

Jaspal Singh

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Chartered Engineer and Govt. Registered Valuer (Plant & Machinery)

Fellow, Institution of Valuers, Delhi : F-17860

Member, Institution of Engineers, Kolkata, : M-138980-1

Registration under Company Act : IBBI/RV/10/2021/14442

Wealth Tax Act 34AB Registration No.: CCIT/CHD/TECH/2015-16/564 dt 08.06.2016

Address : Plot Number 41, Phase - IX, Focal Point, (Opp. Swaraj Engines), MOHALI (SAS NAGAR), PIN : 160062

Reference No. : Val/Indian/2022-23/068

Dated : 18th October 2022

The Assistant General Manager

Indian Bank

SAM Branch, Sector 17-B,

CHANDIGARH


Sir,

Subject : Valuation of Plant and Machinery installed at **M/S Medisys Biotech Pvt Ltd**
Himachal Pradesh.

As per your requirement, conveyed telephonically , I am presenting the valuation report of Plant and Machinery, installed at the above mentioned unit. for your perusal

GENERAL

- * Purpose for which valuation is : The valuation has been done for the bank purposes to assess Fair Market Value FMV/Realisable Value.
- * The Date of Inspection : 13th October 2022, accompanied by the Mr.Dinesh Singh, Production Manager and Mr.Sharma handling finances of the company.
- * Name of the unit : **M/S MEDISYS BIOTECH PVT LTD**
Address :
Office : SCO 142, Manasa Devi Complex, Sector 5
Panchkula
HARYANA
- * Works : Village Moginand, Kala Amb
Tehsil Nahan, District Sirmour
HIMACHAL PRADESH.
- * Whether the unit is : **M/S Medisys Biotech Pvt Ltd** is a private
Pvt / Limited
Co. Co-Operative
incorporated on 07th December 2005. It is classified as Non-Government Company and is Registered at Registrar of Companies, Himachal Pradesh.



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- * Corporate Identification Number, CIN U24231HP2005PTC030915
- * Registration number 30915
- * GSTIN 06AAECM8158L1Z0
- * Website www.medisysbiotech.in
- * Directors The company has five directors, Viz Mr.Ashok Kumar Srivastava(DIN 00182303), Mr. Joel Kurien (DIN 01425676), Mr. Mohan Reddy Etty Reddy (DIN 07427946), Mr. Sanjay Goel (DIN 02990047) and Mr.Rahul Sharma (DIN 06362638)
- * Since set up and put in operation : Medisys Biotech Private Limited is around 15 years old company that began operations in 2007.
- * Brief Description of the unit : Medisys Biotech Private Limited is a drug manufacturing company set up for catering to products that fall under allopathic and nutraceuticals categories. Their allopathic and nutraceutical based medicines focus on health, gynecological, optic, psychological and skin related problems.
- * Purpose for which machinery is : For manufacture of allopathic and nutraceutical installed medicines as explained above.
- * Physical condition of Plant and : The unit was in operation at the time of inspection with Machinery around 30-35 people of their work stations.The company runs for a single shift from 900-1730 Hrs. Most of the machinery is of 2007 origin and is in working condition.
Since the product profile is medicine, the production process is carried out in closed air conditioned atmosphere which results in lower degradation of machinery.
- * Whether the plant and machinery : The machinery lying in the unit appear to be complete of the unit is intact as the plant was in operation and all the stages from raw material procurement to final delivery of finished goods were oserved to be in line.
- * Type of the property Industrial



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- * Whether the property is situated in residential/ industrial/ commercial/mixed area/ agricultural area? The property is located in proper Industrial area well connected by network of roads and proper supply of water and power.
- * Valuation of Plant and machinery : Approximate
Fair Market Value, FMV in Rupees (Lac) is 113.65
Realisable Sales Value (90% of FMV) in Rupees (Lac) is 102.28
Distress Sales Value (80% of FMV) in Rupees (Lac) is 90.92



(Jaspal Singh)

(Chartered Engineer and a Registered Valuer of Plant and Machinery).

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List of Plant and Machinery Installed
At**M/S MEDISYS BIOTECH PRIVATE LIMITED**
Village Moginand, Kala Amb, Tehsil Nahan, District Sirmour, HIMACHAL PRADESH

S.No	Description of Machine	Qty	Approx replacement cost in Rs (Lac)	Approx. Fair Market Value in Rs.(Lac)
1	2			
1	300 kgs Coater Pans	4	5	6
2	50 Kgs Coater Pan	5	6.25	1.80
3	Fluid Bed Coater (FBC)	1	0.5	0.14
a	300 kgs FBC			
b	250 Kgs FBC	1	25	7.19
c	90 Kgs FBC	1	20	5.75
d	60 Kgs FBC	1	7.5	2.16
e	45 Kgs FBC	1	5	1.44
		1	3.75	1.08
4	Drier having 48 Trays	4	16	4.60
5	Drier having 24 Trays	1	3	0.86
6	Dispensing Booth	1	1.5	0.43
7	Hydraulic Lifter	1	1.5	0.43
8	Stirrer	2	4	1.15
9	Vibro Sifter	6	8	2.30
10	Blender			
a	500 Litre Blender	1	1.5	0.43
b	300 Litre Blender	1	1	0.29
c	1500 Litre Blender	1	3	0.86
11	Powder Filling Machine	1	2	0.58
12	Sealing Machine	1	1.5	0.43
13	Label Machine	1	5	1.44
14	Conveyor	1	4	1.15
15	Printing Machine for Batch Coding	1	1	0.29
16	Alu Alu Packaging machine	1	8	2.30
17	Blister Packing machine	1	8	2.30
18	Capsule Machine	1	8	2.30
19	Solution Preparator	1	1.5	0.43
20	Compressors			
a	16 table station	1	11	3.16
b	24 table station	1	17	4.89
21	Rapid Mixer Granulator (RMG)	1	8	2.30
22	Multimill		2.7	0.78
23	Sifter		5.25	1.51
24	Paste kettle		1.5	0.43
25	125 KVA Kirloskar make DG Set		7.5	2.16


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26	250 KVA Kirloskar make DG Set. Serial Number 199	YOM 2012.		13	6.83
27	2 KL/day Effluent Treatment Plant			12	6.30
28	7.2 Kg/cm ² Chicago Pneumatic Compressors	2		10	2.88
29	Distribution Transformer			4	1.15
30	Laboratory equipment including dissolution test apparatus, Disintegration Test apparatus, Ultrasonic bath, water bath, Friability Test apparatus, magnetic stirrer, HPLC, UV Spectrometer, Polarimeter, Hot Air Oven, Hot Plate, Muffle furnace, Autoclave, Laminar Air Flow, Melting point apparatus, Refractometer, PH meter, Analytical Balances, Sonicator, measuring instruments like verniers etc			60	17.25
31	AHU's of assorted capacities				4.00
32	Water Purification system including RO and DM Plant having 500 Litres/Hr capacity			3	2.00
33	Electrical fittings & power cables, panels	Lot			8.00
34	Miscellaneous small and unaccounted items like SS operating tables, Pharma doors, window and split AC's, air filters, furniture and fixtures, plastic crates etc	lot		20	5.75
	50 HP Chicago Pneumatic compressor, delivering 10 Kg/cm ² pressure having 200 CFM capacity including air drier and receiver	1		7.5	2.16
	Approx. Fair Market Value in Rs.(Lac)				113.65
	Realisable Value in Rs.(Lac) 90% of FMV				102.28
	Distress Value in Rs.(Lac) 80% of FMV				90.92

Taking into consideration the Economic Residual life, the working conditions, replacement cost, the scope of the product manufactured, the technology involved, the machinery used, the approximate **Fair Market Value** of the plant and machinery installed at **M/S Medisys Biotech Pvt Ltd.** Village Moginand, Kala Amb, Tehsil Nahan, District Sirmour, HP, in Rupees is One **Crore** Thirteen **Lac** and Sixty Five **Thousand** only.

The **Realisable value** taken 90% of FMV comes to Rupees One **Crore** Two **Lac** and Twenty Eight **Thousand** only.

The **Distress Sale value** taken 70% of FMV comes to about Rupees Ninty **Lac** and Ninty Two **Thousand** only.

BASIS OF VALUATION

Valuation of the machinery has been done on the basis of Fair Market value (FMV) in existing use, in-situ and going concern unit.

Fair Market Value or FMV is estimated amount, expressed in terms of money (cash or cash equivalent), that may be reasonably expected for a property, in an exchange between a willing buyer and a willing seller, neither under any compulsion to buy or sell and both fully aware of all relevant facts as of specific date. The **Fair Market Value** which in fact is just an informed opinion is not necessarily intended to represent the amount that might be realized from the piecemeal disposal of subject equipments in the open market or from equipments being subject to alternative use.


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Realizable value is defined as selling price of an asset less the expenses in the sales transaction. It is generally equal to the selling price of the inventory goods less the selling cost (completion and disposal). **Distress value** is the value of the assets received when goods are sold on urgent basis which often leads to selling in loss and realizing true worth of the goods traded.

Approach to Valuation

Of the three valuation methods, viz, Cost approach, Market Approach and Income Approach, I have followed market approach.

Cost approach was not followed as no document were provided by the company or the bank. No data indicating historical cost, invoices, purchase bills were made available.

Market approach was considered for valuation. The approximate replacement cost new of various machines were searched from the local market/internet browsing and from the data of similar pharma units valued. The replacement cost of the machines were depreciated as per the age and economic residual life of the machines. The company began operations around 2007. Most of the machinery is of 2006-2007 origin. For valuation of the machines, the economic life of the machines has been taken to be 20 years. Keeping in mind the extent of usage, physical, economic and technological obsolescence, the replacement cost has been depreciated accordingly to arrive at approximate Fair Market Value.

Available quotations/ price list/ catalogues of manufacturers of similar machines were also referred to have an idea about the market value.

Income approach was not adopted as no document in the form of account statement, profit and loss, profitability statement, past and future projections, Fixed asset register etc were not provided by the unit and no data is available to indicate production capacity, orders in hand or the production capacity or number of shifts or staff or turnover of the unit.

The above mentioned prices are just suggestive/estimated keeping in mind the type, manufacturer, brand, model technology they are based on, the extent of usage, physical condition of the goods among other particulars and were arrived at with the help of internet searches and discussion among people in the similar line of business and those dealing in sale/purchase of old and used goods.

Also, in addition to above mentioned factors, following points have been taken into consideration for arriving at an opinion about the fair Market Value :

The machinery has the potential and capacity to continue in its present existing use for which it was designed, built and erected, subject to profitability of the business.

The assets may fetch more or less at the time of sale depending upon the circumstances, conditions laid down, medium of advertisement, number of purchasers interested/available who show interest in the assets government policies, micro and macro economic environment, business conditions etc among host of factors.

Valuation is made as per visual inspection of the assets-as available at the time, place and assessable areas of inspection and are my personal, impartial, un-biased professional analysis done on "as is where is basis" that is true to the best of my knowledge and belief.

DECLARATION

I hereby declare that:

The valuation has been carried out as per request of Indian bank, SAM Branch, Chandigarh.

I visited and inspected the machinery personally on 13.10.2022.


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I have no direct or indirect interest in the unit being valued.
It is understood this report is meant for bank purpose only and is not subject to any techno-legal observations and is subject to acceptance/ rejection at the discretion of competent authorities.
The valuation figure arrived at is just an opinion and may differ from time to time and person to person .
It may vary with changing circumstances, market trends, keeping in mind one's exposure, experience, knowledge and estimation. Thus this valuation does not bind the undersigned and is neither answerable nor responsible for difference of opinion, if any, with other valuers about increase or decrease in the value of the machinery or with the sale/ realization of the asset value.
If any discrepancy in the report is observed, the same may be brought to the notice within 15 days in writing, lest it will be presumed that the report has been accepted in totality.
I have not been found guilty of misconduct in my professional capacity.
I have not been convicted for any offence or sentenced to a term of imprisonment.

I have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment and am issuing this report without any prejudice.

Regards



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1. Digital Photographs
2. Professional Fee Bill



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