**REPORT FORMAT:** CL-1 | Version: 1.0\_2018

# FILE No.: VIS(2022-23)-PL219-169-319 Date: 30-06-2022

* ***CERTIFICATE* NAME:** *Cost Vetting Certificate for Food Processing and Packing plant which is installed at Mauza Nikra Grant, Pargana – Bhagwanpur, Tehsil - Bhagwanpur, District – Haridwar, Khasra No. 804, 805*
* ***PREPARED FOR ORGANIZATION:*** *Punjab National Bank, MCC Branch Dehradun*
* ***BORROWER COMPANY’S NAME:*** *M/s. MB Foods*
* ***ASSET TYPE****: Food Processing and Packing Industry*
* ***CURRENT LOCATION OF THE MACHINES****: The machinery are installed in the subject plant located at Mauza Nikra Grant, Pargana – Bhagwanpur, Tehsil - Bhagwanpur, District – Haridwar, Khasra No. 804, 805.*

**TO WHOM IT MAY CONCERN**

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| **S. NO.** | **PARTICULARS** | **DESCRIPTION** |
| 1. | Date of Survey | 29-06-2022 |
| 2. | Date of Certificate | 30-06-2022 |
| 3. | Documents provided for perusal | 1. Purchase Bills 2. FA Register 3. List of Machines |
| 4. | Current Location of the Machines | Mauza Nikra Grant, Pargana – Bhagwanpur, Tehsil - Bhagwanpur, District – Haridwar, Khasra No. 804, 805 |
| 5. | Borrowing Company | M/s. MB Foods |
| 6. | Type of Asset | Plant & machinery related to *Food Processing and Packing Industry* |
| 7. | Type of Assessment | Cost Vetting |
| 8. | Scope of Assessment | Cost Vetting of the newly installed plant & machinery installed in the above-said plant. |
| 9. | Nature of Machinery | Machinery related to Food Processing and Packing Industry |
| 10. | Year of Installation | 2022 |
| 11. | Total Purchase Cost | **Rs.5,32,01,911/-** *(including GST)*  (*Total machinery cost including supply and installation as per the FAR / List of machinery / invoices / purchase orders provided by the company)* |
| 12. | Current Estimated Market Value | For new machinery and equipment, a variety of vendors and the public domain are used to verify the current market rates for this type of machinery and equipment.  We estimate that the cost to install the machinery for a comparable food processing factory should be between **Rs.5.30 Cr.** and **Rs.5.50 Cr.** based on the findings of the market study and taking into account the rising prices of metal.  Therefore, the acquisition cost of the plant & machinery provided by the company seems reasonable and fair. |
| 13. | Condition of Machines | Machines are installed and are in very good working condition. |

**OBSERVATIONS:**

1. Inquiries in the public domain and multiple vendors of a similar kind of machinery have been made. As a result, it was discovered that the price stated in the submitted FAR is entirely within the price range of comparable machinery that is sold in the market and appears to be fair.
2. As per the observations made and information provided by the company’s representatives during the site visit, the machinery has already been installed at the above-said plant location and the plant became operational in June 2022.
3. In the last few months, the rates of metal have increased, so we have considered the price range accordingly.
4. In this certificate, we have considered the value only for the main machinery while the cost for auxiliary items/ software has not been included. Due to this, there can be a major difference in some of the items.
5. Based on the information provided by officials of M/s. MB Foods and enquiries made by us in the open market along with the references found in the public domain for similar machines/items, it is certified that total market cost for setting up a plant of similar specification should be in the range of **Rs. 5.30 Cr to Rs. 5.50 Cr** and therefore the total purchase price of **Rs.5,32,01,911/- (including GST)** *(as per the FAR, quotations, bills & purchase orders provided to us) appears to be reasonable.*

***Disclaimer:***

* 1. *This cost vetting is done on the basis of quotations, bills and purchase orders provided to us by the company and verification of the same during the site visit conducted on 29th June 2022.*
  2. *The estimated cost verification of item to item can’t exactly match as per our vetting due to several market consideration. In some of the items it is lower while in some of the items price comes to be higher but on an average the price as per the documents provided to us falls in the range as confirmed by us.*
  3. *There can be variation in the estimated price if the specification & make of any items procured is different from the list provided to us during assessment.*
  4. *The estimated cost verification is made based on the third party information which has been replied upon in good faith.*
  5. *The estimated price may vary at the time of actual procurement because of change in prices in the market for such kind of machinery/items for which we will not have any control. The cost vetting is only limited to the date of Certificate issued. We do not assume any responsibility in change of prices of the said machinery/items after this date.*
  6. *This certificate doesn’t include any work related to drawing, design, sketch plan, procurement of the machines.*
  7. *Ownership and other legal point of view in respect of the asset is not considered in this report as same is out of scope of this certificate.*
  8. *This certificate is made at the request of the Punjab National Bank, MCC Branch Dehradun.*

**For R.K Associates Valuers** **& Techno** **FOR INTERNAL USE**

**Engineering Consultants (P) Ltd. *TYPED BY: Er. Arun Tomar***

***REVIEWED BY: HOD Engineering***

# ANNEXURE – I: FAR PROVIDED BY THE CLIENT









# ANNEXURE: - II (REFERENCES ON PRICE TREND OF THE SIMILAR RELATED

**PROPERTIES AVAILABLE ON PUBLIC DOMAIN )**











