

REPORT FORMAT: V-L6 (Bank – P&M) | Version: 1.0-2022

CASE NO: VIS (2023-24)-PL154-130-193

DATED: 18/10/2023

VALUATION REPORT OF

NATURE OF ASSETS	MACHINERY & EQUIPMENT AND INVENTORY
CATEGORY OF ASSETS	INDUSTRIAL
TYPE OF ASSETS	CONSTRUCTION MACHINERY & EQUIPMENT

SITUATED AT
PAN (PRESENCE ACROSS NATION) INDIA

■ Corporate Valuers
■ Business/ Enterprise/ MSME Valuers
■ Lender's Independent Engineers (LIE)
■ Techno Economic Viability Consultants (TEV)
■ Agency for Specialized Account Monitoring (ASM)
■ Project Techno-Financial Advisors
■ Chartered Engineers
■ Industry/ Trade Rehabilitation Consultants
■ NPA Management
■ Panel Valuer & Techno Economic Consultants for PSU Banks

OWNER/S

VALUERS & TECHNO ENGINEERING & CONSTRUCTION COMPANY LIMITED
REPORT PREPARED FOR
ICICI BANK LIMITED, MG ROAD, BANGALORE, KARNATAKA, INDIA

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

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

Valuation Terms of Services & Valuer's Important Remarks are available at www.rkassociates.org for reference.

CORPORATE OFFICE:

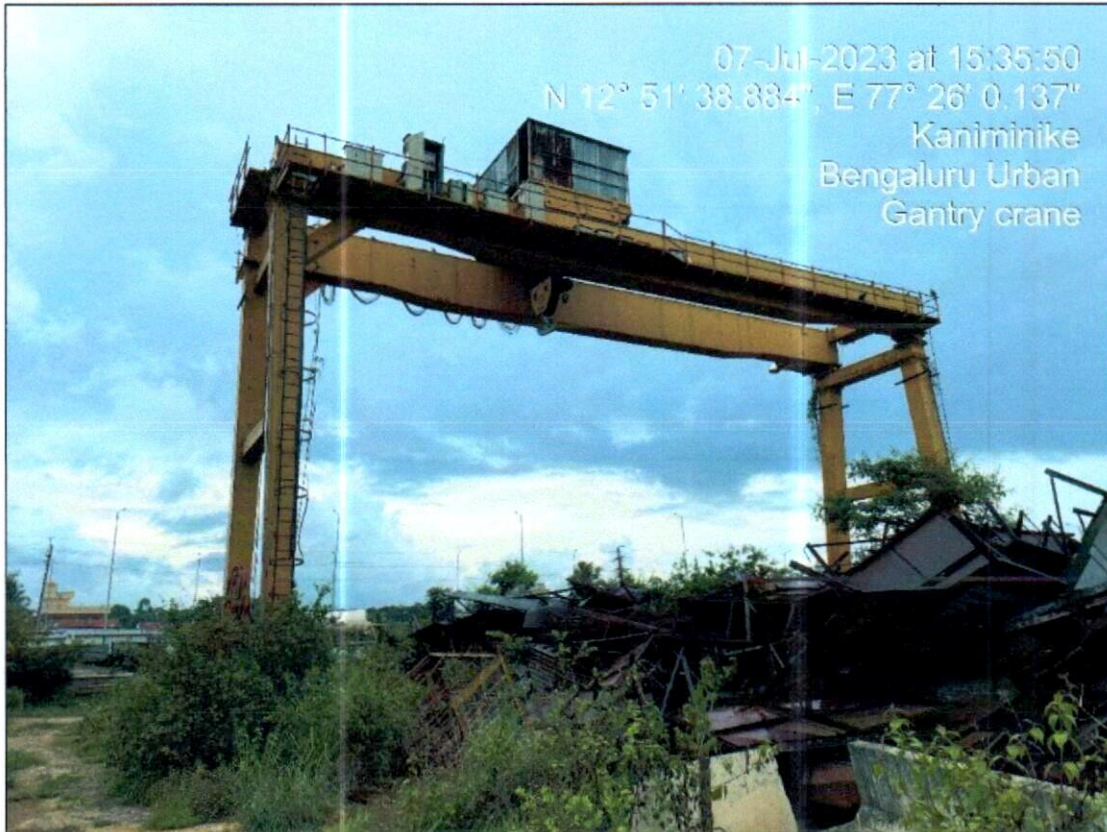
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PART A

SNAPSHOT OF THE ASSETS UNDER VALUATION



PART B**SUMMARY OF THE VALUATION REPORT**

S.NO.	CONTENTS	DESCRIPTION		
1.	GENERAL DETAILS			
a.	Report prepared for	Bank		
b.	Name & Address of Organization	ICICI Bank Limited		
c.	Work Order No. & Date	Letter No. ICBK/BLR/CBG/2023-24/015 dated: 01-06-2023		
d.	Address at which machineries are located	Multiple locations across India (please refer to the table in the report below)		
e.	Type of the Assets	Construction Machinery, Equipment and Inventory		
f.	Nature of Industry	Engineering, Procurement and Construction (EPC)		
g.	Type of Valuation	Machinery, Equipment & Inventory Valuation		
h.	Report Type	Plain Asset Valuation		
i.	Date of Appointment	1 June 2023		
j.	Date of Inspection of the Property	5 July 2023 to 17 December 2022		
k.	Date of Valuation	15 October 2018 & 31 March 2023		
l.	Date of Valuation Report	21 March 2024		
m.	Technical person name, contact number & designation assisted for Survey	Name	Relationship with Owner	Contact Number
		Please refer to the table no. 1 below		
n.	Purpose of the Valuation	To determine Fair Value and Liquidation Value of the Machinery & Equipments		
o.	Scope of the Assessment	Non Binding Opinion on General Prospective Valuation Assessment of the Machinery & equipments as found on site on as-is-where basis for the date October 15, 2018 and March 31, 2023.		
p.	Out-of-Scope of the Assessment	i. Verification of authenticity of documents from originals or cross checking from any Govt. dept. is not done at our end. ii. Legal aspects & rights of the Assets/Inventory are out-of-scope of this report. iii. Preparing list of machinery & equipment is out of scope of work. iv. Componentization of assets is out of scope of this report. v. Identification of the Assets is only limited to cross verification of major machines & equipment. vi. Technical/ mechanical/ operational testing of the machines is out-of-scope of the report. vii. Comment/ determination on technological aspect is out of scope of this report. viii. Any kind of machine/ process design is out of scope of the report.		
q.	Information provided/ available for assessment	Documents Requested		Documents Provided
		Detailed Fixed Asset Register		Detailed Fixed Asset Register

		Inventory Sheet	Inventory Sheet
		Invoices/ Bills of major machinery	---
r.	Details of the Person providing the Information	Name	Mrs. Prashanthi
		Contact Number	+91- 80081 12256
		Email id	prashanthi_vanga@iflengg.com
s.	Manner in which identification of the Assets is done	✓	Cross checked from the name of the machines mentioned in the Inventory list / FAR
		✓	Identified by the company's representative
		✓	Due to large number of assets, only major assets have been checked

2. VALUATION SUMMARY

VALUATION AS ON 15th OCTOBER 2018

figures as on October 2018 (in Rs. Crore)

S. No.	Particulars	Net Block as per Balance Sheet (as on 30.09.2018)	Gross Current Replacement Cost	Depreciated Replacement Cost/ Fair Market Value	Liquidation Value
1	Machinery & Equipments	128.64	349.18	95.27	62.61
2	Inventory	111.66	-	118.44	88.83
	Total	240.30	349.18	213.72	151.44

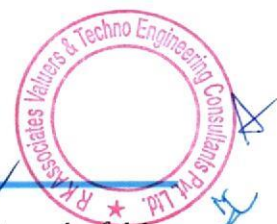
Note: As per scope of work, for calculating Fair Market Value of assets as on 15th October 2018, we have considered FAR 31st March 2023 as the FAR dated 15th October 2018 is not shared with us. From this FAR, we have considered assets capitalized till 15th October 2018.

VALUATION AS ON 31st MARCH 2023

figures as on March 2023 (in Rs. Crore)

S. No.	Particulars	Net Block as per Balance Sheet (as on 31.03.2023)	Gross Current Replacement Cost	Depreciated Replacement Cost/ Fair Market Value	Liquidation Value
1	Machinery & Equipments	34.34	423.62	56.57	44.20
2	Inventory	10.36	-	21.47	16.10
	Total	44.70	423.62	78.04	60.30

For detailed bifurcation of the above figures, please refer to the table nos. 2,3,4 and 5 below.



PART C

CHARACTERISTICS DESCRIPTION OF ASSETS

S.NO.	CONTENTS	DESCRIPTION				
1.	TECHNICAL DESCRIPTION OF THE ASSETS					
a.	Nature of assets	Construction Machinery & equipment				
b.	Size of the Plant	Not Applicable as valuation of construction machines & equipment				
c.	Type of the Plant	Not Applicable as valuation of construction machines & equipment				
d.	Year of Installation/ Commissioning/ COD (Commercial Operation Date)	Refer FAR for purchase year of each machine				
e.	Production Capacity	Not Applicable as valuation of machinery & equipment only				
f.	Capacity at which Plant was running at the time of Survey	Not Applicable as valuation of machinery & equipment only				
g.	Number of Production Lines	Not Applicable as valuation of machinery & equipment only				
h.	Condition of assets	Average to poor. Machines are lying open at site and found mostly rusted without maintenance. In some of the machines parts were also found missing which they interchangeably use in other similar machines as per their requirement.				
i.	Status of the Plant/Asset	Only 6 projects are in operation (as per the details shared by company)				
j.	Products Manufactured in this Plant	Valuation is pertaining to the construction machinery used in EPC Projects at different locations				
k.	Recent maintenance carried out on	No information available				
l.	Recent upgradation, improvements if done any	No information available				
m.	Total Gross Block & Net Block of Assets	<table><tr><th>Gross Block</th><th>Net Block</th></tr><tr><td colspan="2">Please refer to the valuation summary below for asset-wise bifurcation.</td></tr></table>	Gross Block	Net Block	Please refer to the valuation summary below for asset-wise bifurcation.	
Gross Block	Net Block					
Please refer to the valuation summary below for asset-wise bifurcation.						
n.	Any other Details if any	The subject company is involved in the construction of different infrastructure projects related to roads, metro railway stations, real estate projects, etc. Assets are located across India at different locations. We have requested the client for the survey of all the sites. However, due to logistical issues at their end and due to paucity of time, they could arrange the visit of only 7 nos. of locations as mentioned in detail in the table no. 1 below where the major assets of the company were lying.				
2.	MANUFACTURING PROCESS					
	Not applicable as valuation of machinery & equipment only related to EPC sector.					
3.	TECHNOLOGY TYPE/ GENERATION USED AND TECHNOLOGICAL COLLABORATIONS IF ANY					
a.	Technology Type/ Generation Used	Conventional construction machinery				
b.	Technological Collaborations If Any	N/A				



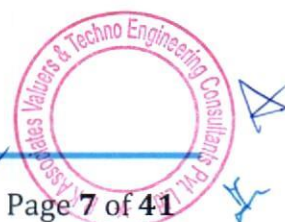
c.	Current Technology used for this Industry in Market	Automation using electronics
4.	RAW MATERIALS REQUIRED & AVAILABILITY	
	Type of Raw Material	Not applicable
	Availability	Not applicable
5.	AVAILABILITY & STATUS OF UTILITIES	
	Power/ Electricity	Available
	Water	Available
	Road/ Transport	Available
6.	COMMENT ON AVAILABILITY OF LABOUR	
	Availability	Appears to be easily & adequately available and no labour issues came to our knowledge during site inspection.
	Number of Labours working in the Factory	N/A
7.	SALES TRANSACTIONAL PROSPECTS OF SUCH ASSETS	
	Strategic Sale as part of the ongoing concern company.	
	Reason: These are construction machinery and equipments related to EPC sector but spread across multiple Project locations. It's ideal sale approach can be either through strategic sale in lot or in group who are already into same or similar Industry. In lot or group of assets sale, selling expenses and time to sale may be lower in comparison to piecemeal sale for such a large inventory.	
8.	DEMAND OF SUCH ASSETS IN THE MARKET	
	Appears to be good since Infrastructure sector is growing and has good demand in India.	
9.	INSPECTION/ SURVEY DETAILS	
a.	Machinery & Equipment at few major locations listed in the table below have been surveyed by our Engineering Team from 05/07/2023 to 17/07/2023.	
b.	Site inspection was done in the presence of respective company's employees who were available from the company to furnish any specific detail about the machinery & equipment.	
c.	Our team examined & verified the machines and utilities from the FAR / inventory details provided by the company. Only major equipment has been verified.	
d.	Photographs have also been taken of major machines at only those locations where the survey was conducted and its accessories installed there.	
e.	Details have been cross checked as per the assets list provided to us by the company and what was observed at the site.	
f.	Condition of the machines is checked through visual observation only. No technical/ mechanical/ operational testing has been carried out to ascertain the condition and efficiency of machines.	
g.	Site Survey has been carried out on the basis of the physical existence of the assets rather than their technical expediency. Company has made Hyderabad as their Central Warehouse and as per the representative of the company, if any major maintenance is required in any machine from any location, then it is brought to Hyderabad. It was also informed that once any Project is completed, company dumps its machines and equipment at nearby storage yard.	
h.	As per the overall site visits summary, machinery & equipment appeared to be in average to poor condition. The sites which we could visit, machines were found to be lying open at site and mostly	

	rusted without maintenance. In some of the machines, parts were also found missing which they interchangeably use in other similar machines as per their requirement. From the sites visited it could be made out that at all locations machine condition may be similar.
i.	On some of the sites, it was found and informed that some of the listed P&M in FAR in that location is transferred to another location. Individual location survey observation is mentioned in the table below for reference. However, it was confirmed to us by the company that whatever machinery are mentioned in FAR are available with the company even if there is an intra company transfer which is as per Project requirement and not reflected in the FAR.
j.	Inventory was also found on sites wherever survey was conducted as per the information given by our surveyors. However, due to its voluminous nature it was not possible to match it with the list.

DETAILS OF MAJOR SITES VISITED BY RKA TEAM FROM 5 JULY 2023 TO 17 JULY 2023

Table No. 1

S. No.	Project Name	Address	Representative at Site	Contact No.	Survey Date	Survey Observations
1	Birpur on the Birpur-Bihpur Road Project	Site Office- KM62+500, NH-106, Vill- Rupauli, PO- Sinesheswar, Distric- Madhepura, Bihar	Mr. Vibhuti Narayana	9825190711	July 14, 2023	It is an active site where the road project is going on and the majority of machines were present at a location named "KM62+500, NH106" and few of the machines are present at different channels near to the aforementioned location. Major machines have been cross verified from the FAR provided to us and were found present at the site. The condition of the machines/equipment is good and in running condition.
2	Ahmedabad Metro Project	MEGA Project, R S NO. 472/, Po. Shahwadi Village, Sarkhej-Narol Hingway, Near Shastri Bridge, Gyaspur Village Approach Shahwadi, Ahmedabad, Gujarat	Mr. Vikash Singh	9800865745	July 12, 2023	Metro project was completed in May 2023 and the machines & equipment are stored as observed during the site survey. Major equipment were cross verified during the survey and found to be present at the sites except few of the machines/equipment such as Backhoe Loader, Boom Placer-3, Gantry Crane-4, Pick & Carry Cranes, High Frequency Converters & Motor, Power Generator-25 KVA, Weigh Bridge-4&6, Wheel Loader-29 which have been transferred to Surat as per the information shared by the company's representative. The representative has provided the copy of challans of all the transferred machines. The condition of the machines/equipment is below average and require proper maintenance.



3	Bengaluru Metro Project	# 206, 1st Floor, Sankalap Square Apartments, 5th Main Road, Ravi Kirloskar Layout, Chikkabidharukallu, Nagasandra Post, Near Jindal Aluminium Factory, Bangalore, Karnataka	Mr. Subhas Chandra HK	9844845374	July 7, 2023	Our team visited 2 sites in Bangalore, one is a storage location where the machines & equipment are present and the other one is at a metro station where the work was going on at the time of survey. Major equipment were cross verified during the survey and found to be present at the sites except an equipment named Concrete Pump-23 which has been transferred to Surat as per the information shared by the company's representative. The condition of the machines/equipment present at storage site is below average and require proper maintenance.
4	CWS- Hyderabad	Central workshop, Plot No.1-1, Adjacent to Kompally Fly Over, NH-7, Medchal road, Secunderabad, Telengana	Mr. Harinath	9908130209	July 6, 2023	It is a central workshop where machine maintenance or overhauling is executed and transferred back to the respective site and also being used for the storage purpose. Major equipment were cross verified during the survey and found to be present at the sites except few of the machines/equipment such as weigh bridge-19, Batching Plant Mini Mobile-31&32, Tough Rider-27, Builder Hoist-Diesel-10, Concrete Mixer-22&39 and Power Generator-10KVA. As per the company's representative, those have been sold already, and thus have not been considered in the valuation assessment. Also, an equipment named Truck-3 has been transferred to Surat for metro project. The condition of the machines/equipment is below average and require proper maintenance.
5	Aurangabad	IL&FS ECC LTD. C/O Bhagwati Rice Mill, Panch Rukhiya More, Near Ora Village, Aurangabad, Bihar	Mr. S.K. Safiuddin	7008227188	July 12, 2023	It is a storage location where the machines & equipment are kept after the pipeline project was completed. Major machines have been cross verified from the FAR provided to us and have been present at the site. The condition of the machines/equipment is below average as observed during the site survey.
6	Raghunathpur	Village: Chinpina, Bankura Road, Raghunathpur, Dist. Purulia, West Bengal	Mr. B.K. Sahu	8128918517	July 17, 2023	It is a storage location where the machines & equipment are kept after the pipeline project was completed. Major equipment were cross verified during the survey and found to be present at the sites except few machines/equipment such as 6 Pipe layer 90 MT, Induction Heating Machine 25 KW, Crawler Pay Welder, and 3 Diesel Welding Machines, which have been shifted to Bokaro site. The condition of the machines/equipment is below average and require proper maintenance.

7	Gurugram	IL&FS ECC Ltd., IREO	Mr. Brijendra/ Mr. Trilok/ Mr. Amit	8368150839/ 8800324593	July 5, 2023 & July 6, 2023	Our team visited 2 sites in Gurgaon, one is a storage site where the machines & equipment are kept and the other site is where a real estate group housing project named IREO was completed. Major equipment were cross verified during the survey and found to be present at the sites except 4 equipment named Power Generator-29/91/140/152 which have been transferred to Surat as per the information shared by the company's representative. The condition of the machines/equipment is below average and require proper maintenance.
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PART D

PROCEDURE OF VALUATION ASSESMENT

1.		GENERAL INFORMATION			
i.	Important Dates	Date of Appointment	Date of Inspection of the Property	Date of Valuation Assessment	Date of Valuation Report
		1 June 2023	5 July 2023 to 17 July 2023	15 October 2018 & 31 March 2023	18 October 2023
ii.	Client	ICICI Bank Limited, MG Road, Bangalore, Karnataka, India			
iii.	Intended User	ICICI Bank Limited, MG Road, Bangalore, Karnataka, India			
iv.	Intended Use	To know the general idea on the market valuation trend of the property as per free market transaction. This report is not intended to cover any other internal mechanism, criteria, and considerations of any organization as per their own need, use & purpose.			
v.	Purpose of Valuation	To determine Fair Value and Liquidation Value of the Machinery & Equipments			
vi.	Scope of the Assessment	Non binding opinion on the assessment of Plain Physical Asset Valuation of the property identified to us by the owner or through his representative.			
vii.	Restrictions	This report should not be referred for any other purpose, by any other user and for any other date other then as specified above.			
viii.	Manner in which identification of the Assets is done	✓	Cross checked from the name of the machines mentioned in the FAR/ Inventory list name plate displayed on the machine		
		✓	Identified by the company's representative		
		✓	Due to large number of machines/ inventories, only major assets have been checked		
ix.	Type of Survey conducted	Full survey (inside-out for verification of assets with photographs)			

2.	ASSESSMENT FACTORS		
i.	Valuation Standards considered	Mix of standards such as IVS and others issued by Indian authorities & institutions and improvised by the RKA internal research team as and where it is felt necessary to derive at a reasonable, logical & scientific approach. In this regard proper basis, approach, working, definitions considered is defined below which may have certain departures to IVS.	
ii.	Nature of the Valuation	Fixed Assets Valuation (<i>Moveable Machinery Assets</i>)	
iii.	Nature/ Category/ Type/ Classification of Asset under Valuation	Nature	Category
		MACHINERY & EQUIPMENT	INDUSTRIAL
		Type	CONSTRUCTION MACHINERY & EQUIPMENT
iv.	Type of Valuation (<i>Basis of Valuation as per IVS</i>)	Classification	Only business use asset
		Primary Basis	Fair Market Value
		Secondary Basis	On-going concern basis
v.	Present market state of the Asset assumed (<i>Premise of</i>	Under Distress State	
		Reason: Asset under Financial encumbrance state	

	Value as per IVS)				
vi.	Physical Infrastructure availability factors of the locality	Water Supply	Sewerage/ sanitation system	Electricity	Road and Public Transport connectivity
		N/A	N/A	N/A	N/A
		Availability of other public utilities nearby		Availability of communication facilities	
		N/A		N/A	
vii.	Neighbourhood amenities	N/A			
viii.	Any New Development in surrounding area	N/A			
ix.	Any specific advantage/ drawback in the assets	Condition of machinery & equipment is average to poor. Machines were found to be lying open at site and mostly rusted without maintenance. In some of the machines, parts were also found missing which they interchangeably use in other similar machines as per their requirement.			
x.	Machines overall usability/ utility Factor	Normal			
xi.	Subject Industrial sector/ product manufactured outlook	Growing			
xii.	Best Sale procedure to realize maximum Value (in respect to Present market state or premise of the Asset as per point (iv) above)	Fair Market Value Free market transaction at arm's length wherein the parties, after full market survey each acted knowledgeably, prudently and without any compulsion.			
xiii.	Hypothetical Sale transaction method assumed for the computation of valuation	Fair Market Value Slump Sale through private negotiation			
xiv.	Approach & Method of Valuation Used	Asset Type	Approach of Valuation	Method of Valuation	
		Machinery & Equipment	Cost Approach	Depreciated Replacement Cost Method	
		Inventory	Cost Approach	Qualitative & Quantitative Estimation	
xv.	Type of Source of Information	Level 3 Input (Tertiary)			
xvi.	Any other aspect which has relevance on the value or marketability of the machines	The marketability for the machines depends upon the industry outlook, make, market condition, maintenance, usability, capacity. This Valuation report is prepared based on the facts of the assets & market situation on the date of the survey. It is a well-known fact that the market value of any asset varies with time & socio-economic conditions prevailing in the region/ country. In future assets market may go down, asset conditions may change or may go worse, plant vicinity conditions may go down or become worse, plant sector outlook may change due to impact of Govt. policies or effect of domestic/ world economy, usability prospects of the Plant may change, etc. Hence			

user of this report should take into consideration all such future risk while taking any business decision.

xvii. **Basis of computation & working**

xviii. **Main Basis:**

- a. **Basic Methodology:** For arriving at fair market value of inventory/assets, our engineering team has applied '**Cost approach (Depreciated Replacement Cost Approach)**' and '**Qualitative & Quantitative Estimation**'. The fair market value of the assets on the date of valuation is its depreciated cost of replacement depending upon their Technical, Economic, Functional specifications.
- b. Valuation is done keeping in mind various factors like technology used, machines availability, its condition, average age, maintenance & service and parts replacement availability of the machines and more importantly demand in the market.
- c. Provided Capitalization cost include soft cost incurred during the Project establishment like Pre-operative, IDC & Finance cost expenses also. On our request we have not got break-up of hard & soft cost separately hence we have to go by the given figure.
- d. For calculating Replacement Cost of the machines as on date, Cost Inflation Index is taken into consideration.
- e. On the Depreciated Replacement Cost (DRC) deduction for obsolescence/ deterioration for additional depletion has been taken to arrive at the estimated Prospective Fair Market Value of the machines due to its poor condition.
- f. **Underline assumption** for the evaluation of this assets is that it can be sold individually in market since demand of used & second hand machinery of this type is available in the market.
- g. Valuation of the asset is done as found on as-is-where basis on the visited sites as identified to us by the site representatives during site inspection by our engineer/s unless otherwise mentioned in the report.
- h. The valuation of the Machinery & equipments has been done considering as a whole. The individual value for machines shown is for illustration purpose,
- i. Consolidated valuation sheet of assets and other asset items are mentioned below with depreciated current market value as per different category of the machines/assets cumulated together. It is assumed that the cost of equipment considered from P&M List includes Pre-operative, Finance, and IDC Charges etc. The capitalized/ purchase cost of machinery considered from P&M List consists of final commissioning of machines which includes freight, taxes, insurance, etc.
- j. **Other specific basis, approach assumptions, limitations are described in Notes of the Valuation of the particular date.**

Other Basis:

- k. Analysis and conclusions adopted in the report are limited to the reported assumptions, conditions and information came to our knowledge during the course of the work and based on the Standard Operating Procedures, Best Practices, Caveats, Limitations, Conditions, Remarks, Important Notes, Valuation TOR and definition of different nature of values.
- l. The indicative value has been suggested based on the prevailing market rates that came to our knowledge during secondary & tertiary market research and is not split into formal & informal payment arrangements. Most of the deals takes place which includes both formal & informal payment components. Deals which take place in complete formal payment component may realize relatively less actual transaction value due to inherent added tax, stamp registration liabilities on the buyer.
- m. Secondary/ Tertiary costs related to asset transaction like Installation, maintenance and Logistics costs pertaining to the sale/ purchase of the assets are not considered separately while assessing

the indicative estimated Market Value and is assumed to be included in the Cost of capitalization provided by the client.

- n. The condition assessment and the estimation of the residual economic life of the machinery and assets are only based on the visual observations and appearance found during the site survey. We have not carried out any physical tests to assess the working and efficiency of the machines and assets.*
- o. Any kind of unpaid statutory, utilities, lease, interest or any other pecuniary dues on the asset or on its owners has not been factored in the Valuation.*
- p. Valuation is done for the asset found on as-is-where basis which owner/ owner representative/ client/ bank has shown to us on site of which some reference has been taken from the information/ data given in the copy of documents provided to us which have been relied upon in good faith and we have assumed that it to be true and correct.*

xix. ASSUMPTIONS

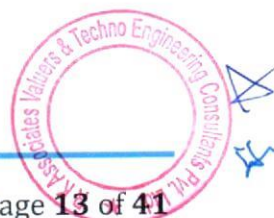
- a. Information/ Data provided by the client/ property owner or his representative both written & verbally is true and correct without any fabrication and has been relied upon in good faith.*
- b. The assets and interests therein have been valued free and clear of any liens or encumbrances unless stated otherwise. No hidden or apparent conditions regarding the subject assets or their ownership are assumed to exist. No opinion of title is rendered in this report and a good title is assumed unless stated otherwise.*
- c. It is assumed that the concerned Lender/ Financial Institution has asked for the valuation of that property after satisfying the authenticity of the documents given to us and for which the legal verification has been already taken and cleared by the competent Advocate before requesting for the Valuation report. I/ We assume no responsibility for the legal matters including, but not limited to, legal or title concerns.*
- d. Payment condition during transaction in the Valuation has been considered on all cash basis which includes both formal & informal payment components as per market trend.*
- e. Sale transaction method of the asset is assumed as Free market transaction without any compulsion unless otherwise mentioned while assessing Indicative & Estimated Fair Prospective Market Value of the asset unless otherwise stated.*

xx. SPECIAL ASSUMPTIONS

- 1. That the machine/ equipment/ inventory mentioned in FAR is available with the company physically at any one of the company's warehouse or site.*
- 2. That the condition of the machines at other sites which we couldn't visit due to logistical issues are similar to what we have observed on the sites which we could visit.*
- 3. Other specific assumptions related to particular date are described in Notes of the Valuation.*

xxi. LIMITATIONS

- 1. Not all sites could be visited due to logistical issue and time constraints.*
- 2. Due to voluminous nature of P&M & Inventory running into 25,000 for P&M and 8,500 for Inventory, it is not possible to cross verify each and every item from the FAR. Thus, the work is done majorly based on the supposition that the items shown in the list is available with the company as on date of the valuation.*



PART E CONSOLIDATED VALUATION ASSESSMENT OF THE ASSETS

1. MACHINERY & EQUIPMENT VALUATION:

1.1 MACHINERY & EQUIPMENT VALUATION FOR OCTOBER 2018:

Table No. 2

S. No.	Asset Type	Gross block as per FAR as on MAR-2023 (in Rs.)	Book Value as per FAR as on MAR-2023 (in Rs.)	Estimated Replacement Cost (in Rs.)	Fair Market Value (in Rs.)	Liquidation Value (in Rs.)
1	Plant and machinery Construction Equipment	2,64,20,05,755	31,95,73,563	2,97,23,47,363	87,79,09,858	56,91,08,705
2	Tools & Implements	9,69,23,176	-	10,40,73,991	2,33,26,790	1,68,12,312
3	Vehicles	9,45,16,290	27,65,702	11,92,17,127	2,12,47,128	1,85,74,479
4	Office Equipment	7,99,82,685	8,99,018	8,83,92,751	1,37,51,890	1,02,30,445
5	Data processing Equipments	6,98,15,376	1,89,899	7,77,90,931	76,17,528	53,47,542
6	Furniture & Fixtures	6,00,73,486	14,19,493	7,93,51,188	44,98,944	37,40,995
7	Software	3,63,76,418	-	3,35,19,412	10,19,229	6,11,537
8	Intangible Assets	87,99,809	-	88,09,432	19,38,311	9,69,155
9	Site Infrastructure (Containers)	75,10,116	-	83,03,470	14,09,484	7,04,742
Total		3,09,60,03,112	32,48,47,674	3,49,18,05,664	95,27,19,160	62,60,99,913

Notes:

- As per scope of work, for calculating Fair Market Value of assets as on 15th October 2018, we have considered FAR 31st March 2023 as the FAR dated 15th October 2018 is not shared with us. From this FAR, we have considered assets capitalized till 15th October 2018.
- We have assumed that all the assets capitalized in the FAR were available with the company as on date of valuation.
- Replacement cost of the assets has been assessed with the help of price indices of commodities. Whole Sale Price indices (WPI) have been referred from the Office of Economic Advisor (Government of India).
- For evaluating useful life of assets, chart of Companies Act-2013 and generally accepted market standards are referred in this assessment to reach the final economical life of a particular asset to get the Depreciated Replacement Cost.
- Since most of the machines are related to construction industry, therefore for major machinery, the economic life is taken as 12 years and for the other machinery and equipment, it is taken as 3-10 years and salvage value of 5-10% is considered based on the type of asset and its utility.
- As per the site survey conducted for some of the sites in July 2023, the condition of most of the assets were found average to poor except those assets which are being used at the running project sites.
- As per the Project details shared with us, most of the projects in which machinery was utilised was mostly either in-progress in 2018 or have just completed during 2017-18. Only 3-4 Projects got completed during 2015-16. Based on this analysis it can be assumed that most of the machinery in 2018 must be in use and would be in relatively better condition as we see it now in 2023 after span of 5 years. Based on this secondary analysis, we assume that machines must be in average to good condition and based on this assumption we have considered 20% deterioration factor as lumpsum on all the machines which may average out average to good machinery. This is purely based on assumptions as per the current available facts and not on any factual evidence.

- The equipment installed/stationed at the sites has a specific purpose and must be operated by the EPC business with prior professional skills and experience. Thus, for calculating the Liquidation Value of the assets, a discounting factor of 20-50% is applied considering the type of asset its utility and sellability factor considering lot sale orderly liquidation as described below:

Liquidation Factor	Category
40%	Major Machinery & equipment
30%	Tools & implements
30%	Data processing equipment
30%	Office equipment
20%	Furniture & Fixtures
20%	Vehicles
50%	Shuttering Material

1.2 MACHINERY & EQUIPMENT VALUATION FOR MARCH 2023:

Table No. 3

S. No.	Asset Type	Gross block as per FAR as on MAR-2023 (in Rs.)	Book Value as per FAR as on MAR-2023 (in Rs.)	Estimated Replacement Cost (in Rs.)	Fair Market Value (in Rs.)	Liquidation Value (in Rs.)
1	Plant and machinery Construction Equipment	2,72,42,79,206	35,34,14,535	3,66,39,38,262	53,82,61,068	41,68,66,569
2	Tools & Implements	9,78,39,761	-	11,63,36,705	71,33,280	59,14,341
3	Vehicles	9,45,16,290	27,65,702	13,22,11,386	1,43,53,776	1,35,58,551
4	Office Equipment	8,00,96,321	9,40,009	9,48,23,957	38,17,838	36,75,961
5	Data processing Equipments	7,05,96,688	3,50,470	7,89,55,834	2,40,176	1,88,693
6	Furniture & Fixtures	6,01,24,338	14,50,002	9,74,86,162	11,19,639	10,99,307
7	Software	3,63,76,418	-	3,31,62,062	-	-
8	Intangible Assets	87,99,809	-	87,17,843	-	-
9	Site Infrastructure (Containers)	75,10,116	-	98,56,791	4,92,840	4,92,840
10	Tools and Implements-PHP	6,03,176	-	7,33,778	2,57,630	1,80,341
	Total	3,18,07,42,123	35,89,20,718	4,23,62,22,780	56,56,76,246	44,19,76,602

Notes:

- Replacement cost of the assets has been assessed with the help of price indices of commodities. Whole Sale Price indices (WPI) have been referred from the Office of Economic Advisor (Government of India).
- For evaluating useful life of assets, chart of Companies Act-2013 and generally accepted market standards are referred in this assessment to reach the final economical life of a particular asset to get the Depreciated Replacement Cost.
- For major machinery, the economic life is taken as 12 years and for the other machinery and equipment, it is taken as 3-10 years and salvage value of 5-10% is considered based on the type of asset and its utility.
- Condition of machinery & equipment is average to poor except those assets which are being used at the running project sites. Machines were found to be lying open at site and mostly rusted without maintenance. In some of the machines, parts were also found missing which they interchangeably use in other similar machines as per their requirement.

- The deterioration factor (discount) of 0-50% is considered according to the condition, nature, type of the assets on the Depreciated Replacement Value to calculate the Fair Market Value of the assets as on March 2023 as described below:

Deterioration Factor	Basis
0%	For active Projects 0% deterioration factor is taken since condition is good and machines are in use.
30%	30% deterioration factor is considered on inactive Project sites where major equipment are lying as per condition of the machines as mentioned above in the report.
40%	40% deterioration factor is considered on inactive Project sites where other than major equipment are lying and which have not been visited by us based on the assumption that since these are not the major equipment sites and when on major equipment site, the condition of the machines/ equipment is average to poor then on these sites, the condition would be either similar or degraded than it.
50%	For Shuttering materials 50% deterioration is taken since these are lying scattered open on site and has formed corrosion.

- The equipment installed/stationed at the sites has a specific purpose and must be operated by the EPC business with prior professional skills and experience. Thus, for calculating the Liquidation Value of the assets, a discounting factor of 20-50% or salvage value whichever is higher is applied considering the type of asset its utility and sellability factor considering lot sale orderly liquidation as described below:

Liquidation Factor	Category
40%	Major Machinery & equipment
30%	Tools & implements
30%	Data processing equipment
30%	Office equipment
20%	Furniture & Fixtures
20%	Vehicles
50%	Shuttering Material



2. INVENTORY VALUATION:

2.1 INVENTORY VALUATION FOR OCTOBER 2018:

Table No. 4

Figures in INR

Project Name	Book Value as on October 2018	Fair Market Value	Liquidation Value
IEINRD041-KNC-Kiratpur Ner Chowk	24,35,82,204	19,48,65,763	14,61,49,323
IEINRD042-PDR-Patna Dhobi road project	17,96,16,845	16,16,55,160	12,12,41,370
IEINPW074-IPD-Jamshedpur	13,09,66,868	10,47,73,494	7,85,80,121
IEINPW076-WSR-West Singhbhum, Jharkhand	5,99,60,540	4,79,68,432	3,59,76,324
IEINPMCWH-CW1-Central Warehouse (CWH)	5,95,29,147	5,35,76,232	4,01,82,174
IEINRD043-BBR- BIRPUR Road	5,24,07,353	4,71,66,618	3,53,74,963
IEINPW073-RES-Jharkhand	4,56,56,730	3,65,25,384	2,73,94,038
IEINPW075-ESR-East Singhbhum, Jharkhand	4,39,49,941	3,51,59,953	2,63,69,965
IEINBS045-EMG-Emaar Mgf Palm Garden, Gurgaon	4,31,55,996	3,66,82,597	2,75,11,948
IEINPW069-RE6-RE Works in Gonda district of UP	3,98,47,739	3,38,70,578	2,54,02,933
IEINOG007-KMP-Cochin Pipeline	3,79,63,732	3,22,69,172	2,42,01,879
IEINRL024-AMP-Metro Ahmedabad	3,38,50,662	3,04,65,596	2,28,49,197
IEINRL026-CMP-Chennai Metro Project	3,16,45,479	2,68,98,657	2,01,73,993
IEINRL025-NMR-Nagpur Metro Project	3,04,41,358	2,43,53,086	1,82,64,815
IEINBS052-VMG-Villa Marbella	2,96,18,072	2,51,75,361	1,88,81,521
IEINPW078-EDC-DHANBAD	2,95,49,053	2,36,39,242	1,77,29,432
IEINPW062-P01- Works BULANDSHAHR-RGGVY Ph-II	2,37,82,080	2,02,14,768	1,51,61,076
IEINPW072-RE9- Paschim Midnapur	2,20,10,569	1,98,09,512	1,48,57,134
IEINOG008-PHP-Phulpur Haldia Pipeline Project	2,11,26,996	1,90,14,297	1,42,60,723
IEINPW071-RE8- RE North and South 24 Parganas	1,94,61,470	1,75,15,323	1,31,36,492
IEINPW066-RE5 - RE Works, Shahjahanpur District, UP	1,92,88,230	1,63,94,996	1,22,96,247
IEINOG009-KMA-MANGALORE	1,87,30,213	1,68,57,191	1,26,42,893
IEINRL023-BMR-Bangalore Metro Project	1,59,48,512	1,43,53,661	1,07,65,246
IEINPW064-RE3-Muradabad	1,59,38,271	1,35,47,531	1,01,60,648
IEINOG011-DDP-DURGAPUR	1,57,58,910	1,33,95,073	1,00,46,305
IEINPW070-RE7- Restrengthening 24 South pargana	1,54,20,678	1,38,78,610	1,04,08,958
IEINPW065-RE4-Amroha	1,52,34,955	1,21,87,964	91,40,973
IEINRL022-KMR -Kolkata Metro project	1,51,29,494	1,21,03,595	90,77,696
IEINRD035-AS3-AS-25 Road	1,49,52,919	1,27,09,981	95,32,486
IEINIR110-PL1-Polavaram	1,09,26,650	92,87,653	69,65,740
IEINOG010-KMB-MANGALORE	1,02,54,232	92,28,808	69,21,606
IEINPW077-EDS-DHUMKA Sahibganj	1,01,83,698	81,46,958	61,10,219
IEINRD040-DLF-DLF Road	71,43,445	53,57,584	40,18,188
IEINIR076-LR1-Lingala	53,39,297	48,05,368	36,04,026
IEINBS047-PTS-Palm Terraces Select Housing Complex	52,08,514	41,66,811	31,25,109
IEINBS054-AVS-Anand Villas	36,92,679	29,54,143	22,15,607

IEINOG005-MPP MPP-PIPELINE	26,14,975	20,91,980	15,68,985
IEINRL018-DFC -Dehri on Soni	25,58,439	20,46,751	15,35,063
IEINPW057-R12-RE Works-WBSEDCL PKG/12	24,90,731	21,17,122	15,87,841
IEINBS055-GHP-IREO Project	23,80,743	20,23,631	15,17,723
IEINPMCWS-CS1-Central Work Shop	21,89,225	19,70,302	14,77,727
IEINPW058-R13-RE Works-WBSEDCL PKG/13	18,42,561	15,66,177	11,74,632
IEINRL015-BMP-Bhigwan-Mohol Solapur	18,13,886	15,41,803	11,56,352
IEINIR039-TL1-Tadipudi	17,31,603	14,71,863	11,03,897
IEINBS039-HC2-Balance Works at -HILL COUNTY	16,73,094	12,54,820	9,41,115
IEINPW059-R14-RE Works-WBSEDCL PKG/14	16,44,829	13,98,105	10,48,579
IEINOG011-DDJ-CHAS	13,22,681	11,24,279	8,43,209
IEINOG012-BAP-BAPL, Angul	12,99,159	11,69,243	8,76,932
IEINPW068-BB2-Tower Package – TW05 for 765	11,02,342	9,92,107	7,44,081
IEINRD024-AS2-AS-19 Road	8,98,952	6,74,214	5,05,660
IEINBS056-HBC-Lodha Project	8,37,892	6,28,419	4,71,314
IEINBS048-MAP-Mahendra-ASHVITA Project	7,47,994	5,60,996	4,20,747
IEINPW067-BBT-Tower Package for Bhuj-Banaskanta	6,87,583	6,18,824	4,64,118
IEINPW032-AT3-AP Transco-111	1,05,318	94,786	71,089
IEINIR122-BRS-Anuppur	70,894	53,171	39,878
IEINPW031-AT2-AP Transco-110	70,013	63,011	47,258
IEINRL018-DFU - Mogalsorai	3,329	2,664	1,998
Total	1,40,53,59,772	1,18,44,39,421	88,83,29,566

Notes for Inventory Valuation October 2018:

- For the assessment of Inventory Valuation, the location-wise inventory sheet is considered as provided by the company.
- Due to paucity of time, the site survey is conducted only for some of the sites as mentioned in the table no. 1 above.
- The amount of inventory mentioned in the Balance Sheet is Rs.111.66 Crore as on October 2018 but as per the Inventory Details provided by the company, the total amount is Rs.140.54 Crore and the same is considered for the purpose of valuation assessment of inventories.
- For the purpose of the valuation, we have assumed lot sale in auction as the sale methodology.
- As per the market scenario, in such kind of sale of old items buyers pay the price with some discount.
- For calculating the Fair Market Value of the Inventory items as on March 2023, deterioration factor (discount) is considered in the range of 10-25% as per the date/year on which the particular project was completed or since when the items are lying in the inventory in the absence of detailed bifurcation of the items, as per the table below:

For the Projects completing on	Discount (%)
2022-2023	10%
2019-2021	15%
2018	20%
2015-2017	25%



- The equipment installed/stationed at the sites has a specific purpose and must be operated by the EPC business with prior professional skills and experience. Thus, for calculating the Liquidation Value of the assets, a discounting factor of 25% is applied considering the type of asset its utility and sellability factor considering lot sale orderly liquidation.

2.2 INVENTORY VALUATION FOR MARCH 2023:

Table No. 5

Figures in INR

Project Name	Book Value as on March 2023	Fair Market Value	Liquidation Value
IEINBS039-HC2-Balance Works at -HILL COUNTY	16,68,704	3,84,221	2,88,166
IEINBS045-EMG-Emaar Mgf Palm Garden, Gurgaon	1,40,02,887	73,27,449	54,95,587
IEINBS047-PTS-Palm Terraces Select Housing Complex	24,69,014	11,62,605	8,71,954
IEINBS052-VMG-Villa Marbella	61,04,090	27,16,125	20,37,094
IEINBS055-GHP-IREO Project	16,27,530	10,70,898	8,03,174
IEINBS056-HBC-Lodha Project	8,37,893	2,98,154	2,23,615
IEINIR039-TL1-Tadipudi	14,95,297	7,76,806	5,82,604
IEINIR076-LR1-Lingala	63,43,869	27,29,078	20,46,808
IEINIR110-PL1-Polavaram	95,83,720	72,84,481	54,63,361
IEINIR122-BRS-Anuppur	70,894	58,961	44,221
IEINOG007-KMP-Cochin Pipeline	24,04,080	6,86,086	5,14,564
IEINOG008-PHP-Phulpur Haldia Pipeline Project	57,84,137	22,33,184	16,74,888
IEINOG009-KMA-MANGALORE	24,37,666	10,47,147	7,85,361
IEINOG010-KMB-MANGALORE	53,14,031	28,17,698	21,13,273
IEINOG011-DDJ-CHAS	13,34,334	7,51,235	5,63,426
IEINOG011-DDP-DURGAPUR	1,29,48,532	45,75,981	34,31,986
IEINPMCWH-CW1-Central Warehouse (CWH)	4,80,63,850	72,09,578	54,07,183
IEINPW057-R12-RE Works-WBSEDCL PKG/12	78,53,064	30,94,794	23,21,095
IEINPW058-R13-RE Works-WBSEDCL PKG/13	23,54,345	10,89,036	8,16,777
IEINPW059-R14-RE Works-WBSEDCL PKG/14	16,37,195	4,65,039	3,48,779
IEINPW062-P01- Works BULANDSHAHR-RGGVY Ph-II	3,21,88,921	98,22,011	73,66,508
IEINPW064-RE3-Muradabad	2,93,06,800	89,62,763	67,22,072
IEINPW065-RE4-Amroha	2,25,42,210	1,02,63,375	76,97,532
IEINPW066-RE5 - RE Works, Shahjahanpur District, UP	534	27,770	20,828
IEINPW069-RE6-RE Works in Gonda district of UP	17,67,350	4,14,038	3,10,528
IEINPW070-RE7- Restrengthening 24 South pargana	57,63,323	24,34,529	18,25,896
IEINPW071-RE8- RE North and South 24 Parganas	1,01,13,820	46,24,222	34,68,167
IEINPW072-RE9- Paschim Midnapur	3,38,51,932	1,63,65,522	1,22,74,141
IEINPW073-RES-Jharkhand	56,42,961	21,34,173	16,00,630
IEINPW074-IPD-Jamshedpur	1,20,24,600	29,39,813	22,04,860
IEINPW075-ESR-East Singhbhum, Jharkhand	39,25,720	36,51,396	27,38,547
IEINPW076-WSR-West Singhbhum, Jharkhand	50,00,261	33,16,133	24,87,100
IEINPW077-EDS-DHUMKA Sahibganj	4,10,510	82,470	61,853
IEINPW078-EDC-DHANBAD	22,373	2,290	1,718

IEINRD042-PDR-Patna Dhobi road project	1,95,18,837	1,58,16,014	1,18,62,011
IEINRD043-BBR- BIRPUR Road	2,23,82,160	5,13,05,696	3,84,79,272
IEINRL015-BMP-Bhigwan-Mohol Solapur	3,63,346	57,061	42,796
IEINRL018-DFC -Dehri on Soni	25,21,344	9,40,442	7,05,331
IEINRL022-KMR -Kolkata Metro project	99,03,358	47,15,673	35,36,755
IEINRL023-BMR-Bangalore Metro Project	75,15,758	43,68,706	32,76,530
IEINRL024-AMP-Metro Ahmedabad	98,66,476	63,94,481	47,95,861
IEINRL025-NMR-Nagpur Metro Project	1,81,84,588	1,01,38,202	76,03,652
IEINRL026-CMP-Chennai Metro Project	62,45,400	39,10,767	29,33,075
IEINRL027-SMR-Surat Metro Project	67,37,630	42,74,662	32,05,996
Total	40,01,35,344	21,47,40,764	16,10,55,573

Notes for Inventory Valuation March 2023:

- For the assessment of Inventory Valuation, the location-wise inventory sheet is considered as provided by the company.
- Due to paucity of time, the site survey is conducted only for some of the sites as mentioned in the table no. 1 above.
- The amount of inventory mentioned in the Balance Sheet is Rs.10.36 Crore as on March 2023 but as per the Inventory Details provided by the company, the total amount is Rs.40.01 Crore and the same is considered for the purpose of valuation assessment of inventories. For the purpose of the valuation we have considered Inventory sheet provided to us as this was having detailed breakup of the items containing Fast moving (0 to 3 months), Slow moving (3 to 6 months), Non-moving (6 to 12 months) and Dead inventory (More than 1 year) details.
- For the purpose of the valuation we have assumed lot sale in auction as the sale methodology.
- As per the market scenario, in such kind of sale of old items buyers pay the price with some discount.
- For calculating the Fair Market Value of the Inventory items as on March 2023, a deterioration factor is considered based on type of inventory and its aging for the project period. Further for the inventory items from 2022 – 2024 where further distribution of inventory movement was available, discounting has been done accordingly as mentioned in the table below:

Particulars	Discount (%) considered for the projects completed in						
	2015, 2016	2018	2019- 2021	2022-2024			
				Fast Moving	Slow Moving	Non-Moving	Dead
Paint, Adhesive, Oil & Lubes, Tapes	100%	100%	85%	50%	55%	60%	65%
Cement, Sand, Aggregate	100%	100%	80%	50%	55%	60%	65%
Plumbing & Plastic Items	85%	85%	60%	40%	45%	50%	55%
Wooden Items	70%	60%	50%	35%	35%	40%	45%
Rubber based items	95%	90%	70%	50%	55%	60%	65%
Electricals	85%	75%	70%	50%	55%	60%	65%
Tools	80%	70%	60%	35%	40%	45%	50%
Other Consumables	95%	90%	85%	70%	75%	80%	85%

Metallic Items	Considered a rate of Rs.42/- per kg for scrap as per the current market reference available on public domain
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- The equipment installed/stationed at the sites has a specific purpose and must be operated by the EPC business with prior professional skills and experience. Thus, for calculating the Liquidation Value of the assets, a Liquidation discounting factor of 25% is applied considering the type of asset its utility and sellability factor considering lot sale orderly liquidation.

3.	CONSOLIDATED SUMMARY OF VALUATION ASSESSMENT		
S. No.	Particulars	Indicative & Estimated Prospective Fair Market Value (As on 15.10.2018)	Indicative & Estimated Prospective Fair Market Value (As on 31.03.2023)
a.	Machinery & Equipment Value	Rs.95,27,19,160/-	Rs.56,56,76,246/-
b.	Inventory Value	Rs.118,44,39,421/-	Rs.21,47,40,764/-
c.	Additional Premium / Deductions (if any)	NA	NA
	Details/ Justification	NA	NA
d.	Total Indicative & Estimated Prospective Fair Market Value	Rs.213,71,58,581/-	Rs.78,04,17,010/-
e.	Rounded Off	Rs.214,00,00,000/-	Rs.78,00,00,000/-
f.	Indicative & Estimated Prospective Fair Market Value in words	Rupees Two Hundred and Fourteen Crore Only	Rupees Seventy-Eight Crore Only
g.	Expected Liquidation Value	Rs.151,44,00,000/-	Rs.60,30,00,000/-
h.	Concluding Comments/ Disclosures if any		
	a. We are independent of client/ company and do not have any direct/ indirect interest in the property/assets. b. This valuation has been conducted by R.K Associates Valuers & Techno Engineering Consultants (P) Ltd. and its team of experts. c. This valuation is done for the property/assets found on as-is-where basis as shown on the site by the Bank/ customer of which photographs is also attached with the report. d. Reference of the property/assets is also taken from the copies of the documents/ information which interested organization or customer could provide to us out of the standard checklist of documents sought from them and further based on our assumptions and limiting conditions. All such information provided to us has been relied upon in good faith and we have assumed that it is true and correct. However, we do not vouch the absolute correctness of the property/asset identification, exact address, physical conditions, etc. based on the documents provided to us since property/assets shown to us may differ on site Vs as mentioned in the documents or incorrect/ fabricated documents may have been provided to us. e. Legal aspects for eg. Investigation of title, ownership rights, lien, charge, mortgage, lease, verification of documents from originals or from any Govt. department, etc. has to be taken care by legal experts/ Advocates and same has not been done at our end. f. The valuation of an asset is an estimate of the worth of that asset which is arrived at by the Valuer in his expert opinion after factoring in multiple parameters and externalities. This may not be the actual price of that asset and the market may discover a different price for that asset.		



- g. This report only contains opinion based on technical & market information which came to our knowledge during the course of the assignment. It doesn't contain any recommendations.
- h. This report is prepared following our Standard Operating Procedures & Best Practices and will be subject to Limitations, Conditions, Valuer's Remarks, Important Notes, Valuation TOS and basis of computation & working as described above.
- i. The use of this report will become valid only after payment of full fees as per the Payment Terms. Using this report or any part content created in this report without payment of charges will be seen as misuse and unauthorized use of the report.

i. IMPORTANT KEY DEFINITIONS

Fair Value suggested by the competent Valuer is that prospective estimated amount in his expert & prudent opinion of the subject asset/ property without any prejudice after he has carefully & exhaustively evaluated the facts & information came in front of him or which he could reasonably collect during the course of the assessment related to the subject asset on an as-is, where-is basis in its existing conditions, with all its existing advantages & disadvantages and its potential possibilities which is just & equitable at which the subject asset/ property should be exchanged between a willing buyer and willing seller at an arm's length transaction in an open & unrestricted market, in an orderly transaction after proper marketing, wherein the parties, each acted knowledgeably, prudently without any compulsion on the date of the Valuation.

Fair Value without using the term "Market" in it describes that the value suggested by the Valuer may not mandatorily follow or may not be in complete consonance to the established Market in his expert opinion. It may or may not follow market dynamics. But if the suggested value by the valuer is not within the prevailing Market range or is assessed for an asset is located in an un-established Market then the valuer will give reasonable justification & reasoning that for what reasons the value suggested by him doesn't follow the prevailing market dynamics.

Fair Market Value suggested by the competent Valuer is that prospective estimated amount in his expert & prudent opinion of the subject asset/ property without any prejudice in consonance to the Market dynamics after he has carefully & exhaustively evaluated the facts & information came in front of him or which he could reasonably collect during the course of assessment related to the subject asset on an as-is, where-is basis in its existing conditions, with all its existing advantages & disadvantages and its potential possibilities which is just & equitable at which the subject asset/ property should be exchanged between a willing buyer and willing seller at an arm's length transaction in an open & unrestricted market, in an orderly transaction after proper marketing, wherein the parties, each acted knowledgeably, prudently without any compulsion on the date of the Valuation.

Here the words "in consonance to the established Market" means that the Valuer will give opinion within the realms & dynamics of the prevailing market rates after exhaustively doing the micro market research. However, due to the element of "Fair" in it, valuer will always look for the factors if the value should be better than the market realms which is just & equitable backed by strong justification and reasoning.

Market Value suggested by the competent Valuer is that prospective estimated amount which is average price of the similar comparable assets prevailing in an open & established market during the near period of the date of valuation at which the subject asset/ property should be exchanged between a willing buyer and willing seller on an as-is, where-is basis in its existing conditions, with all its existing advantages & disadvantages and its potential possibilities at an arm's length transaction in an open, established & unrestricted market, in an orderly transaction, wherein the parties, each acted without any compulsion on the date of the Valuation.

Using the term "Market Value" without "Fair" omits the elements of proper marketing, acting knowledgeably & prudently.

Market and market participants can be sentimental, inclined towards the transaction without the element

of complete knowledge & prudence about facts or due diligence of the asset therefore "each acted knowledgeably, prudently" has been removed from the marker Value definition.

Realizable Value is that minimum prospective estimated value of the asset/ property which it may be able to fetch at the time of actual property transaction factoring in the element of discount due to the prospects of deep negotiations between the buyer & seller when the parties in-principally find Fair Market Value reasonable and sits together to close the deal and the transaction across the table. Discount percentage on the Fair Market Value due to negotiation will depend on the nature, size, various salability prospects of the subject asset, the needs of the buyer & the seller and kind of payment terms. In some of the cases Realizable and Fair Market Value may also be equal.

Distress Sale Value* is that value when the property is attached with any process such as mortgaged financing, financial or operational dues which is under any stress condition or situation and the stakeholders are under process of finding resolution towards it to save the property from being attached to a formal recovery process. In this type of sale, minimum fetch value assessed will always be less than the estimated Fair Market Value where the discount of percentage will depend upon various circumstances and factors such as nature, size, salability prospects of the property and kind of encumbrance on the property. In this type of sale, negotiation power of the buyer is always more than the seller and eagerness & pressure of selling the property will be more on the seller than the buyer.

Liquidation Value is the amount that would be realized when an asset or group of assets are sold due to any compulsion or constraints such as in a recovery process guided by statute, law or legal process, clearance sale or any such condition or situation thereof where the pressure of selling the asset/ property is very high to realize whatever maximum amount can be from the sale of the assets in a limited time for clearance of dues or due to closure of business. In other words, this kind of value is also called as forced sale value.

Difference between Cost, Price & Value: Generally, these words are used and understood synonymously. However, in reality each of these has a completely different meaning, premise and also having different definitions in professional & legal terms. Therefore, it is our professional responsibility to describe the definitions of these words to avoid ambiguity & confusion in the minds of the user of this report.

The **Cost** of an asset represents the actual amount spend in the construction/ actual creation of the asset.

The **Price** is the amount paid for the procurement of the same asset.

The **Value** is defined as the present worth of future rights in the property/ asset and is a hypothetical or notional price that buyers and sellers are most likely to conclude for a good or service. Value is not a fact, but an estimate of the likely price to be paid for a good or service at a given time in accordance with a particular definition of value.

Therefore, in actual for the same asset/ property, cost, price & value remain different since these terms have different usage & meaning.

j. **Enclosures with the Report:**

- Enclosure 1 – Photographs of the assets on the sites visited
- Enclosure 2 – Valuer's Important Remarks

IMPORTANT NOTES

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




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

COPYRIGHT FORMAT - This report is prepared on the copyright format of R.K Associates to serve our clients in the best possible way. Legally no one can copy or distribute this format without prior approval from R.K Associates. It is meant only for the organization as mentioned on the cover page of this report. Distribution or use of this format or any content of this report wholly or partially other than R.K Associates will be seen as unlawful act and necessary legal action can be taken against the defaulters.

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

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

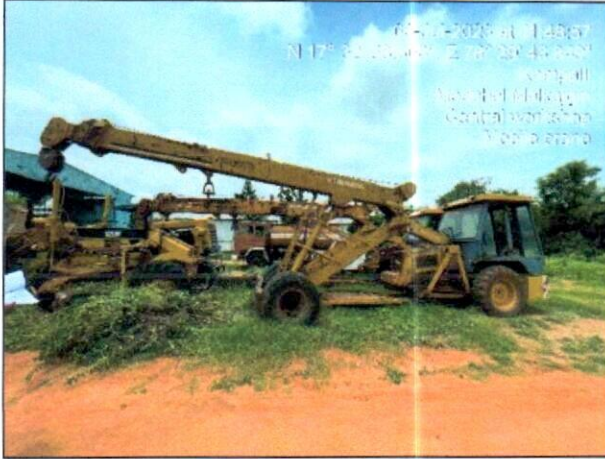
Valuation Terms of Services & Valuer's Important Remarks are available at www.rkassociates.org for reference.

SURVEY ANALYST	VALUATION ENGINEER	L1/ L2 REVIEWER
Sachin Pandey, Anirban Roy, Vishal Singh, Rajat Kumar & Manas Upmanyu	Manas Upmanyu	Sr. VP Projects & Abhinav Chaturvedi
		



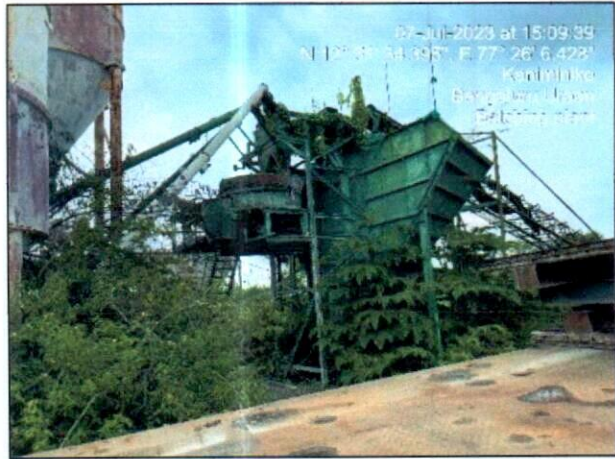
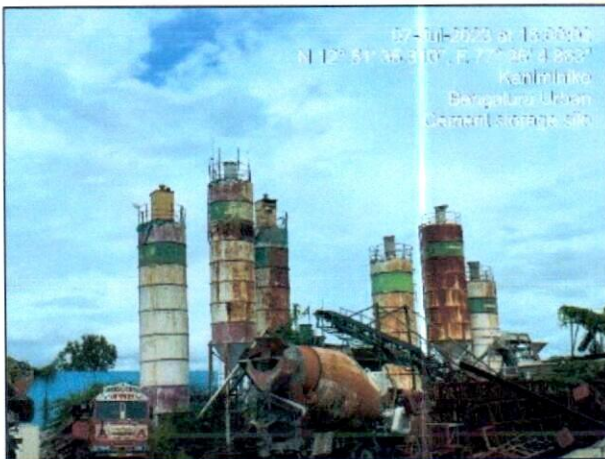
ENCLOSURE: 1- PHOTOGRAPHS OF ASSETS ON THE SITES VISITED

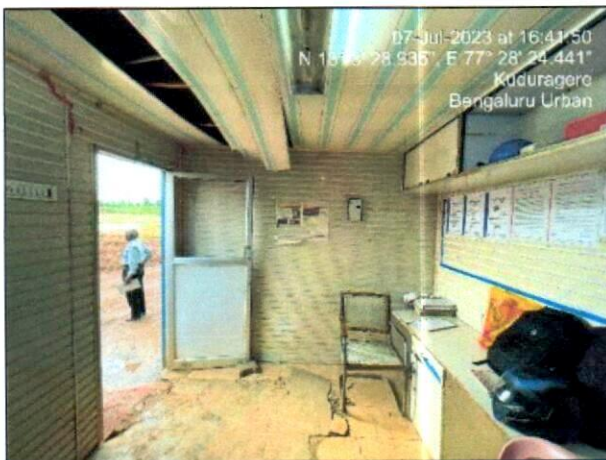
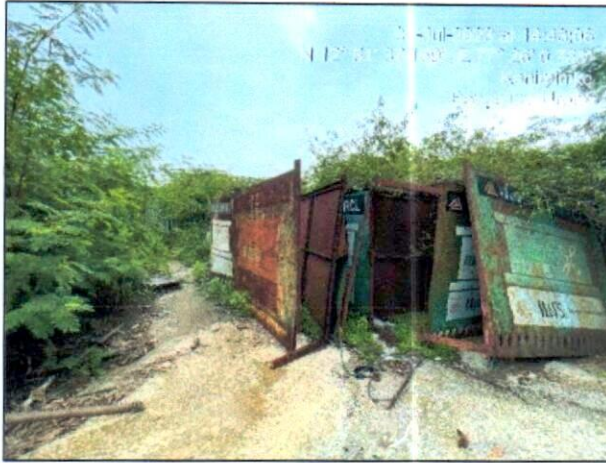
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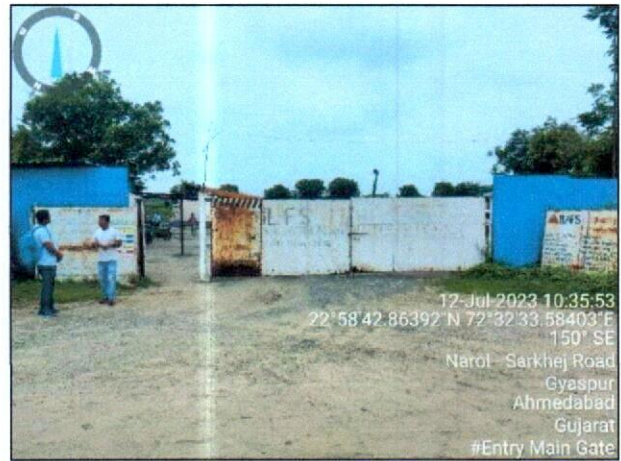
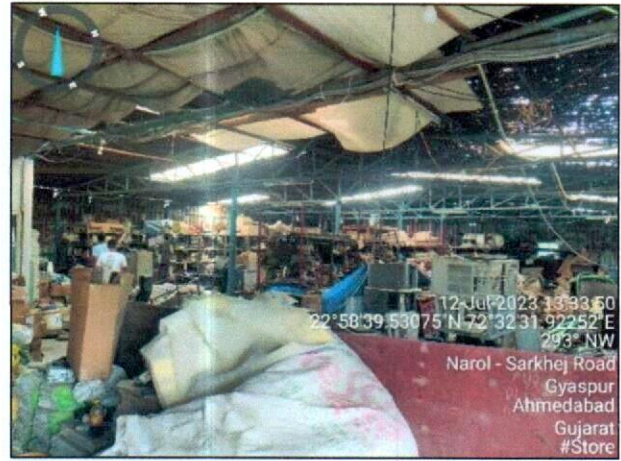
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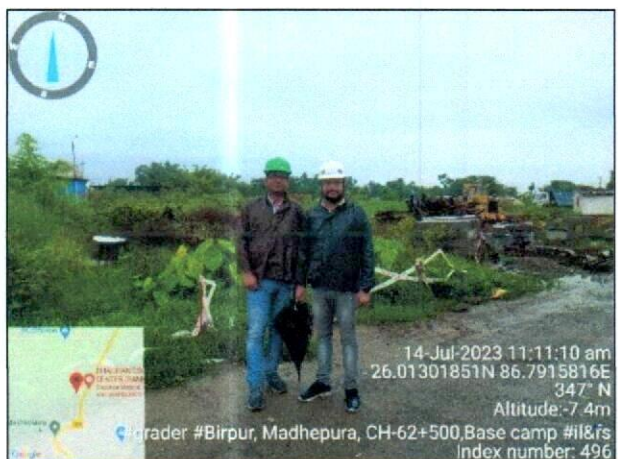
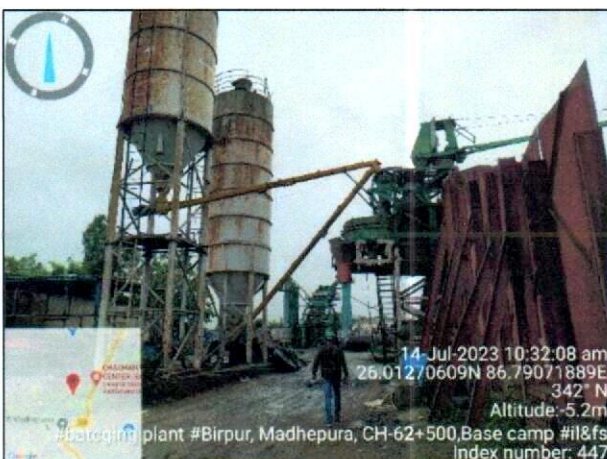
AHMEDABAD



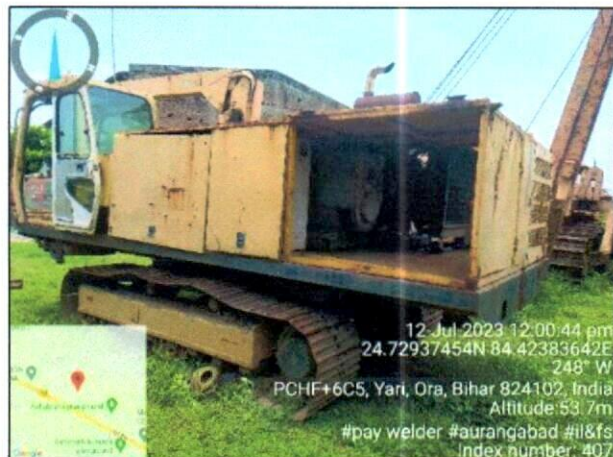


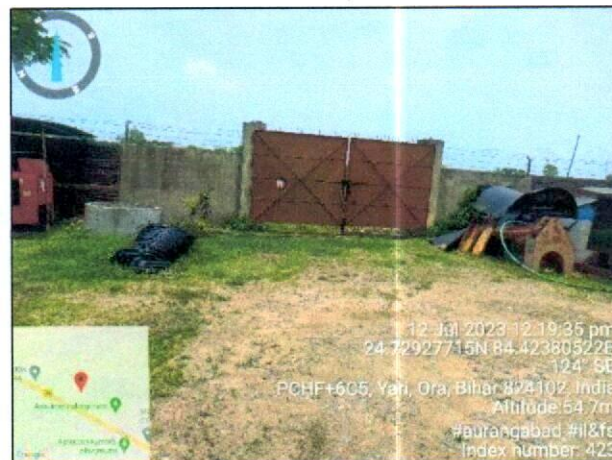
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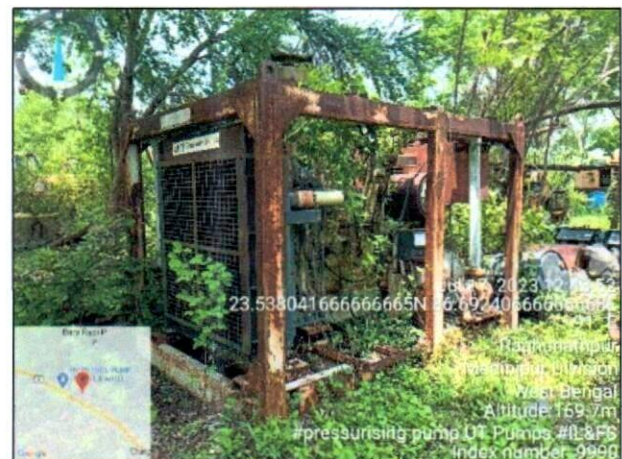


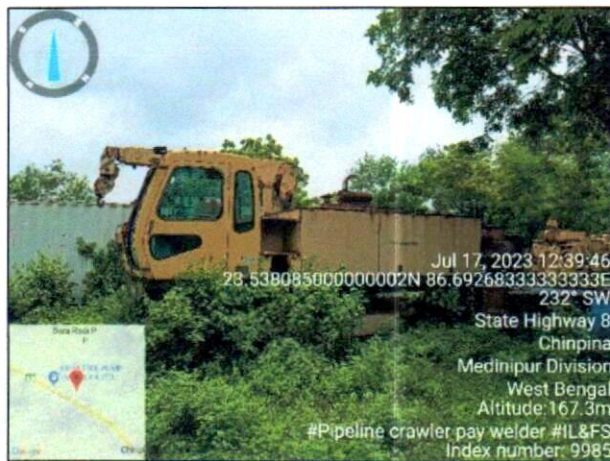
AURANGABAD



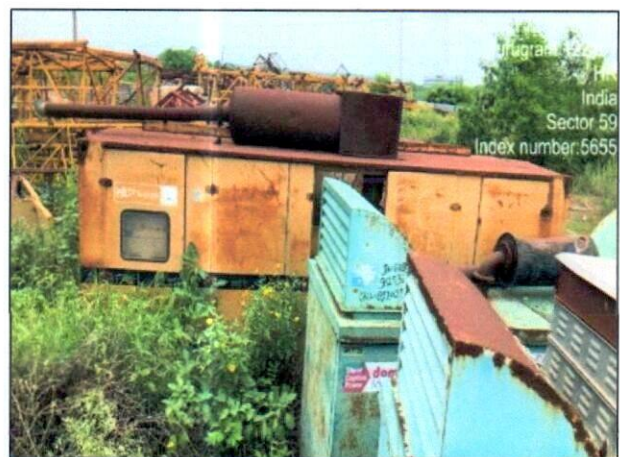
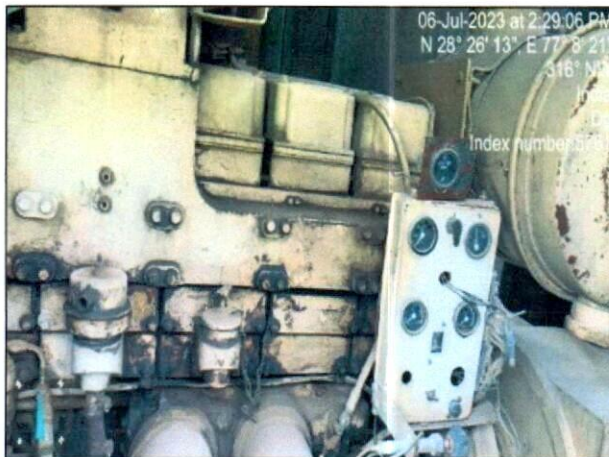


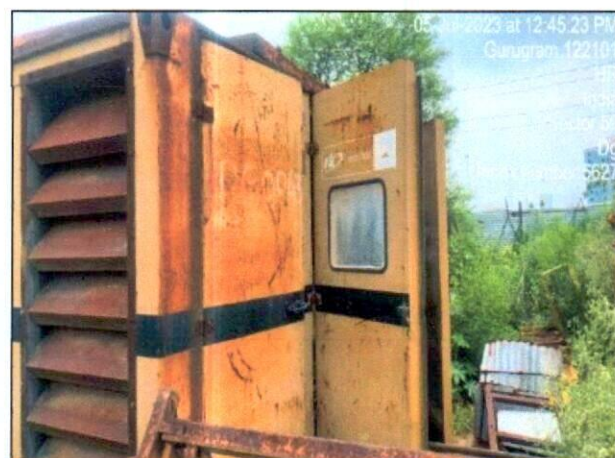
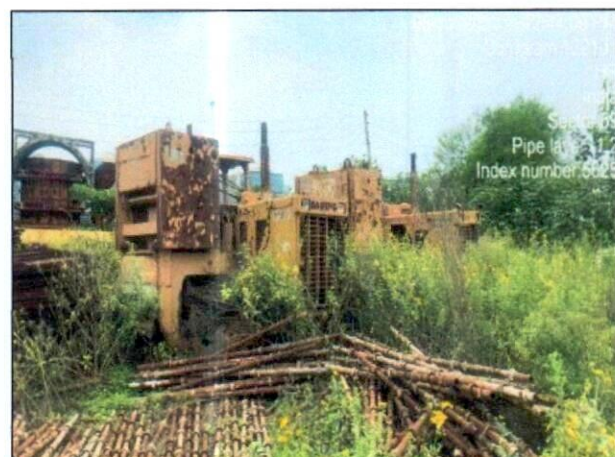
RAGHUNATHPUR





GURUGRAM





ENCLOSURE: 2 – VALUER’S IMPORTANT REMARKS

1.	Valuation is done for the asset found on as-is-where basis which owner/ owner representative/ client/ bank has shown/ identified to us on the site unless otherwise mentioned in the report of which some reference has been taken from the information/ data given in the copy of documents provided to us and informed verbally or in writing out of the standard checklist of documents sought from the client & its customer which they could provide within the reasonable expected time out of the standard checklist of documents sought from them and further based on certain assumptions and limiting conditions. The information, facts, documents, data which has become primary basis of the report has been supplied by the client which has been relied upon in good faith and is not generated by the Valuer.
2.	The client/ owner and its management/ representatives warranted to us that the information they have supplied was complete, accurate and true and correct to the best of their knowledge. All such information provided to us either verbally, in writing or through documents has been relied upon in good faith and we have assumed that it is true & correct without any fabrication or misrepresentation. I/We shall not be held liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the owner, company, its directors, employee, representative or agents.
3.	Legal aspects for eg. Investigation of title, ownership rights, lien, charge, mortgage, lease, sanctioned maps, verification of documents provided to us such as title documents, Map, etc. from any concerned Govt. office etc. have to be taken care by legal expert/ Advocate and same is not done at our end. It is assumed that the concerned Lender/ Financial Institution has asked for the valuation of that property/assets after satisfying the authenticity of the documents given to us for which the legal verification has been already taken and cleared by the competent Advocate before requesting for the Valuation report. I/ We assume no responsibility for the legal matters including, but not limited to, legal or title concerns.
4.	In the course of the valuation, we were provided with both written and verbal information. We have however, evaluated the information provided to us through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Our conclusions are based on the assumptions and other information provided to us by the client during the course of the assessment.
5.	Getting cizra map or coordination with revenue officers for site identification is a separate activity and is not part of the Valuation services and same has not been done in this report unless otherwise stated.
6.	Wherever any details are mentioned in the report in relation to any legal aspect of the property/assets such as name of the owner, leases, etc. is only for illustration purpose and should not be construed as a professional opinion. Legal aspects are out of scope of this report. Details mentioned related to legal aspect are only based on the copy of the documents provided to us and whatever we can interpret as a non-legally trained person. This should be cross validated with a legal expert. We do not vouch any responsibility regarding the same.
7.	We have made certain assumptions in relation to facts, conditions & situations affecting the subject of, or approach to this exercise that has not been verified as part of the engagement rather, treated as "a supposition taken to be true". If any of these assumptions prove to be incorrect then our estimate on value will need to be reviewed.
8.	This is just an opinion report based on technical & market information having general assessment & opinion on the indicative, estimated Market Value of the property/assets for which Bank has asked to conduct the Valuation. It doesn't contain any other recommendations of any sort including but not limited to express of any opinion on the suitability or otherwise of entering into any transaction with the borrower.
9.	We have relied on the data from third party, external sources & information available on public domain to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on the data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data is extracted from authentic sources, however we still can't vouch its authenticity, correctness, or accuracy.
10.	Analysis and conclusions adopted in the report are limited to the reported assumptions, conditions and information came to our knowledge during the course of the work and based on the Standard Operating Procedures, Best Practices, Caveats, Limitations, Conditions, Remarks, Important Notes, Valuation TOR and definition of different nature of values.
11.	Value varies with the Purpose/ Date/ Asset Condition & situation/ Market condition, demand & supply, asset utility prevailing on a particular date/ Mode of sale. The indicative & estimated prospective Value of the asset given in this report is restricted only for the purpose and other points mentioned above prevailing on a particular date as mentioned in the report. If any of these points are different from the one mentioned aforesaid in the Report then this report should not be referred.
12.	Our report is meant ONLY for the purpose mentioned in the report and should not be used for any other purpose. The Report should not be copied or reproduced for any purpose other than the purpose for which it is prepared for. I/we do not take any responsibility for the unauthorized use of this report.
13.	We owe responsibility only to the authority/client that has appointed us as per the scope of work mentioned in the report. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the client or companies, their directors, employees or agents.
14.	This report is having limited scope as per its fields & format to provide only the general basic idea of the value of the property/assets prevailing in the market based on the site inspection and documents/ data/ information provided by the client. The suggested indicative prospective estimated value should be considered only if transaction is happened as free market transaction.
15.	The sale of the subject property/assets is assumed to be on an all cash basis. Financial arrangements would affect the price at which the property/assets may sell for if placed on the market.

16.	The actual realizable value that is likely to be fetched upon sale of the asset under consideration shall entirely depend on the demand and supply of the same in the market at the time of sale.
17.	While our work has involved an analysis & computation of valuation, it does not include detailed estimation, design/ technical/ engineering/ financial/ structural/ environmental/ architectural/ compliance survey/ safety audit & works in accordance with generally accepted standards of audit & other such works. The report in this work is not investigative in nature. It is mere an opinion on the likely estimated valuation based on the facts & details presented to us by the client and third party market information came in front of us within the limited time of this assignment, which may vary from situation to situation.
18.	Where a sketched plan is attached to this report, it does not purport to represent accurate architectural plans. Sketch plans and photographs are provided as general illustrations only.
19.	Documents, information, data including title deeds provided to us during the course of this assessment by the client is reviewed only upto the extent required in relation to the scope of the work. No document has been reviewed beyond the scope of the work. These are not reviewed in terms of legal rights for which we do not have expertise. Wherever any information mentioned in this report is mentioned from the documents like owners name, etc., it is only for illustration purpose and may not necessary represent accuracy.
20.	The report assumes that the borrower/company/business/asset complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies/business/assets is managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with relevant laws, and litigations and other contingent liabilities that are not recorded/reflected in the documents/ details/ information/ data provided to us.
21.	This valuation report is not a qualification for accuracy of land boundaries, schedule (in physical terms), dimensions & identification. For this land/ property survey report can be sought from a qualified private or Govt. surveyor.
22.	This Valuation report is prepared based on the facts of the property on the date of the survey. Due to possible changes in market forces, socio-economic conditions, property conditions and circumstances, this valuation report can only be regarded as relevant as at the valuation date. Hence before financing, Banker/ FI should take into consideration all such future risk and should loan conservatively to keep the advanced money safe in case of the downward trend of the property value.
23.	Valuation of the same asset/ property can fetch different values under different circumstances & situations. For eg. Valuation of a running/ operational shop/ hotel/ factory will fetch better value and in case of closed shop/ hotel/ factory it will have considerable lower value. Similarly, an asset sold directly by an owner in the open market through free market transaction then it will fetch better value and if the same asset/ property is sold by any financier due to encumbrance on it, will fetch lower value. Hence before financing, Lender/ FI should take into consideration all such future risks while financing and take decision accordingly.
24.	Valuation is done for the property identified to us by the owner/ owner representative. At our end we have just visually matched the land boundaries, schedule (in physical terms) & dimensions of the property with reference to the documents produced for perusal. Method by which identification of the property is carried out is also mentioned in the report clearly. Responsibility of identifying the correct property to the Valuer/ its authorized surveyor is solely of the client/ owner for which Valuation has to be carried out. It is requested from the Bank to cross check from their own records/ information if this is the same property for which Valuation has to be carried out to ensure that owner has not misled the Valuer company or misrepresented the property due to any vested interest. Where there is a doubt about the precision position of the boundaries, schedule, dimensions of site & structures, it is recommended that a Licensed Surveyor be contacted.
25.	In India more than 70% of the geographical area is lying under rural/ remote/ non municipal/ unplanned area where the subject property is surrounded by vacant lands having no physical demarcation or having any display of property survey or municipal number / name plate on the property clearly. Even in old locations of towns, small cities & districts where property number is either not assigned or not displayed on the properties clearly and also due to the presence of multiple/ parallel departments due to which ownership/ rights/ illegal possession/ encroachment issues are rampant across India and due to these limitations at many occasions it becomes tough to identify the property with 100% surety from the available documents, information & site whereabouts and thus chances of error, misrepresentation by the borrower and margin of chances of error always persists in such cases. To avoid any such chances of error it is advised to the Bank to engage municipal/ revenue department officials to get the confirmation of the property to ensure that the property shown to Valuer/ Banker is the same as for which documents are provided.
26.	If this Valuation Report is prepared for the Flat/ dwelling unit situated in a Group Housing Society or Integrated Township then approvals, maps of the complete group housing society/ township is out of scope of this report and this report will be made for the specific unit based on the assumption that complete Group Housing Society/ Integrated Township and the subject unit must be approved in all respect.
27.	Due to fragmented & frequent change in building/ urban planning laws/ guidelines from time to time, different laws/ guidelines between regions/ states and no strict enforceability of Building Bye-Laws in India specially in non-metro and scale b & c cities & Industrial areas, property owners many times extend or make changes in the covered area/ layout from the approved/ applicable limits. There are also situations where properties are decades old when there was no formal Building Bye-Laws applicable the time when the construction must have been done. Due to such discrete/ unplanned development in many regions sometimes it becomes tough for the Valuer to determine the exact lawful situation on ground. Unless otherwise mentioned in the report, the covered area present on the site as per site survey will be considered in the Valuation.
28.	Area of the large land parcels of more than 2500 sq.mtr or of uneven shape in which there can be practical difficulty in sample measurement, is taken as per property documents which has been relied upon unless otherwise stated.
29.	Drawing Map, design & detailed estimation of the property/ building is out of scope of the Valuation services.
30.	Valuation is a subjective field and opinion may differ from consultant to consultant. To check the right opinion, it is important to evaluate the methodology adopted and various data point/ information/ factors/ assumption considered by the consultant which became the basis for the Valuation report before reaching to any conclusion.

31.	Although every scientific method has been employed in systematically arriving at the value, there is, therefore, no indisputable single value and the estimate of the value is normally expressed as falling within a likely range.
32.	Value analysis of any asset cannot be regarded as an exact science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. Given the same set of facts and using the same assumptions, expert opinions may differ due to the number of separate judgment decisions, which have to be made. Therefore, there can be no standard formula to establish an indisputable exchange ratio. In the event of a transaction, the actual transaction value achieved may be higher or lower than our indicative analysis of value depending upon the circumstances of the transaction. The knowledge, negotiability and motivations of the buyers and sellers, demand & supply prevailing in the market 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 take informed and wise decision about the Value of the asset and can help in facilitating the arm's length transaction.
33.	This Valuation is conducted based on the macro analysis of the asset/ property considering it in totality and not based on the micro, component, or item wise analysis. Analysis done is a general assessment and is not investigative in nature.
34.	This report is prepared on the RKA V-L1 (Basic) Valuation format as per the client requirement and scope of work. This report is having limited scope as per its fields & format to provide only the general estimated & indicative basic idea of the value of the property prevailing in the market based on the information provided by the client. No detailed analysis, audit or verification has been carried out of the subject property. There may be matters, other than those noted in this report, which might be relevant in the context of the transaction and which a wider scope might uncover.
35.	This is just an opinion report and doesn't hold any binding on anyone. It is requested from the concerned Client/ Bank/ Financial Institution which is using this report for mortgaging the property that they should consider all the different associated relevant & related factors & risks before taking any business decision based on the content of this report.
36.	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.
37.	As per IBA Guidelines & Bank Policy, in case the valuation report submitted by the valuer is not in order, the banks / FIs shall bring the same to the notice of the valuer within 15 days of submission for rectification and resubmission. In case no such communication is received, it shall be presumed that the valuation report has been accepted.
38.	Defect Liability Period is 15 DAYS. We request the concerned authorized reader of this report to check the contents, data, information, and calculations in the report within this period and intimate us in writing at valuers@rkassociates.org within 15 days of report delivery, if any corrections are required or in case of any other concern with the contents or opinion mentioned in the report. If no intimation is received within 15 (Fifteen) days in writing from the date of issuance of the report, then it shall be considered that the report is complete in all respect and has been accepted by the client upto their satisfaction & use and further to which R.K Associates shall not be held responsible in any manner. After this period no concern/ complaint/ proceedings in connection with the Valuation Services will be entertained due to possible change in situation and condition of the property.
39.	Though adequate care has been taken while preparing this report as per its scope, but still we can't rule out typing, human errors, over sightedness of any information or any other mistakes. Therefore, the concerned organization is advised to satisfy themselves that the report is complete & satisfactory in all respect. Intimation regarding any discrepancy shall be brought into our notice immediately. If no intimation is received within 15 (Fifteen) days in writing from the date of issuance of the report, to rectify these timely, then it shall be considered that the report is complete in all respect and has been accepted by the client upto their satisfaction & use and further to which R.K Associates shall not be held responsible in any manner.
40.	Our Data retention policy is of ONE YEAR . After this period we remove all the concerned records related to the assignment from our repository. No clarification or query can be answered after this period due to unavailability of the data.
41.	This Valuation report is governed by our (1) Internal Policies, Processes & Standard Operating Procedures, (2) R.K Associates Quality Policy, (3) Valuation & Survey Best Practices Guidelines formulated by management of R.K Associates, (4) Information input given to us by the customer and (4) Information/ Data/ Facts given to us by our field/ office technical team. Management of R.K Associates never gives acceptance to any unethical or unprofessional practice which may affect fair, correct & impartial assessment and which is against any prevailing law. In case of any indication of any negligence, default, incorrect, misleading, misrepresentation or distortion of facts in the report then we request the user of this report to immediately or atleast within the defect liability period to bring all such act into notice of R.K Associates management so that corrective measures can be taken instantly.
42.	R.K Associates never releases any report doing alterations or modifications by pen. In case any information/ figure of this report is found altered with pen then this report will automatically become null & void.
43.	We are fully aware that based on the opinion of value expressed in this report, we may be required to give testimony or attend court / judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and my / our tendering evidence before such authority shall be under the applicable laws.
44.	The final copy of the report shall be considered valid only if it is in hard copy on the company's original letter head with proper stamp and sign on it of the authorized official upon payment of the agreed fees. User shall not use the content of the report for the purpose it is prepared for only on draft report, scanned copy, email copy of the report and without payment of the agreed fees. In such a case the report shall be considered as unauthorized and misused.

