engineer(AE), Agricu	15,000	Other Deposits	1008
31.03.2022	Ao/Cash/Bsnl/Hyderabad	3,000	Other Deposits	3287
31.03.2022	Electricity Deposit-Gseb	1,465,552	Other Deposits	3287



31.03.2022	Madhya Gujarat Vij Company Lim	2,330,381	Other Deposits	2798 /2318/ 2095/2023
31.03.2022	Fa & Cca, Cpdcl, Mint Compound	232,400	Other Deposits	2752
31.03.2022	Veeraiah Obulammpalle	7,000	Rental deposit	1723
31.03.2022	Maharastra Hybrid Seeds Company	36,000	Rental deposit	2337
31.03.2022	Bhramaramba Kurapati	12,000	Rental deposit	1885
31.03.2022	Krishma Rakesh Patel	16,000	Rental deposit	35

REMARKS & NOTES:-

1. Assessment is done based on the discussions done with the Banker/ Company and the details which they could provide to us on our queries.
2. The outstanding are taken from the data provided by the company standing as on 31st March 2022.
3. Based on the reason for pendency and comments on recoverability, we have arrived at the valuation based on the assumption that in present situation what is the maximum recoverability can come subject to proper follow-up with the counter parties.
4. The recoverability assessed in the potential valuation is subject to rigorous follow-up with individual debtor.
5. This is just a general assessment on the basis of general Industry practice, based on the details which the company/ Banker could provide to us as per our queries & discussions with the Company officials/ Banker
6. No audit of any kind is performed by us from the books of account or ledger statements and all this data/ information/ input/ details provided to us by the company/ Banker are taken as is it on good faith that these are factually correct information.

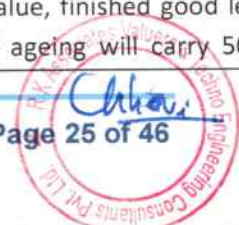


ANNEXURE II – INVENTORY

INVENTORY						
Details as on 31st January 2022						
S. No	Items	Trial Balance	Fair Market Value	Liquidation value (Going concern)	Liquidation value (Piecemeal)	Remarks
(Figures in INR Crores)						
1	Raw Material	4.54	3.80	3.80	1.36	<p>1. Raw material includes 0.16 Crs. neem oil and water and which are regularly being consumed for both the plants.</p> <p>2. Company is not operating its micro Irrigation business due to lack of working capital. However company still have raw material for the same. Rs 0.83 Crs. of raw material has ageing of more than 2 years. Therefore we cannot consider its 100% value. This raw material includes drippers which are made of metal. Therefore we are considering its scrap value as 20% as fair market value.</p> <p>3. Rs. 0.37 Crs of raw material has ageing of less than 2 years. This raw material includes DEPD, LEPD, Lin Dripper, Superlin Dripper, Polymer Processing Aid, CDL Labyrinth Dripper etc, its average shelf life is less than 2 years. So if company will restart this business above material can give economic benefit to the company. Therefore we are considering 80% of this material as fair market value.</p> <p>4. In this book value company received 3.18 Crs raw material on Job work basis to process and deliver back the processed material to the customer. But Due to lack of supporting documents like invoice of doing the job work, we are considering 100% value as fair market value.</p>

						<p>5. In case of liquidation on going concern basis we are giving 30% discount on the book value since the company is currently operational. And we are assume that it will come out from its financial stress and expand its operations in future. Hence its value would be same as fair market value.</p> <p>6. In case of liquidation on piecemeal basis, since business will not be in operation therefore to sell out this material will be very challenging task and very specific to the same business. Hence we are giving 30% of the book value.</p>
2	Work in progress	4.46	4.01	4.01	0.89	<p>1. Work in progress goods given in the financial statements are used by the company since the company is currently running its business. Company will use its WIP for the production. If the material got damaged by any means like leakage (in case of gas) or waste, it is not practically possible to measure that damage. Hence we are considering 90% as FMV of the book value.</p> <p>2. In case of liquidation on going concern basis we are considering 10% reasonable quality discount on the book value basis the plants running condition and company will use its inventory to make final product.</p> <p>3. In case of liquidation on piecemeal basis, business will not be in operation. And WIP material will not be of any use because of the chemicals and gasses used in the process of urea. Therefore it is difficult to get benefit and recovery of it will be insurmountable task. Therefore we are giving only 80% discount to calculate liquidation value on piece meal basis.</p>

3	Finished Goods and Stock In Transit - Manufactured goods	18.44	16.59	16.59	3.03	<ol style="list-style-type: none"> 1. Finished goods include urea, as well as by products of urea (Actin, Dormulin, Akre - C Plex, ZETA+, Proventus, Rhizomyco, Bio Granules, Amino Acids, Nitro Benzene, BT Nutri, Bio Protinier, Nagarjuna Wonder(Gr), Ecolaid Prime etc). Since the company is currently running its plants and earning the revenue. 2. Total revenue has two parts 15% as market collection and 85% as Subsidy, at current pool gas prices. Subsidy becomes eligible once Urea is sold to farmer and recorded in e-POS machine and paid based on weekly submission of Invoices to GOI and budget availability. So company has given these subsidy dues in its liabilities. Therefore whatever amount is given in the current asset side it would be the market collection. 3. Here one more discussion point is that bulk urea must be stored in closed, dry and ventilated warehouses. Because urea is very sensitive to temperature and humidity. Therefore we are considering its fair market value as 90% of the book value. 4. Finished goods carry 100% economic value to the business in operation but in case of liquidation on going concern basis we are giving 10% discount since urea is perishable in nature and goods can be damaged. 5. In case of liquidation on piecemeal basis, since business will not be in operation, finished good less than 6 months of ageing will carry 100% value, finished good less than 1 year of ageing will carry 80% value, finished good less than 2 years of ageing will carry 50%
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						value, finished good more than 2 years of ageing will carry 0 value.
4	Traded goods	9.90	7.92	7.92	4.95	<ol style="list-style-type: none"> 1. Traded goods include urea, as well as by products of urea (Actin, Dormulin, Akre - C Plex, ZETA+, Proventus, Rhizomyco, Bio Granules, Amino Acids, Nitro Benzne, BT Nutri, Bio Protinier, Nagarjuna Wonder(Gr), Ecolaid Prime etc). Here the company is currently running its plants and earning the revenue. 2. Traded goods also includes those goods which are not manufactured in the company. Also During the transport of the traded goods there may be damaged packaging or leaky material which are not suitable for sale. Therefore we are considering its fair market value as 80% of the book value. 3. Traded goods carry 100% economic value to the business in operation but in case of liquidation on going concern basis we are giving 20% discount since urea is perishable in nature and goods can be damaged. 4. In case of liquidation on piecemeal basis, since business will not be in operation, and keep in mind the ageing of the material it would be difficult to sell these materials. Hence we have consider the piecemeal value to be at 50% of the book value.
5	Packing materials	1.78	1.78	1.60	0.18	<ol style="list-style-type: none"> 1. In case of fertilizer products, packing material in most of the cases would be bags. Bags cannot get damage easily and it can be reused in case of obsolete. Therefore we are considering its fair market value as 100% of the book value. 2. In case of liquidation on going concern basis we are considering 10%

						<p>reasonable quality discount on the book value basis the fact that the for packing materials there may be changes in MRP printed on the bags of various products as well as ageing factor (More than 2 years) of the material.</p> <p>3. In case of liquidation on piecemeal basis, business will not be in operation. So we are considering scrap value of the packing materials because these bags have company name on it. So it cannot be used for other business purpose. Therefore we are considering 10% of the book value.</p>
6	Stores and Spares	7.27	7.27	7.27	7.27	<p>These assets are used in various steps of the production process and carry 100% economic value to the business in operation and therefore these material are vital for the conversion of raw materials into finished goods.</p> <p>Hence 100% value has been taken into consideration for Fair market value, Going concern value and piecemeal value respectively.</p>
7	Loose tools	0.03	0.03	0.03	0.03	<p>These assets are used in various steps of the production process and carry 100% economic value to the business in operation and therefore these material are vital for the conversion of raw materials into finished goods.</p> <p>Hence 100% value has been taken into consideration for Fair market value, Going concern value and piecemeal value respectively.</p>
		46.40	41.40	41.22	17.71	
REMARKS & NOTES:-						
<p>1. Assessment is done based on the discussions done with the Liquidator/ RP/ Corporate Debtor and the details which they could provide to us on our queries.</p>						

2. *This is just a general assessment on the basis of general Industry practice, based on the details which the Liquidator/ RP/ Corporate Debtor provided to us as per our queries & discussions with the Liquidator/ RP/ Corporate Debtor.*
3. *No audit of any kind is performed by us for the books of account or ledger statements and all this data/ information/ input/ details provided to us by the Liquidator/ RP/ Corporate Debtor are taken as is it on good faith that these are factually correct information.*
4. *There is no fixed criteria, formula or norm for the Valuation of Securities or Financial Assets. It is purely based on the individual assessment and may differ from valuer to valuer based on the practicality he/she analyses in recoveries of outstanding dues. Ultimate recovery depends on efforts, extensive follow-ups, and close scrutiny of individual case made by the Liquidator / RP / Corporate Debtor. So, our values should not be regarded as any judgment in regard to the recoverability of Securities or Financial Assets.*

rk ASSOCIATES



ANNEXURE III – TRADE RECEIVABLES

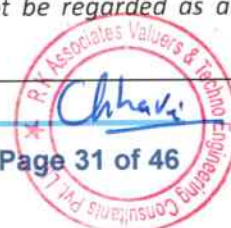
TRADE RECEIVABLES						
Details as on 31st March 2022						
S.No.	Items	Trial Balance	Fair Market Value	Liquidation value (Going concern)	Liquidation value (Piecemeal)	Remarks
(Figures in INR Crores)						
1	Unsecured - Considered good	459.10	15.75	7.88	3.15	<p>As per the information provided by the client or company:</p> <ol style="list-style-type: none"> The dues amounting INR 442.79 Crs is part of subsidy receivable, which is to be adjusted against the Gas Pool Dues and Gas Supplies Dues and hence cannot be considered as current assets. Due to the transfer of eNAM project to another vendor, who has invested the resources to fulfil the contractual obligations of NFCL. As agreed INR 0.56 Cr is payable to the vendor. After adjusting for the above dues, the remaining value of INR 15.75 Cr is considered as Fair Market Value. We have no information regarding the terms and conditions under which sales were made, period of pendency, status of the recovery procedures of these outstanding receivables etc. Therefore in case of liquidation (going concern), we have considered 50% of fair market value. <p>Recovery of these receivables will be insurmountable task for the client. Therefore, in case of liquidation (Piecemeal), we have considered 20% of fair market value.</p>
2	Which have significant	41.81	21.61	6.48	2.16	<ol style="list-style-type: none"> This asset includes Rs 3.18 Crs of receivables less than 6 months, Rs 0.43 Crs of receivables 6 months to 1

	increase in Credit Risk					<p>year, Rs 9.88 Crs of receivables less than 2 years, Rs 15.33 Crs of receivables less than 3 years and 12.36 Crs of receivables are more than 3 years. Hence for 6 months of ageing we are considering 100% of recovery, for 6 months to 1 year of ageing we consider 90% of recovery, for less than 2 years of ageing we are considering 80% of recovery, for less than 3 years of ageing we are considering 50% of recovery and for more than 3 years of ageing we are considering 20% of recovery. So fair market value will be calculated accordingly.</p> <p>2. In case of liquidation on going concern basis, company will be running its operations. Therefore the receivables from Urea and other products division, majority of receivables (presently urea is being sold on cash basis / few days credit basis in case of non-season) are from urea products. However we have no information about the nature of these receivables, like: terms and conditions under which sales were made, period of pendency, status of the recovery procedures of these outstanding receivables etc. Therefore in case of liquidation on going concern basis, we will consider 30% of fair market value.</p> <p>3. In case of liquidation on piecemeal basis, business will not be in operation. Therefore the recovery of receivables will be challenging task and will be subject to the ageing. Therefore on a general assumption we think that in such a situation not more than 10% recovery will be possible. Therefore based on that we</p>
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						are considering only 10% liquidation value on piece meal basis.
3	Credit Impaired	62.77	25.11	12.55	6.28	<p>Credit impaired are those assets whose recoverable amount is less than the carrying cost, their chances of recoverability is very low.</p> <p>We have no information about the nature of these receivables, like terms and conditions under which sales were made, period of pendency, status of the recovery procedures of these outstanding receivables etc.</p> <p>Therefore, we have considered fair market value, liquidation (Going Concern) and liquidation (Piecemeal) to be 40%, 20% and 10% respectively.</p>
		563.68	62.47	26.91	11.59	
4	Less: Provision for doubtful debts	78.75	0.00	0.00	0.00	We have not received any document / supporting regarding the said provision from company. Hence we have not considered in its value.
	Total	484.93	62.47	26.91	11.59	

REMARKS & NOTES:-

1. Assessment is done based on the discussions done with the Banker/ Company and the details which they could provide to us on our queries.
2. The outstanding are taken from the data provided by the company standing as on 31st March 2022.
3. Based on the reason for pendency and comments on recoverability, we have arrived at the valuation based on the assumption that in present situation what is the maximum recoverability can come subject to proper follow-up with the counter parties.
3. This is just a general assessment on the basis of general Industry practice, based on the details which the company/ Banker could provide to us as per our queries & discussions with the Company officials/ Banker.
4. No audit of any kind is performed by us from the books of account or ledger statements and all this data/ information/ input/ details provided to us by the company/ Banker are taken as is it on good faith that these are factually correct information.
5. There is no fixed criteria, formula or norm for the Valuation of Current assets It is purely based on the individual assessment and may differ from valuer to valuer based on the practicality he analyze in recoveries of outstanding dues. Ultimate recovery depends on efforts, extensive follow-ups and close scrutiny of individual case made by the company/ RP. So our values should not be regarded as any judgment in regard to the recoverability of Current assets.



ANNEXURE III-A – TRADE RECEIVABLES AGEING

TRADE RECEIVABLES AGEING							
Details as on 31st March 2022 (Figures in INR Crores)							
S. NO	Particulars	Less than 6 months	6 months to 1 year	Less than 2 years	Less than 3 years	More than 3 years	Total
1	Subsidy Receivable- Manufacturing Urea (Gas Pool and Gas supply dues as on 31 st March 2022 is Rs 662.88 Crs, Net dues to GAIL is Rs 220.09 Crs)	442.79	-	-	-	-	442.79
2	Other Receivables	3.81	0.43	9.88	15.33	12.36	41.81
	Total	446.6	0.43	9.88	15.33	12.36	484.93
REMARKS & NOTES:-							
<ol style="list-style-type: none"> Assessment is done based on the discussions done with the Banker/ Company and the details which they could provide to us on our queries. The outstanding are taken from the data provided by the company standing as on 31st March 2022. Based on the reason for pendency and comments on recoverability, we have arrived at the valuation based on the assumption that in present situation what is the maximum recoverability can come subject to proper follow-up with the counter parties. The recoverability assessed in the potential valuation is subject to rigorous follow-up with individual debtor. This is just a general assessment on the basis of general Industry practice, based on the details which the company/ Banker could provide to us as per our queries & discussions with the Company officials/ Banker. No audit of any kind is performed by us from the books of account or ledger statements and all this data/ information/ input/ details provided to us by the company/ Banker are taken as is it on good faith that these are factually correct information. There is no fixed criteria, formula or norm for the Valuation of Current assets It is purely based on the individual assessment and may differ from valuer to valuer based on the practicality he analyse in recoveries of outstanding dues. Ultimate recovery depends on efforts, extensive follow-ups and close scrutiny of individual case made by the company/ RP. So our values should not be regarded as any judgment in regard to the recoverability of Current assets. 							



ANNEXURE IV – CASH AND CASH EQUIVALENTS AND BANK BALANCES

CASH AND CASH EQUIVALENTS AND BANK BALANCES						
Details as on 31st March 2022						
S. No.	Items	Trial Balance	Fair Market Value	Liquidation value (Going concern)	Liquidation value (Piecemeal)	Remarks
(Figures in INR crores)						
Cash & Cash Equivalent						
1	Current Accounts	20.97	5.22	5.22	5.22	<p>1. As per information provided by client / company priority charge is already with GAIL for the entire subsidy amount including the amount Rs 18.75 Crs, which was subsidy paid to NFCL on priority basis for restart of 2nd plant so cannot be considered as current asset. Hence after adjustment 2.22 Crs would be the fair market value. Refer below mentioned table and see the adjusted value of Rs 3 Crs would be added back to 2.22 Crs. And Fair market value would be 5.22 Crs.</p> <p>2. In case of liquidation on going concern basis, business will be in operation, therefore we keep in mind the same reasoning as above, hence whatever comes after adjustments we will consider that amount as it is for Going Concern Value.</p> <p>3. In case of liquidation on piecemeal basis, business will not be in operation. However in this situation, bank balance of the company will be the same, it will not be affected. Hence in case of piecemeal also the adjustments will take place and whatever amount comes in the current account, we will consider that amount as it is for piecemeal value.</p>
2	Cash on hand	0.15	0.15	0.15	0.15	As per the cash certificates provided by the company, the amount given under the head cash on hand is matched. Hence we

						have consider fair market value, Going Concern Value and piecemeal value to be at 100% of the book value.
	Total	21.12	5.37	5.37	5.37	
Bank Balance (Other Than Cash & Cash Equivalents)						
1	Margin Money Deposits	2.29	2.29	2.29	2.29	<p>Margin money deposits means that while issuing the guarantee bank asks the client to deposit some money by way of fixed deposit as a counter security.</p> <p>Hence we have consider fair market value, Going Concern Value and piecemeal value to be at 100% of the book value.</p>
2	Amount in earmarked account for payment to a creditor as per High Court Orders	20.17	0.17	0.17	0.17	<p>1. An arbitration award was given against the company by a London Court of international arbitration for breach of contract in favor of a foreign supplier, M/s Key Trade. The Hon'ble High Court of Telangana directed to earmark an amount of Rs 20 Crores. Accordingly, the banks IDBI and SBI (Rs 14 crores and Rs 6 crores respectively) have to pay Rs 20 Crores amounts in favor of Key trade. Hence fair market value would be 0.17 Crs.</p> <p>2. And for 0.17 Crs, we have not received any document/ supporting regarding the said bank balance. This bank balance will be the same in both the cases i.e. liquidation on going concern basis and liquidation on piecemeal basis. Therefore we have consider Going Concern Value and piecemeal value to be at 100% of the adjusted value.</p>
	Total	22.47	2.47	2.47	2.47	
REMARKS & NOTES:-						
<p>1. Assessment is done based on the discussions done with the company/ Banker and the details which they could provide to us on our queries.</p> <p>2. This is just a general assessment on the basis of general Industry practice, based on the details which the company/ Banker provided to us as per our queries & discussions with the company officials/ Banker.</p> <p>3. No audit of any kind is performed by us for the books of account or ledger statements and all this data/ information/ input/ details provided to us by the company/ Banker are taken as is it on good faith that these are factually correct information.</p>						

4. There is no fixed criteria, formula or norm for the Valuation of Current assets It is purely based on the individual assessment and may differ from value to value based on the practicality he/she analyze in recoveries of outstanding dues. Ultimate recovery depends on efforts, extensive follow-ups and close scrutiny of individual case made by the company/ Banker. So our values should not be regarded as any judgment in regard to the recoverability of Current assets.

Below table shows only those current accounts in which there is difference in B/S value and Actual value. Also for some accounts company did not provide any supportive documents.

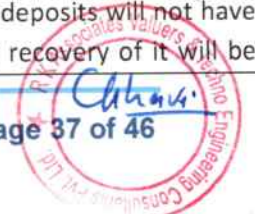
(In INR Lakhs)

Bank Details	As on 31-03-2022 in B/S	Actual amount As on 31-03-2022	Difference in balance	Remark Statement
IDBI, Current A/c no.0133103000010803	2,339.33	2367.28	27.95	Verified by Bank statement
IDBI, CA.0093103000000639	18.33	18.36	0.03	Verified by Bank statement
IDBI, 0004103000067102	0.03	0.07	0.03	Verified by Bank statement
IDBI, 133103000000268	3.80	2.51	(1.29)	(Bank Reconciliation Statement) BRS Issue
SBH Nariman Point Bombay	0.19	-	(0.19)	Company did not provide any supportive document.
SBI (POS machines) CAG Br, A/c No.36279	4.70	-	(4.70)	Company did not provide any supportive document.
Corporation Bank Collection clearing A/c	(5.19)	-	5.19	Company did not provide any supportive document.
SBI-IFB Clearing A/c	(90.55)	-	90.55	Company did not provide any supportive document.
Corporation Bank -RTGS Account	(8.44)	-	8.44	Company did not provide any supportive document.
SBI Nacharam CC 30382636479 A/C	615.00	774.20	174.20	Verified by Bank statement
Total Adjustment			300.21	

ANNEXURE V – OTHER CURRENT FINANCIAL ASSETS AND TAX ASSETS

OTHER CURRENT FINANCIAL ASSETS AND TAX ASSETS						
Details as on 31st March 2022						
S. No.	Items	Trial Balance	Fair Market Value	Liquidation value (Going concern)	Liquidation value (Piecemeal)	Remarks
(Figures in INR crores)						
Other Financial Assets						
1	Interest Accrued on Deposits and advances	0.82	0.65	0.41	0.25	<p>1. We have not receive any documents from company / client regarding this asset. So here in general Circumstances Company must had landed these deposits and advance to government and trust worthy organizations. However recoverability of these interest will depends upon factors like terms and condition of the contract, ageing of the deposits, legality of the same. Therefore we are considering its fair market value as 80% of the book value.</p> <p>2. During Liquidation, other deposits will not have any benefit and recovery of it will be insurmountable task and will be subject to the contract condition, legality issues and dues of the authority. In case of liquidation on going concern basis, we are considering it as 50% of the book value and for Liquidation (Piecemeal) we are considering it as 30% of the book value.</p>
2	Unbilled Revenue	6.26	0.00	0.00	0.00	<p>1. Due to the transfer of e-NAM project to another vendor, who has invested the resources to fulfil the contractual obligations of NFCL. As agreed INR 6.26 Cr is payable to the vendor. So after the adjustment the fair market value would be zero.</p> <p>2. The fact about eNAM project will also apply in case of going concern and</p>

						piecemeal. Hence we will not assign any value to going concern and piecemeal.
3	Security Deposit	0.53	0.53	0.40	0.11	<p>1. The Current security deposits shown in financial statements is other deposits related to various facilities like Electricity deposit, Water deposit, Drip Irrigation, Telephone, Power etc.</p> <p>2. Other deposits include deposits with Govt authorities towards various facilities like electricity deposit, water deposit, Drip Irrigation, telephone, power etc. From total of 0.53 Crs. we consider 100% as fair market value because company is ongoing concern and all these facilities have economic value to the company in its operation. In present times it might be the case that for the fresh procurement of these services, new promoter may have to shelve out even more that these deposits as per current rate.</p> <p>However since we do not know about the present security deposit rates and it is not possible to gather this information therefore we are atleast taking these deposits on its face value as it is.</p> <p>3. Although all these security deposits carry 100% economic value to the business in operation but in case of liquidation on going concern basis we are giving 25% discount since on sentimental grounds we do not know about the present security deposit rates and it is not possible to gather this information.</p> <p>4. During Liquidation on piece meal basis, since business will not be in operation therefore other deposits will not have any benefit and recovery of it will be</p>



						insurmountable task and will be subject to the contract condition, legality issues and dues of the authority. Therefore based on that we are considering only 20% liquidation value on piece meal basis.
4	Other Receivables	0.01	0.005	0.001	0.000	<p>We have no information regarding the terms and conditions under which sales were made, period of pendency, status of the recovery procedures of these outstanding receivables etc. Hence in this scenario, we are assuming fair value to be 50% of outstanding amount.</p> <p>Here the liquidator will not get economic benefit of these receivables because recovery of these receivables will be insurmountable task for them, therefore we consider Going Concern Value to be at 15% and piecemeal value to be 5% of fair market value.</p>
Total		7.61	1.18	0.80	0.35	

Current Tax Assets (Net)

1	Advance Income Tax	3.63	3.63	3.63	3.63	<p>We have not received any document/supporting regarding the status of the Income Tax. However the amount belongs to last financial year advance tax i.e. 2021-22. In general circumstances the amount of income tax that is paid much in advance rather than a lump-sum payment at the year-end is advance income tax. This amount belong to government so it is fully recoverable.</p> <p>Hence we have consider fair market value, Going Concern Value and piecemeal value to be at 100% of the book value.</p>
		3.63	3.63	3.63	3.63	

REMARKS & NOTES:-

1. Assessment is done based on the discussions done with the banker/ company and the details which they could provide to us on our queries.
2. All the notes on the current status of amount recovery are given by company/ banker. Notes and data provided by company/ banker has been relied upon in good faith on the basis of which independent potential value assessment of the Current assets has been carried out.
3. For the basis of arriving at the Value of each Current assets, please refer to the specific annexure.



4. *This is just a general assessment on the basis of general Industry practice based on the details which the company/ banker could provide to us as per our queries & discussions held during the course of the assessment and further opinion made by us based on the available information and facts on record.*
5. *Valuation of Current assets is more of a kind of an assessment based on the Industry practice and an assumption based on the facts & verbal discussion carried out with the company officials/ banker that what is the minimum amount can be recovered out of the receivables, loans & advances, etc.*
6. *No audit of any kind is performed by us from the books of account or ledger statements and all this data/ information/ input/ details provided to us by the company/ banker are taken as is it on good faith that these are factually correct information.*



ANNEXURE V-A – CURRENT SECURITY DEPOSIT AGEING

Document Date	Particulars	Amount	Tags	Ageing (No of Days)
31.12.1999	Mandal Revenue Officer	500,000	Security Deposit	8126
31.12.1999	Mandal Revenue Officer	4,000,000	Security Deposit	8126
31.12.2021	The Oriental Insurance Co Ltd.,	57,056	Security Deposit	90
02.02.2022	The Oriental Insurance Co Ltd.,	(12,965)	Security Deposit	57
10.03.2006	Bhuruka Gases Ltd	18,000	Security Deposit	5865
21.02.2008	Bhuruka Gases Ltd	16,000	Security Deposit	5152
01.09.2001	Venkataramana Agencies	10,000	Security Deposit	7516
01.03.2022	J.D. Enterprises	5,065	Security Deposit	30
25.02.2022	Ramky Enviro Engineers Ltd.	200,000	Security Deposit	34
17.03.2021	New India Assurance Co. Ltd	28,803	Security Deposit	2
31.03.2019	National Insurance Co., Ltd.,	47,565	Security Deposit	1096
30.09.2019	ICICI Lombard General Insurance co. Ltd.	245,059	Security Deposit	913
30.01.2010	Bajaj Allianz Insurance co., Ltd.,	4,847	Security Deposit	4443
01.12.2019	Exide Life Insurance Co., Ltd.,	148,049	Security Deposit	821

REMARKS & NOTES:-

1. Assessment is done based on the discussions done with the banker/ company and the details which they could provide to us on our queries.
2. All the notes on the current status of amount recovery are given by company/ banker. Notes and data provided by company/ banker has been relied upon in good faith on the basis of which independent potential value assessment of the Current assets has been carried out.
3. For the basis of arriving at the Value of each Current assets, please refer to the specific annexure.



4. *This is just a general assessment on the basis of general Industry practice based on the details which the company/ banker could provide to us as per our queries & discussions held during the course of the assessment and further opinion made by us based on the available information and facts on record.*
5. *Valuation of Current assets is more of a kind of an assessment based on the Industry practice and an assumption based on the facts & verbal discussion carried out with the company officials/ banker that what is the minimum amount can be recovered out of the receivables, loans & advances, etc.*
6. *No audit of any kind is performed by us from the books of account or ledger statements and all this data/ information/ input/ details provided to us by the company/ banker are taken as is it on good faith that these are factually correct information.*



ANNEXURE VI – OTHER CURRENT ASSETS

OTHER CURRENT ASSETS						
Details as on 31st March 2022						
S. No.	Items	Trial Balance	Fair Market Value	Liquidation value (Going concern)	Liquidation value (Piecemeal)	Remarks
(Figures in INR Crores)						
1	Other Advances					
	Unsecured, considered good	51.90	46.24	23.12	9.25	<p>1. NFCL is having Unutilized Accumulated ITC amount under GST law of Rs. 47.26 Crores as on 31-03-2022 as per the Audited Financial Statements and Books of Account. Since this amount can be claimed from GST authorities except some part of this amount will be utilized towards output tax. Therefore we are giving 10% discount on book value.</p> <p>Hence we have consider fair market value as 90% of book value.</p> <p>2. As per the information provided by company, Rs 4.64 Crores advances made towards railway freight for the movement of goods in the 1st week of April 22, IT related services, and insurance, others and the same will be settled. Company is currently operating its plants so it will get the economic benefit of these advances. Therefore we will consider 80% of these advances as fair market value.</p> <p>3. In case of liquidation on going concern basis, the business will be in operation. Therefore company can claimed from GST authorities as well as company will take the</p>

						<p>economic benefit of the advances. In case of liquidation on going concern basis we are giving 50% discount because recovery of these receivables will be insurmountable task for them. For Liquidation (Piecemeal), business will not be in operation and company will not be able to take the economic benefit of the advances.</p> <p>Hence, we will consider piecemeal value as 20% value of the fair market value.</p>
	Unsecured, considered doubtful	3.62	2.90	1.45	0.72	<ol style="list-style-type: none"> 1. As per the information provided by the company, these unsecured advances, considered doubtful, made towards railway freight, IT related services, insurance and others. Because company will get the economic benefits of the advances and keep in mind that these are unsecured doubtful advances, hence in this scenario, we are assuming fair value to be 80% of outstanding amount. 2. In case of liquidation on going concern basis, the business will be in operation. Therefore the same reasoning we will consider here as we have consider for the fair market value. However the owner of the company will change therefore we are giving 30% discount on the book value. Hence we are considering Going Concern Value to be at 40% of the book value. 3. In case of liquidation on piecemeal basis, business will not be in operation. Company will not be able to take the economic



						benefit of the advances. However recovery of it will be challenging task and will be subject to the contract condition, legality issues and dues of the authority. Therefore based on that we are considering only 20% liquidation value on piece meal basis.
	Less: Provision for Doubtful advances	3.62	0.00	0.00	0.00	We have not received any document/ supporting regarding the said provision. Hence we have not considered its value.
	Total	51.90	49.14	24.57	9.97	
2	Prepaid Expenses	7.59	6.83	3.80	1.52	<p>1. As per company Rs 7.59 Crores of prepaid expenses are related to insurance premium paid for various policies and GAIL bank guarantee charges recovered by Bank for a period of one year, so grouped under prepaid expenses, but these are the future adjustments so we will not consider it. Here company will get the economic benefits of these expenses and keep in mind that these expenses are paid in advances, hence in this scenario, we are assuming fair value to be 60% of outstanding amount.</p> <p>2. In case of liquidation on going concern basis, the business will be in operation. Therefore the same reasoning as we will consider here as we have consider for the fair market value. However the owner of the company will change therefore we are giving 20% discount on the book value. Hence we are considering Going Concern Value to be at 50% of the book value.</p>



						<p>3. In case of liquidation on piecemeal basis, business will not be in operation. Company will not be able to take the economic benefit of the expenses. However recovery of it will be challenging task and will be subject to the contract condition, legality issues and dues of the authority</p> <p>4. Therefore based on that we are considering only 20% liquidation value on piece meal basis.</p>
3	Balance with Government Authorities	0.10	0.10	0.10	0.10	<p>1. These balances made with Govt authorities towards various facilities so this amount will be fully recovered. Here company will also enjoy the economic benefit of these balances. Hence we have consider fair market value and Going Concern Value to be at 100% of the book value.</p> <p>2. In case of liquidation on piecemeal basis, business will not be in operation. Even then the amount will be fully recovered because it is made against Govt. authorities. So here also the piecemeal value would be at 100% of the book value.</p>
	Total	59.59	56.03	28.47	11.59	

REMARKS & NOTES:-

1. Assessment is done based on the discussions done with the banker/ company and the details which they could provide to us on our queries.
2. All the notes on the current status of amount recovery are given by company/ banker. Notes and data provided by company/ banker has been relied upon in good faith on the basis of which independent potential value assessment of the Current assets has been carried out.
3. For the basis of arriving at the Value of each Current assets, please refer to the specific annexure.

4. *This is just a general assessment on the basis of general Industry practice based on the details which the company/ banker could provide to us as per our queries & discussions held during the course of the assessment and further opinion made by us based on the available information and facts on record.*
5. *Valuation of Current assets is more of a kind of an assessment based on the Industry practice and an assumption based on the facts & verbal discussion carried out with the company officials/ banker that what is the minimum amount can be recovered out of the receivables, loans & advances, etc.*
6. *No audit of any kind is performed by us from the books of account or ledger statements and all this data/ information/ input/ details provided to us by the company/ banker are taken as is it on good faith that these are factually correct information.*
7. *There are no fixed criteria, formula or norm for the Valuation of Current assets, it is purely based on the individual assessment and may differ from valuer to valuer based on the practicality he/ she analyses in recoveries of outstanding dues. Ultimate recovery depends on efforts, extensive follow-ups, and close scrutiny of individual case made by the company/banker. So our values should not be regarded as any judgment in regard to the recoverability of Current assets.*

