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#### 1. VALUATION SYNOPSIS

1.1

Instructions	Valuation of ALD Electric Steel Ca. Put Ltd.	
	KS - Kellung (KR), Kolgung seweitspelotferdaren e	
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	The call We request usy solved the report at the earliest which has been addigned to	t im.
	With Regards	
	Sk. Mariel 40	
	Manager < refs RSM	
	tolate BME Branch	
	Koluza Zorw	

This report was taken up at the instance of the Manager-Credit/RSM, Bank of India, Kolkata SME Branch, having their office at 23A, Netaji Subhas Road, Kolkata - 700001, vide e-mail dated 01.11.2021 to estimate the market value of land and structures of M/s. A. D. Electro Steel Co. Pvt. Ltd. located at Baltikuri, Surki Mill, Kalitala, Howrah - 711 113, P. S. Jagacha, District Howrah, Ward no. 50, under Howrah Municipal Corporation, for the purpose of supporting secured lending decision to bank.

#### 1.2 Executive Summary

#### (in Bank of India Format)

A	Name of the registered Valuer	¢	SANDIP KUMAR DEB
B	Name of the client	φ	Bank of India, Kolkata SME Branch
C	Address of the client	$\dot{\Psi}$	23A, Netaji Subhas Road, Kolkata - 700001
p.	Gienr's telephone no	ŵ	033 2262 4135/4276
ŧ	West condent to a	$\phi$	e mail dated 01.11.2021

specified from the definition of the term of the definition of the second of the second of the



	<ol> <li>Purpose for which valuation is Supporting secured lending decision made</li> </ol>	to bank
	<ol> <li>Date as on which valuation is  ↔ 28.10.2021 made</li> </ol>	
	3. Name of the owner/owners	
4	<ul> <li>If the property is under joint Single ownership ownership/co-ownership, share of each such owner.</li> <li>Are the shares undivided?</li> </ul>	
5	<ol> <li>Brief description of the          The property comprises of land o property.     </li> </ol>	f 81.07 decimal Ictures.
6	6.       Location, street, ward no.       ◆       Location       : Baltikuri         Street       : Surki Mill, Kalit         Ward no.       : 50         Co-ordinate       : 22º36'14.56''N	ala 88º18'06.09'''E
7.	<ol> <li>Survey / Plot no. of land</li> <li>Mouja Baltikuri, J. L. No. 2, L. R. Khat nos. 707, 708, 709, 711, 714, 3336, D</li> </ol>	ian no. 377, Dag Iistrict Howrah
7.	7.a       Boundary of land <ul> <li>North</li> <li>Others factory on Dag no</li> <li>South</li> <li>Dag no. 713 &amp; road</li> <li>East</li> <li>Others factory</li> <li>West</li> <li>Others factory on Dag no</li> </ul>	. 705,706 . 714
8.	<ol> <li>Is the property situated in          Mixed area     </li> <li>residential / commercial /         mixed area / industrial area?</li> </ol>	
9.	<ol> <li>Classification of locality – high          Middle Class     </li> <li>class / middle class / poor class.</li> </ol>	
10.	<ol> <li>Proximity to civil amenities, like  Vithin 0.5 Km. radius schools, hospitals, offices, market, cinemas etc.</li> </ol>	
11.	<ol> <li>Means and proximity to surface          <ul> <li>Bus Stop</li> <li>Surki Mill (300 m</li> <li>Communication by which the Rail Station</li> <li>Dasnagar (1 km. locality is served.</li> </ul> </li> </ol>	eter) )
12.	<ol> <li>Area of land supported by Shape : Irregular documentary proof. Shape, Physical feature : Developed land dimensions and physical features.</li> </ol>	
13.	<ol> <li>Is it freehold or leasehold land? </li> <li>Freehold land</li> </ol>	
14.	Is there any Restrictive  No Covenant in regard to use of land? If, attach a copy of the covenant.	
15.	. Is there any agreement of . No easements? If so, attach copies.	
Sandip Ku	o Kumar Deb & Associates   Ref No. VR/SKD&A/63/801/SMEKOL/2021-22   Page2 of 38	14-56

16.	Does the land fall in an area included in any Town Planning Plan of Government or any statutory body? If so, give particulars.	* 1	No
17.	Has any contribution been made towards development or is any demand for such contribution still outstanding?	* 1	Not known
19.	Attach a dimensioned site plan	÷ /	Attached as annexure IV
20.	Attach plans and elevations of all structures standing on the land and a layout plan.	* 1	Not applicable
21.	Furnish technical details of the building on a separate sheet (Annexure).	* I	Not applicable
22.	(i)Is the property owner- occupied / tenanted / both.	* (	Owner occupied
	<ul> <li>(ii) If partly owner-occupied, specify portion and extent of area under owner-occupation.</li> </ul>	* 1	Not applicable
23.	What is the floor area ratio permissible & and percentage actually utilized.	♦ F F	=.A.R. Permissible = 1.5 =.A.R. Consumed = <1.5
24.	Names of tenants / lessees / licenses etc. portions in their occupation. Monthly or annual rent/ compensation/ licence fee etc., paid by each. Gross amount received from the whole property.	* 1	Not applicable
25.	Are any of the occupants related to or close business associates of the owner?	* N	Not applicable
26.	Is separate amount being recovered for the use of fixtures, like fans, geysers, refrigerator, cooking ranges, built- in wardrobes etc. or for service charges? If so, give details.	* 1	Not applicable
27.	Give details of water and electricity charges, if any, borne by the owner.	* 1	Not applicable

N.S. 5 - 1

- 28. Host the temper to have the A for selection wheth is pair of the case of regulars and matcheology? Our particulars.
- (20) Er p. Bit is intersation; safes is its in Note samplificability factor this root; it' implicationsprops unit' opportuition; rooting: it' factorit'.
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- (3) When issue to know the electricity. A Net applicable charages: For lighting of common spaces like entrance half, doeins pressagges, compound alto common & locant?"
- 30 Windot iso their amount of pergenetty in Northlang is available Tapic Wine is to large the property tapic Cost datable with documentitians proof.
- (2) L. Bias countrilleres entrearchill (P. 201) (R. Neue Activity) (and fine finite file personality for constraints from prior (File).
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	Signature	Date	Place	<ol> <li>For items of work done by engaging labour directly, give basic rates of materials and supported by documentary proof.</li> </ol>	<ol> <li>For item of work done on contract, produce copies of agreements.</li> </ol>	40. What was the method of construction – by contract / by employing labour directly / both.	<ol> <li>Year of commencement &amp; completion of construction.</li> </ol>	<ol> <li>If sale instances are not available or not relied upon the basis of arriving at the land rate.</li> </ol>
	*	÷	÷	*	*	*	*	*
Sa BE LLB MSC St LLB MSC Sc D Sc D Sc D Sc D Sc D Sc D Sc D Sc D	DEB SANE KUMAR	18.11.2021	Kolkata	Not applicable	Not applicable	Not known	1985	Not applicable
ndip Kumar Deb RE Val Visc, PAA Vist, Aut8 (CS) City, CAA USA, PAA Vist, Aut8 (CS) City, CAA USA, PAA Vist, City, Di Pore, SCA Vist, Si Lino & Buang of Campanes Act, 2013 USA BuBNOV 102018 10201 UNA BUBNOV 102018 10201 UNA 34 USA Progetteran at Visual Etwork adio Physich(2009)0	Digitally signed by DEB SANDIP KUMAR Date: 2021.11.18 15:28:14 +05'30'							

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## N SCOPE OF WORK (AS PER IVS 101)

2.1 Identity of the valuer

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Quantity Survey. He is a professional member besides being a graduate valuation and Plant & Machinery Valuation is a post graduate degree holder in real estate Valuation, responsible to complete this assignment. He Deb and Associates is the valuer who is Civil Engineering, Б Real Estate Law and

(India). 2013 and a Fellow and Approved Valuer of Institution Valuers Valuer of asset class Land & Building under Companies Act, (CAT-I) under Sec. 34AB of Wealth Tax Act, 1957, Registered (USA). He is also a Registered Valuer of Immovable Properties q Accredited Senior Appraiser of American Society of Appraisers Royal Institute of Chartered Surveyors (UK) and an

- . Branch The client of this valuation report is Bank of India, Kolkata SME
- . No other intended user of this valuation report other than Bank of India.
- . Howrah - 711 113, P. S. Jagacha, District Howrah, Ward no. building, laboratory etc. located at Baltikuri, Surki Mill, Kalitala, sale deed) together with Sheds, office building, The asset comprises of an 81.07 decimal (as per ten different electric

2.4

The Asset being valued

2.3

intended users Identity of other 2.2

**Identity of the Client** 



50, under Howrah Municipal Corporation.



The asset is butted and bounded by:

West : 0	East : 0	South : D	North : O
thers factory on Dag no. 714	thers factory	ag no. 713 & road	thers factory on Dag no. 705,706

- 2.5 The Valuation Currency .
- The valuation currency of this assignment is Rupee). ~ (Indian

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2.6 purpose of the Valuation

2.7 used Basis/bases of value

> lending decision to Bank of India, Kolkata SME Branch, The purpose of this valuation exercise is supporting secured Kolkata only.

The base of value of this valuation exercise has been chosen

.

which the reported values will be based. It is critical that the standards of value) describe the fundamental premises on According to IVS 104.10.1 Bases of value (sometimes called following IVS 104. influence or dictate a valuer's selection of methods, inputs purpose of the valuation assignment, as a basis of value may basis (or bases) of value be appropriate to the terms and

IVS 104.20.1(a) provides us with the following IVS-defined and assumptions, and the ultimate opinion of value.

bases of value:

- 1. Market Value (section 30),
- 2. Market Rent (section 40),
- 3. Equitable Value (section 50),
- 4. Investment Value/Worth (section 60),
- 5. Synergistic Value (section 70), and
- 6. Liquidation Value (section 80).

According to IVS 104.20.2 Valuers must choose the relevant (or bases) of value should consider instructions and input of the valuation assignment. The valuer's choice of a basis basis (or bases) of value according to the terms and purpose

IVS 104.30.1 defined Market Value as it is the estimated basis of value of this assignment should be "Market Value". of the real property under question. Therefore, the relevant valuer to estimate the market value of the freehold interest In our case, the client has specifically assigned the job to the received from the client and/or its representatives. seller in an arm's length transaction, after proper marketing the valuation date between a willing buyer and a willing amount for which an asset or liability should exchange on prudently and without compulsion. and where the parties had each acted knowledgeably,



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- 2.14 Compliance Statement 2.13 Restrictions on use, report publication of the distribution and . ٠ This valuation report has been prepared in accordance with completely prohibited. valuer without the written approval of the valuer is herein, or to the name and professional affiliation of this or any reference hereto or to the valuation figures contained The publication of this valuation report in whole or in part,
- assessed the appropriateness of all significant inputs. International Valuation Standards the format of Bank of India as well as incompliance and the valuer with has

# 3. THE INTENDED USE



٠ The intended use of this valuation exercise is supporting secured lending decision to Bank of India only.

A. D. Electro Steel Co. P	vt. Ltd. Valuation Report
4. DEFINITIONS	
4.1 Market Value	<ul> <li>Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a</li> </ul>
	induity should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. (IVS 104 p18 30.1)
4.2 Realisable Value	<ul> <li>According to IBA Handbook, 2011, Realisable Value (Orderly light and the second as the extended on the second as th</li></ul>
	Liquidation Value) is defined as the estimated gross amount expressed in terms of money, that could be typically realized from a liquidation sale, given a reasonable period of time to find a purchaser(s) with the seller being compelled to sell on an as in where is basis as of a specific date.
4.3 Forced Sale Value	<ul> <li>According to Section 170.1 of IVS 104 of International Valuation Standards, the term "forced sale" is often used in</li> </ul>
	that, as a consequence, a proper marketing period is not possible, and buyers may not be able to undertake adequate due diligence. The price that could be obtained in these circumstances will depend upon the nature of the pressure on the seller and the reasons why proper marketing cannot be undertaken. It may also reflect the consequences for the seller of failing to sell within the period available.
4.4 Government	The market value of any immovable property determined by
Registered Market Value	Directorate of Registration and Stamp Duty, Government of West Bengal for the purpose of determination of Registration Fee and Stamp Duty for all transactions is known as Government Registered Market Value. It can be obtained from www.wbregistration.gov.in.
4.5 Price	<ul> <li>Price is a term used for the amount asked, offered or paid for a good or service. Sale Price is an historical fact, whether</li> </ul>
	it is publicly disclosed or kept confidential. Because of the financial capabilities, motivations, or special interests of a
	given buyer and / or seller, the price paid for goods or services may or may not have any relation to the value which
	might be ascribed to the goods or services by others. Price is, however, generally an indication of a relative value places
	upon the goods or services by the particular buyer and / or seller under particular circumstances.



<ul> <li>4.6 Cost</li> <li>4.7 Current Replacement</li> <li>4.7 Cost</li> <li>4.8 Year of Construction</li> </ul>	 According to International Valuation Standard, Cost is the price paid for goods or services or the amount required to create or produce the good or service. When that good or service has been completed, its cost is an historical fact. The price paid for a good or service becomes its cost to the buyer. Current Replacement Cost / Replacement cost new is defined as the current cost of a similar new property having the nearest equivalent utility as the property being appraised. It is the year in which the foundation of the structures and buildings are constructed.
4.8 Year of Construction 4.9 Year of Valuation	 It is the year in which the foundation of the structures and buildings are constructed. It is the year in which the valuation of the asset is taking place.
4.10 Depreciation	In the context of the cost approach, "depreciation" refers to adjustments made to the estimated cost of creating an asset of equal utility to reflect the impact on value of any obsolescence affecting the subject asset.
4.11 Functional obsolescence	Any loss of utility resulting from inefficiencies in the subject asset compared to its replacement such as its design, specification or technology being outdated is called Functional Obsolescence.
4.12 External or economic obsolescence	Any loss of utility caused by economic or locational factors external to the asset is called economic obsolescence.
4.13 Valuation Factor	Valuation Factor is the summation of physical depreciation, Functional Obsolescence and Economic Obsolescence expressed in percentage.
4.14 Physical Life	Physical life is the estimated period of time, usually stated in number of years, that a new property will physically endure before it deteriorates or fatigues to an unusable condition purely from physical causes, without considering the possibility of earlier retirement due to functional or economic obsolescence.



<ul> <li>4.15 Economic Life</li> <li>4.16 Residual Life / Remaining Physica</li> <li>4.17 Effective Age</li> </ul>	
<ul> <li>4.16 Residual Life / Remaining Physica</li> <li>4.17 Effective Age</li> </ul>	Life • The economic life is how long it is an
<ul> <li>4.16 Residual Life / Remaining Physica</li> <li>4.17 Effective Age</li> </ul>	could generate financial returns or p
<ul> <li>4.16 Residual Life / Remaining Physica</li> <li>4.17 Effective Age</li> </ul>	of functional or economic obsolescen
4.16 Residual Life / Remaining Physica Life 4.17 Effective Age	exposed.
Remaining Physica Life 4.17 Effective Age	.ife / . Remaining physical life is the estimat
3 3 4.17 Effective Age 3 5 5 5 5	endure before it deteriorates or fai
3 4.17 Effective Age 3 5 5 5 5	condition purely from physical cause
9 4.17 Effective Age	economic obsolescence.
	• Effective age is the apparent age of a
	with a new property of like kind; that
	by the actual condition of a property.
8 8 8	rebuilds, and above average or below
99	may have had on the property's curre
8	

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#### 5. THE ASSET 5.1 LOCATION

#### 5.1.1 Situation



West Bengal is a state in the eastern region of India and is the nation's fourth most populous. It is also the seventh most populous sub-national entity in the world. West Bengal is the third largest contributor to India's GDP. West Bengal, together with Bangladesh lying on its east, forms the historical and geographical region of Bengal. To its northeast lie the states of Assam and Sikkim and the country of Bhutan and to its southwest lie the state of Orissa. To the west, it borders the states of Jharkhand and Bihar, and to the northwest, Nepal. The state is uniquely positioned in both the history of our country as well as its geography. Once the hotbed of the freedom movement, the state of West Bengal, is India's gateway to the Far East and even to its north eastern states.

It is one of the most diverse states in the country in terms of the geography as both snow capped mountains in the north and the sea in the south bless it. The state, which in terms of land area is only 3% of the country but it, has a population of 8% of the total. It is one of the most densely populated states. Primarily dependent on agriculture historically it is also home to a few heavily industrialized regions; namely Howrah, Hooghly, Durgapur, Asansol, the North 24 Parganas etc.

**H**owrah district is a district of the West Bengal state in eastern India. Howrah district is one of the highly urbanized area of West Bengal. The urbanized sectors gradually increase the slum populations. The Howrah city called "Glasgow" of India and "Sheffield of India". Total area of this district is 1457 sq. km. The district is bounded by the Hooghly River on the east, on the north by the Hooghly district, on the south by Rupnarayan River and Damodar River on west side. According to the 2011 census Howrah district has a population of 4,850,029 roughly. The howrah district

Howrah District is split into the Howrah Sadar subdivision and the Uluberia subdivision. The Howrah Sadar subdivision has 1 municipal corporation with 1 municipality and 5 community development (CD) blocks. The Uluberia

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subdivision has 1 municipality and 9 community development blocks. The district has 30 police stations.

**5.1.2 Location and Surround B**altikuri is a located in Howrah district of West Bengal, India. It is a part of the area covered by Kolkata Metropolitan Development Authority (KMDA). Dasnagar is the nearest railway station in this area.

#### 5.1.3 Local Map

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#### 5.2 SITE AND SERVICES

5.2.1 Shape	•	The questioned land is irregular shaped.				
5.2.2 Topography	Overall contour is leveled					
5.2.3 Land area	<ul> <li>81.07 decimal freehold land for mortgage</li> </ul>					
5.2.4 Street Frontage	•	More or less 20 ft				
5.2.5 Access	•	Motorable bituminous road				
5.2.6 Services	<ul> <li>Electricity Supply: Yes</li> <li>Water Supply: Own tank and bore well</li> <li>Drainage: Natural Drainage</li> </ul>					
5.2.7 Flooding	•	No previous record of flooding <sup>1</sup>				
5.2.8 Engineering land survey not provided	•	We do not commission site engineering surveys and a site survey has not been provided to us. We have assumed there are no encroachments by or on the property, and the Reliant Party should confirm this status by obtaining a current survey report and/or advice from a registered surveyor. If any encroachments are noted by the survey report, this valuation must not be relied upon before first consulting <b>SKDA</b> to reassess any effect on the valuation.				

#### 5.3 LAND DESCRIPTION AND BUILDING POTENTIAL

5.3.1 Land Right

Freehold Interest

#### 5.3.2 Mortgaged Area

<u>TABLE - I</u>						
Mouza	L. R. Plot no,	Khatian No.	Area			
Baltikuri	707, 708, 709		Decimal			
	711, 714, 3336	377	81.07			

**5.3.3 Land area considered** • Land area considered for valuation = 76.74 decimal (22.74 decimal bastu and 54 decimal karkhana)



Local information only, no official record was found

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#### 3.4 Land Snap Shots







#### 4 BUILDING & STRUCTURE DESCRIPTION

- 4.1 Permissible Use
- Industrial
- 4.2 Building Snap shots



















#### 5.4.3 Building area distribution -

#### TABLE - II

Description of S	tructures	Roof Type	Plinth Area (sq. ft)	Hight (m.)		
Occupational Hel	RCC	434	3.45			
Rest Room, Urin	al, W. C.	RCC	774	7.32		
General Sto	ore	Asbestos	749			
Rest Root	n	RCC	318	2.75		
Physical Labo	ratory	RCC	285			
Transformer	Room	RCC	171	3.62		
Electrical Room, Ti Room	ansformer	RCC	364			
Mould Are	a	Asbestos	5,947	3.40		
Shed		Asbestos	2,706			
Machine Ar	ea	Asbestos	5,399			
Finishing, Despa	tch Area	RCC	3,934			
Central Off	ice	RCC	586			
Chemical Testing L	aboratory,		3,484			
Panel Room, Mainter Meter Room, Transfe	nance Room, ormer Room	RCC		3.72		
(two storie Roundary V	d) Vall	238 meter length				
5.4.4 Specifications         Structure       Load bearing wall / RCC framed / steel         Roof       RCC / Asbestos         Wall       Brick masonry         Floor       IPS         Door       Rolling shutter, flush door         Window       Aluminum sliding window, steel window with Guiter						
5.5 <u>RESOURCE MANAGEM</u> 5.5.1 Local Authority 5.5.2 Zoning Authority	<u>ENT</u>	<ul> <li>Howrah M</li> <li>KMDA</li> </ul>	unicipal Corporat	ion		

5.5.3 Permitted Use

- Factory
- West Bengal Municipal Building Rules



#### 6. THE APPROACH/ES ADOPTED

	6.1	Introduction		IVS 105 provides us with different approaches and methods of valuation. Consideration has been given to the relevant and appropriate valuation approaches. The three approaches described and defined below are the main approaches generally used in valuation. They are all based on the economic principles of price equilibrium, anticipation of benefits or substitution.
	6.2	Valuation Approaches	•	The principal valuation approaches are:
P				(a) Market approach, (b) Income approach, and
8				(c) Cost approach.
3	6.3	Selection of Approach	•	The goal in selecting valuation approaches and methods for an asset is to find the most appropriate method under the
\$				particular circumstances. No one method is suitable in every possible situation. The IVS demands that the selection process
5				should consider, at a minimum:
9 3				(a) The appropriate basis (es) of value and premise(s) of value, determined by the terms and purpose of the valuation assignment,
) 5				(b) The respective strengths and weaknesses of the possible valuation approaches and methods,
5				(c) The appropriateness of each method in view of the nature of the asset, and the approaches or methods used by participants in the relevant market, and
5				(d) The availability of reliable information needed to apply the method(s).
2				According to IVS 105.60.1, the cost approach provides an
•				will pay no more for an asset than the cost to obtain an asset
2				of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved
2				The approach provides an indication of value by calculating the
2				making deductions for physical deterioration and all other
2				relevant forms of obsolescence.
2				According to IVS 105.40.1, the income approach provides an indication of value by converting future each flow to be a set of the set
2				single

9

2



5

5

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2

1

current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset.

According to IVS 105.20.1, the market approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available.

In our case we have considered the following points while selecting the best approach(es) or method(s) of valuation:

- The basis of value chosen is Market Value basis.
- 2. According to the terms of assignment as well as from our physical inspection of the property under question together with the availability of evidence, we opine that the premise of value, in this case, should be Current / Existing Use. According to IVS 104.150.1, Current use/existing use is the current way an asset, liability, or group of assets and/or liabilities is used. The current use may be, but is not necessarily, also the highest and best use.
- Transaction evidence of Shali and Bastu land is available.
- Market Value of Bastu, Karkhana and Danga land for the purpose of Registration and Stamp Duty as determine by the Directorate of Registration and Stamp Duty, Government of West Bengal is available.
- 5. Considering all the above-mentioned criteria of our questioned property and the applicability of different approaches as guided by International Valuation Standards, to our opinion, the market value of the property can be estimated by the combined application of Market Approach and Cost Approach. Market value of Land component shall be estimated by Market Approach and market value of structures shall be estimated by cost approach.



#### 7. THE METHODS APPLIED

7.1 Introduction
There are often different methods available for determination of the value of a property. The most appropriate method should be chosen with reference to the nature of asset and the data available. The method chosen should not be for finding out the highest or the lowest value but for arriving at the most reasonable value. In Debi Prosad Poddar v. CWT [1977] 109 ITR 760 (Cal) the High Court after making this observation with reference to the catena of decisions on the factors germane to the valuation of immovable property analysed in the judgment, had this to say:

"Which one of the various methods would be suitable for a particular case must depend upon the nature of the property, the purpose for which the property is used and several other objective factors, viz., the time when the valuation is made, the prospect of buying and selling in respect of the property at the relevant time and also special features in respect of the property, if there be any. Taking all these factors into consideration it is, therefore, necessary to determine which one of the various methods will be most suitable to reach as accurate as possible guess as to the valuation on the valuation date.

Another factor that has to borne in mind is that such a method should be preferred which has more objective reliable data to rely upon than more subjective opinions. For instance, if there are more objective data to work out respect of one method more reliable than another, then that method for a particular land should be preferred. If, however, there is any objective reliable evidence of any transaction of sale of land or a property similar in quality or of the same type an in



approximately	same	time	then	that	would,	however,
provide more r	eliable	met	hod to	follo	W. ~	

### 7.2 Selection of method In our case we have considered the following: 1 The property under question is fully under the possess

- The property under question is fully under the possession and control of the owner.
  - 2. No transaction evidence of Karkhana land is available.
  - 3. Transaction evidence of Shali and Bastu land is available.
  - 4. Market Value of Bastu, Karkhana and Danga land for the purpose of Registration and Stamp Duty as determine by the Directorate of Registration and Stamp Duty, Government of West Bengal is available.
  - Unit market rate of construction of structures can be assessed.

Therefore, I opine that the value found by applying Sales Comparison Method under Market Approach should be taken as the Market Value of land under question and Replacement Cost Method under Cost Approach may be adopted for estimation of market value of the building.

#### COMPARABLE TRANSACTION METHOD

When identical cases are available as comparables this method is the mostly used one. But even for identical cases some judgments may be necessary to evaluate it properly. Judgements:

- i) Hon'ble Gujarat High Court in CIT, Gujrat I-II v Sumatilal Chotalal Shah (1980) 124 ITR 862 held that a sale instance can be regarded as comparable even if it is remote in point of time from the relevant valuation date.
- (ii) In Wenger and Co. and other v Distt. Valuation Officer, New Delta and others reported in (1978) 115 ITR 648 (Del), it was held that it is one of the settled principles of valuation that market value has to be ascertained by considering sales.