

**REPORT FORMAT:** V-L13 (Bank - Composite Plant - Medium) | Version: 10.2\_2022

**CASE NO.** VIS(2022-23)-PL073-061-106

**DATED:** 08/06/2022

# VALUATION REPORT

OF

NATURE OF ASSETS	LAND & BUILDING, PLANT & MACHINERY & OTHER MISCELLANEOUS FIXED ASSET
CATEGORY OF ASSETS	INDUSTRIAL
TYPE OF ASSETS	INDUSTRIAL PLANT

**SITUATED AT**

VILLAGE-THANABHAWAN, DISTRICT- SHAMLI, UTTAR PRADESH

**REPORT PREPARED FOR**

STATE BANK OF INDIA, IFB BRANCH, TOLSTOY MARG, NEW DELHI

**\*\*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](http://www.rkassociates.org) for reference.**

**PART A**

**SNAPSHOT OF THE ASSET/ PROPERTY UNDER VALUATION**



**SITUATED AT**  
**VILLAGE-THANABHAWAN, DISTRICT- SHAMLI, UTTAR PRADESH**

**PART B**

**SBI FORMAT ON OPINION REPORT ON VALUATION**

Name & Address of the Branch	State Bank of India, IFB Branch, Tolstoy Marg New Delhi
Name & Designation of concerned officer	Mr. Ajay Kumar Nama
Name of the Borrower	M/s. Bajaj Hindusthan Sugar Ltd.

S.NO.	CONTENTS	DESCRIPTION			
I.	GENERAL				
1.	Purpose of Valuation	For Debt Restructuring purpose			
2.	a. Date of Inspection of the Property	2 June 2022			
	b. Date of Valuation Assessment	8 June 2022			
	c. Date of Valuation Report	8 June 2022			
3.	List of documents produced for perusal (Documents has been referred only for reference purpose)	Documents Requested	Documents Provided	Documents Reference No.	
		Total 08 documents requested.	Total 08 documents provided	Total 08 documents provided	
		Property Title document	Land Schedule	Dated: --	
		Cizra Map	Cizra Map	Dated: --	
		Air Consent	Air Consent	Dated: Dec 30 2021	
		Boiler Licence	Boiler Licence	Dated: Sept 23 2021	
		PPA	PPA	Dated: June 15 2006	
		Fire NOC	Fire NOC	Dated: Nov 23 2021	
		Structural Stability Certificate	Structural Stability Certificate	Dated: Feb 10 2011	
		Factory Licence	Factory Licence	Dated: Oct 18 2019	
4.	Name of the owner(s)	M/s. Bajaj Hindusthan Sugar Ltd.			
	Address/ Phone no.	Address: Village-Thanabhawan, District-Shamli, Uttar Pradesh			
		Phone No.: --			
	Brief description of the property				

5. This Valuation report is prepared for the industrial property (Sugar Mill) situated at the aforesaid address belonging to M/s. Bajaj Hindusthan Sugar Limited located at Thanabhawan in District Shamli of Uttar Pradesh.

### About the Project

BHSL has set up a Sugar plant with the capacity of 9000 TCD & 33 MW Co-Gen. As per information/ data provided to us by the client, the company has adopted modern technology for manufacturing Sugar.

As per the scope of work, this Valuation report is prepared for the project Land & Building and Plant & Machinery located the aforesaid address based on the copies of the documents and the information provided by the client which has been relied upon in good faith.

### Land Requirement

For the purpose of setting up a Sugar Plant, BHSL has procured total 32.34 Hectare/ 79.91 Acres of land. As per the information provided by the company official, the company has acquired total land area from local villagers by virtue of multiple sale deeds. Due to the voluminous nature of the title deeds, the company does not provide land title deeds expect land area statement for the subject project land. A copy of same of same is annexed with the Valuation report.

As per the copy of Change of land Use Certificate, the total land area is 32.34 Hectare (79.91 acres) and out of which only 31.788 Hectare (78.55 Acre) is converted to industrial land and as per the information given by the company officials and the balance land area 0.552 Hectare (1.37 Acre) is declared as industrial land being Abadi Land. Thus, does not require conversion under 143. This land parcel land is used as way to plant (Road, Culverts etc). No documentary evidence has been given in this regard. Bank is advised to legally check the status. Therefore, for the Valuation assessment we have taken total land area as-is-where-is basis. A copy of same is annexed with the Valuation report. The total extent of 32.34 Hectares land comprises of factory buildings and following related usage building plant.

LAND AREA STATEMENT				
Sr. No.	Village Name	Total no. of Deeds	Land Area (in Hectare)	Land Area (in Acres)
1	Thanabhawan	36	32.34	79.91

### Building and Civil Work

Major Buildings and Civil work in this power plant are Mill House, Boiler Control Room, DM Plant, Time Office, Cooling Tower, Boiler, Cane Store, Sugar Godown, Residential Colony, RCC Roads, Bituminous roads, boundary wall and other miscellaneous buildings and civil work. Buildings of the Plant are constructed on various construction techniques like GI shed mounted and cladded on



prefabricated steel Structure & RCC Structures. Area of Administration & Official Blocks is constructed of RCC framed Structures. Office blocks and electrical control room are Air conditioned. Fire Fighting system is installed in the various Buildings.

### **Project Location**

M/s. Bajaj Hindusthan Sugar Limited located at: Thanabhawan Village of Shamli district, Uttar Pradesh, India.

The nearest airport from the site is IGI Airport, located at the distance of 136 km and nearest railway station is Shamli Railway Station is about at a distance of 16.8 km from the Project Site.

### **Observation made during the site visit as on date**

During the latest site visit conducted by our engineer Plant was found to be at a state of complete overhauling and full-scale maintenance is going on, since it is off season for sugar production and all machines has been dismantled however, Our team examined & verified the machines and utilities from the FAR provided to us by the company. Only major machinery, process line & equipment's have been verified. Photographs have also been taken of all the Machines and its accessories installed there. Site Survey has been carried out on the basis of the physical existence of the assets rather than their technical expediency.

The machines installed at the aforesaid address are being used for the manufacturing of Sugar, & Power. Main machineries of the plant are Turbine, Boiler, Milling Machine, Cooling Tower, conveyor belt & other machines. The valuation of the plant & machinery is done on the basis of the list of machines (FAR) provided to us by the client along with the capitalization date and purchase cost.

In case of discrepancy in the address mentioned in the property documents and the property shown to us at the site due to change in zoning or administrative level at the site or client misled the valuer by providing the fabricated document, the valuation should be considered of the property shown to us at the site of which the photographs are also attached. Our responsibility will be only related to the valuation of the property shown to us on the site and not regarding matching from the documents or searching the property from our own. Banker to verify from district administration/ tehsil level the identification of the property if it is the same matching with the document pledged.

This report only contains general assessment & opinion on the Guideline Value and the indicative, estimated Market Value of the property for which Bank has asked to conduct the Valuation and found as per the information given in the copy of documents provided to us and/ or confirmed by the owner/ owner representative to us at site which has been relied upon in good faith. It doesn't contain any other recommendations of any sort.

This report only contains general assessment & opinion on the Guideline Value and the indicative, estimated Market Value of the property of which Bank/ customer asked us to conduct the Valuation for the property found on as-is-where basis as shown on the site by the Bank/ customer of which photographs is also attached with the report. No legal aspects in terms of ownership or any other legal aspect is taken into consideration. Even if any such information is mentioned in the report it is only referred from the information provided for which we do not assume any responsibility. Due care has been given while doing valuation assessment but it doesn't contain any due-diligence or audit or verification of

	any kind other than the valuation computation of the property shown to us on site. Information/ data/ documents given to us by Bank/ client have been relied upon in good faith. This report doesn't contain any other recommendations of any sort.		
6.	Location of the property		
	6.1 Plot No. / Survey No.	Please refer to table attached above Table No. 01	
	6.2 Door No.	NA	
	6.3 T. S. No. / Village	Thanabhawan	
	6.4 Ward / Taluka	Shamli	
	6.5 Mandal / District	Shamli	
	6.6 Postal address of the property	M/s. Bajaj Hindusthan Sugar Limited, Village- Thanebhawan, Dist Shamli, U.P	
	6.7 Latitude, Longitude & Coordinates of the site	29°34'03.7"N 77°24'30.1"E	
	6.8 Nearby Landmark	Itself is a landmark	
7.	City Categorization	Village	Rural
	Type of Area	Majorly all nearby lands are used for Agriculture purpose	
8.	Classification of the area	Lower Class (Poor)	Rural
		Within good village area	
9.	Local Government Body Category (Corporation limit / Village Panchayat / Municipality) - Type & Name	Rural	Village Panchayat (Gram Panchayat)
		Thanabhawan Gram Panchayat	
10.	Whether covered under any prohibited/ restricted/ reserved area/ zone through State / Central Govt. enactments (e.g. Urban Land Ceiling Act) or notified under agency area / scheduled area / cantonment area/ heritage area/ coastal area	No as per general information available on public domain	NA
		---	
11.	In case it is an agricultural land, any conversion of land use done	As per the documents provided to us and the information that came to our knowledge this land is not an agricultural land	
12.	Boundary schedule of the Property		
	Are Boundaries matched		No, boundaries are not mentioned in the documents.
	Directions	As per Documents	Actually, found at Site
	North	No information is available in the provided documents.	Agricultural land
	South	No information is available in the provided documents.	Agricultural land
	East	No information is available in the	Entrance/ Shahrampur - Delhi

		provided documents.	Road				
	West	No information is available in the provided documents.	Harar-Fatehpur to Thanabhawan Road/ Agricultural land				
13.	Dimensions of the site						
	Directions	As per Documents (A)	Actually, found at Site (B)				
	North	NA	Shape uneven, not measurable from sides.				
	South	NA	Shape uneven, not measurable from sides.				
	East	NA	Shape uneven, not measurable from sides.				
	West	NA	Shape uneven, not measurable from sides.				
14.	Extent of the site	79.92 Acres	77.8 Acres (as per sample google measurement)				
15.	Extent of the site considered for valuation (least of 14A & 14B)	79.92 Acres					
16.	Property presently occupied/ possessed by	Owner					
	If occupied by tenant, since how long?	NA					
	Rent received per month	NA					
II.	CHARACTERISTICS OF THE SITE						
1.	Classification of the locality	Already described at S.No. I (Point 08).					
2.	Development of surrounding areas	Rural area					
3.	Possibility of frequent flooding / submerging	No such information came into knowledge					
4.	Proximity to the Civic amenities & social infrastructure like school, hospital, bus stop, market, etc.						
	School	Hospital	Market	Bus Stop	Railway Station	Metro	Airport
	~1.5 K.M.	~2 K.M.	~1 K.M.	On adjoining road	~3 K.M.	NA	~136 K.M.
5.	Level of land with topographical conditions	on road level/ Plain Land					
6.	Shape of land	Irregular					
7.	Type of use to which it can be put	Appropriate for industrial use (For sugar unit)					
8.	Any usage restriction	Yes only for industrial use					
9.	Is plot in town planning approved layout?/ Zoning regulation	No		Can't ascertain since zonal plan not available. as per visual observation and as per surrounding area conditions			
10.	Corner plot or intermittent plot?	It is not a corner plot					

11.	Road facilities			
	(a) Main Road Name & Width	Saharanpur - Delhi Road	120 ft.	
	(b) Front Road Name & width	Saharanpur - Delhi Road	120 ft.	
	(c) Type of Approach Road	Bituminous Road		
	(d) Distance from the Main Road	Adjoint		
12.	Type of road available at present	Bituminous Road		
13.	Width of road – is it below 20 ft. or more than	More than 20 ft.		
14.	Is it a land – locked land?	No		
15.	Water potentiality	Yes available from borewell/ submersible		
16.	Underground sewerage system	Yes		
17.	Is power supply available at the site?	Yes		
18.	Advantages of the site	Ideal for sugar industry setup and located on main highway		
19.	Special remarks, if any, like:			
	a. Notification of land acquisition if any in the area	No such information came in front of us and could be found on public domain		
	b. Notification of road widening if any in the area	No such information came in front of us and could be found on public domain		
	c. Applicability of CRZ provisions etc. (Distance from sea-coast / tidal level must be incorporated)	No , the subject property is not close to any coastal region as per our information		
	d. Any other	NA		
<b>III.</b>	<b>VALUATION OF LAND</b>			
1.	Size of plot	Please refer to Part B – Area description of the Property.		
	North & South			
	East & West			
2.	Total extent of the plot			
3.	Prevailing market rate (Along with details/reference of at least two latest deals/ transactions with respect to adjacent properties in the areas)	Please refer to Part C - Procedure of Valuation Assessment section.		
4.	Guideline rate obtained from the Registrar's Office (an evidence thereof to be enclosed)			
5.	Assessed / adopted rate of valuation			
6.	Estimated Value of Land			
<b>IV.</b>	<b>VALUATION OF BUILDING</b>			
1.	<b>Technical details of the building</b>			
	a. Type of Building (Residential / Commercial/ Industrial)	INDUSTRIAL / INDUSTRIAL PLANT		
	b. Type of construction (Load	Structure	Slab	Walls



	bearing / RCC/ Steel Framed)	Separate sheet attached	Separate sheet attached	Separate sheet attached
	c. Architecture design & finishing	Interior		Exterior
		Ordinary regular architecture / Simple/ Average finishing		Ordinary regular architecture / Simple/ Average finishing
	d. Class of construction	Class of construction: Class B construction (Good)		
	e. Year of construction/ Age of construction	2005		17
	f. Number of floors and height of each floor including basement, if any	Separate sheet attached		
	g. Plinth area floor-wise	Separate sheet attached		
	h. Condition of the building	Interior		Exterior
		Good		Good
	i. Maintenance issues	No maintenance issue, structure is maintained properly		
	j. Visible damage in the building if any	No visible damages in the structure		
	k. Type of flooring	Vitrified tiles, Vitrified tiles, Vitrified tiles		
	a. Class of electrical fittings	Internal/ Normal quality fittings used		
	b. Class of plumbing, sanitary & water supply fittings	Internal/ High quality fittings used		
2.	Map approval details			
	a. Status of Building Plans/ Maps and Date of issue and validity of layout of approved map / plan	Cannot comment since no approved map provided to us on our request		
	b. Approved map / plan issuing authority	---		
	c. Whether genuineness or authenticity of approved map / plan is verified	No, not done at our end.		
	d. Any other comments on authenticity of approved plan	Verification of authenticity of documents with the respective authority can be done by a legal/ liasoning person and same is not done at our end.		
	e. Is Building as per copy of approved Map provided to Valuer?	Cannot comment since no approved map provided to us on our request.		
	f. Details of alterations/ deviations/ illegal construction/ encroachment noticed in the structure from the approved plan	<input type="checkbox"/> Permissible alterations	NA	
		<input type="checkbox"/> Non permissible alterations	NA	
	g. Is this being regularized			
V.	SPECIFICATIONS OF CONSTRUCTION (FLOOR-WISE) IN RESPECT OF			

1.	Foundation	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. These points are covered in totality in lumpsum basis under Technical details of the building under “Class of construction, architecture design & finishing” point.
2.	Basement	
3.	Superstructure	
4.	Joinery / Doors & Windows (please furnish details about size of frames, shutters, glazing, fitting etc. and specify the species of timber)	
5.	RCC works	
6.	Plastering	
7.	Flooring, Skirting, dadoing	
8.	Special finish as marble, granite, wooden paneling, grills, etc	
9.	Roofing including weather proof course	
10.	Drainage	
11.	Compound wall	Yes
	Height	Separate sheet attached
	Length	Separate sheet attached
	Type of construction	Brick Wall
12.	Electrical installation	Please refer to “Class of electrical fittings” under Technical details of the building above in totality and lumpsum basis. 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.
	Type of wiring	
	Class of fittings (superior / ordinary / poor)	
	Number of light points	
	Fan points	
	Spare plug points	
	Any other item	
13.	Plumbing installation	Please refer to “Class of plumbing, sanitary & water supply fittings” under Technical details of the building above in totality and lumpsum basis. 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.
	No. of water closets and their type	
	No. of wash basins	
	No. of urinals	
	No. of bath tubs	
	No. of water closets and their type	
	Water meter, taps, etc.	
	Any other fixtures	

**\*NOTE:**

1. For more details & basis please refer to **Part C - Procedure of Valuation Assessment section.**
2. This valuation is conducted based on the comparable composite market rate method which is inherently inclusive of the additional items as mentioned in S.No. 2 to 8 if present in the flat at ordinary level. For any exclusive and superfine finish over and above ordinary finishing, additional value is taken in lumpsum as described in the **Procedure of Valuation Assessment section under “Valuation of Additional Aesthetic & Decor Works in the Property”.**
3. Estimated Value is subject to the assumptions, limitations, basis of computation, caveats, information, facts came during valuation within the limited available time & cost.
4. **PART A - SBI format on opinion report on Valuation** is just the description of the asset as per the format requirement of the client. The real procedure of Valuation is discussed from **PART C – Procedure of Valuation Assessment** where all different aspect of Valuation as per the standards are described in detail.
5. This Valuation is guided by Valuation Terms of Service and Valuer's Important Remarks which can also be found at [www.rkassociates.org](http://www.rkassociates.org).

**PART C**

**AREA DESCRIPTION OF THE PROPERTY**

1.	Land Area considered for Valuation	79.92 acres (32.34 hectares)	
	Area adopted on the basis of	Property documents only since site measurement couldn't be carried out	
	Remarks & observations, if any	Originally it was agricultural land but the change in land use has been obtained to industrial land for 31.788 hectares and as per the information given by the company officials the balance land area 0.552 Hectare (1.37 Acre) is declared as industrial land being Abadi Land. Thus, does not require conversion under 143. This land parcel land is used as way to plant (Road, Culverts etc).	
2.	Constructed Area considered for Valuation (As per IS 3861-1966)	<b>Covered Area</b>	39863 sq.mtr (1009965 sq.ft)
	Area adopted on the basis of	Property documents & site survey both	
	Remarks & observations, if any	NA	

**Note:**

1. Area measurements considered in the Valuation Report pertaining to Land & Building is adopted from relevant approved documents or actual site measurement whichever is less. All area measurements are on approximate basis only.
2. Verification of the area measurement of the property is done based on sample random checking only.
3. Area of the large land parcels of more than 2500 sq.mtr or of uneven shape, is taken as per property documents verified with digital survey through google which has been relied upon.
4. Drawing Map, design & detailed estimation of the property/ building is out of scope of the Valuation services.

**PART D**

**PROCEDURE OF VALUATION ASSESSMENT - LAND & BUILDING  
AND AESTHETIC WORKS**

1.	GENERAL INFORMATION			
i.	Important Dates	Date of Inspection of the Property	Date of Valuation Assessment	Date of Valuation Report
		6 June 2022	8 June 2022	8 June 2022
ii.	Client	State Bank of India, IFB Branch, Tolstoy Marg, New Delhi		
iii.	Intended User	State Bank of India, IFB Branch, Tolstoy Marg, New Delhi		
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, considerations of any organization as per their own need, use & purpose.		
v.	Purpose of Valuation	For Debt Restructuring purpose		
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 the proper is identified	<input checked="" type="checkbox"/>	Done from the name plate displayed on the property	
		<input type="checkbox"/>	Identified by the owner	
		<input checked="" type="checkbox"/>	Identified by the owner's representative	
		<input type="checkbox"/>	Enquired from local residents/ public	
		<input type="checkbox"/>	Cross checked from the boundaries/ address of the property mentioned in the documents provided to us	
		<input type="checkbox"/>	Identification of the property could not be done properly	
		<input type="checkbox"/>	Survey was not done	
ix.	Type of Survey conducted	Full survey (inside-out with approximate measurements & photographs).		

2.	ASSESSMENT FACTORS			
i.	Nature of the Valuation	Fixed Assets Valuation		
ii.	Nature/ Category/ Type/ Classification of Asset under Valuation	<b>Nature</b>	<b>Category</b>	<b>Type</b>
		LAND & BUILDING, PLANT & MACHINERY & OTHER MISCELLANEOUS	INDUSTRIAL	INDUSTRIAL PLANT



		FIXED ASSET			
		Classification		Income/ Revenue Generating Asset	
iii.	Type of Valuation (Basis of Valuation as per IVS)	Primary Basis	Market Value & Govt. Guideline Value		
		Secondary Basis	On-going concern basis		
iv.	Present market state of the Asset assumed (Premise of Value as per IVS)	Under Normal Marketable State			
		Reason: Asset under free market transaction state			
v.	Property Use factor	Current/ Existing Use	Highest & Best Use <i>(in consonance to surrounding use, zoning and statutory norms)</i>	Considered for Valuation purpose	
		Industrial	Industrial	Industrial	
vi.	Legality Aspect Factor	Assumed to be fine as per copy of the documents & information produced to us.  However Legal aspects of the property of any nature are out-of-scope of the Valuation Services. In terms of the legality, we have only gone by the documents provided to us in good faith.  Verification of authenticity of documents from originals or cross checking from any Govt. deptt. have to be taken care by Legal expert/ Advocate.			
vii.	Class/ Category of the locality	Lower Class (Poor)			
viii.	Property Physical Factors	Shape	Size	Layout	
		Irregular	Medium	Normal Layout -	
ix.	Property Location Category Factor	City Categorization	Locality Characteristics	Property location characteristics	Floor Level
		Village	Average	On Wide Road	Separate sheet attached
		Rural	Average	Not Applicable	
			Within backward village area	Not Applicable	
		Property Facing			
		East Facing			

x.	Physical Infrastructure availability factors of the locality	Water Supply	Sewerage/ sanitation system	Electricity	Road and Public Transport connectivity
		Yes	Underground	Yes	Easily available
		Availability of other public utilities nearby		Availability of communication facilities	
		Transport, Market, Hospital etc. are available in close vicinity		Major Telecommunication Service Provider & ISP connections are available	
xi.	Social structure of the area (in terms of population, social stratification, regional origin, age groups, economic levels, location of slums/ squatter settlements nearby, etc.)	Rural Area			
xii.	Neighbourhood amenities	Average			
xiii.	Any New Development in surrounding area	Proposed Highway	Delhi-Dehradun Expressway proposed		
xiv.	Any specific advantage/ drawback in the property	Located on main Highway			
xv.	Property overall usability/ utility Factor	Restricted to a particular use			
xvi.	Do property has any alternate use?	NA			
xvii.	Is property clearly demarcated by permanent/ temporary boundary on site	Demarcated with permanent boundary			
xviii.	Is the property merged or colluded with any other property	No			
		Comments: NA			
xix.	Is independent access available to the property	Clear independent access is available			
xx.	Is property clearly	Yes			

	possessable upon sale			
xxi.	Best Sale procedure to realize maximum Value <i>(in respect to Present market state or premise of the Asset as per point (iv) above)</i>	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.		
xxii.	Hypothetical Sale transaction method assumed for the computation of valuation	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.		
xxiii.	Approach & Method of Valuation Used	Built-up Unit	Approach of Valuation	Method of Valuation
			Market Approach & Cost Approach	Market Comparable Sales Method & Depreciated Replacement Cost Method
xxiv.	Type of Source of Information	Level 3 Input (Tertiary)		
xxv.	Market Comparable			
	References on prevailing market Rate/ Price trend of the property and Details of the sources from where the information is gathered <i>(from property search sites &amp; local information)</i>	1	Name:	Mr. Sandeep Bhatnagar
			Contact No.:	+91- 8433299946
			Nature of reference:	Habitant of subject location
			Size of the Property:	50-60 acres
			Location:	Village- Thanabhawan
			Rates/ Price informed:	Around Rs.30,00,000/- to Rs.35,00,000/- per Bigha (1 acres = 5 Bigha)
			Any other details/ Discussion held:	As per the discussion with the habitant of the subject locality the prevailing land rate on main Saharanpur - Delhi Road the agricultural land rate is approx. Rs.30,00,000/- – Rs.35,00,000/- Lakhs per bigha and the prevailing land rate on the which is approx. 500 mtr. from the main Delhi-

			Saharanpur Road is approx. Rs.18,00,000/- to Rs.23,00,000/- per bigha.  As per discussion we came to know that the land rates have increased since, the sanction of Delhi-Dehradun expressway.
		2 Name:	Mr. Gaurav Kumar
		Contact No.:	+91- 9690976155
		Nature of reference:	Habitant of subject location
		Size of the Property:	50-60 acres
		Location:	Village- Thanabhawan
		Rates/ Price informed:	Around Rs.28,00,000/- to Rs.33,00,000/- per Bigha (1 acres = 5 Bigha)
		Any other details/ Discussion held:	As per the discussion with the habitant of the subject locality the prevailing land rate on main Saharanpur - Delhi Road the agricultural land rate is approx. Rs.28,00,000/- – Rs.33,00,000/- Lakhs per bigha and the prevailing land rate on the which is approx. 500 mtr. from the main Delhi-Saharanpur Road is approx. Rs.18,00,000/- to Rs.23,00,000/- per bigha.  As per discussion we came to know that the land rates have increased since, the sanction of Delhi-Dehradun expressway.
		3 Name:	Mr. Rihan Rao
		Contact No.:	+91- 7818085500
		Nature of reference:	Property Consultant
		Size of the Property:	50-60 acres
		Location:	Village- Thanabhawan

		Rates/ Price informed:	Around Rs.28,00,000/- to Rs.30,00,000/- per Bigha (1 acres = 5 Bigha)
		Any other details/ Discussion held:	<p>As per the discussion with the habitant of the subject locality the prevailing land rate on main Saharanpur - Delhi Road the agricultural land rate is approx. Rs.28,00,000/- – Rs.30,00,000/- Lakhs per bigha and the prevailing land rate on the which is approx. 500 mtr. from the main Delhi-Saharanpur Road is approx. Rs18,00,000/- to Rs.23,00,000/- per bigha.</p> <p>As per discussion we came to know that the land rates have increased since, the sanction of Delhi-Dehradun expressway.</p>
xxvi.	NOTE: The given information above can be independently verified to know its authenticity.		
xxvii.	Adopted Rates Justification	<ul style="list-style-type: none"> <li><b>Land Valuation assessment is done considering the Land use for Sugar Project Land only as its highest &amp; best use since the transaction of this land will be done based on the established Project only and separation of it from the Project will be virtually impossible, at least up to the complete economic life cycle of this Plant which is taken as 30-35 years and also due to the location no other more productive use can be thought of.</b></li> <li><b>Overall Valuation assessment is done based on the fact that if any new promoter/ buyer would plan to setup a similar Plant today at same location and same size then what will cost him today for acquisition. To acquire 32.34 Hectares of land parcel, one would either go to Govt. to provide the land for Industry or would approach individual land owners to purchase their land portions.</b></li> <li><b>Valuation of free hold land is done on the basis of comparable market approach.</b></li> <li><b>Since it is a very large parcel of land and transaction of the whole parcel of land at one go is very difficult, therefore we have opted belting method to calculate the value of land. We have considered belting method for the valuation of land since the land parcel appears to be regular in shape.</b></li> <li><b>Fragmentation sale of a large land may have different values.</b></li> </ul>	



		<b>While assessing the Valuation of the land in this Valuation Report, it is considered as on-is-where basis for the purpose it is used for which was found at the time of site survey.</b>	
	<b>NOTE:</b> We have taken due care to take the information from reliable sources. The given information above can be independently verified from the provided numbers to know its authenticity. However due to the nature of the information most of the market information came to knowledge is only through verbal discussion with market participants which we have to rely upon where generally there is no written record.  Related postings for similar properties on sale are also annexed with the Report wherever available.		
xxviii.	<b>Other Market Factors</b>		
	Current Market condition	Normal	
		<b>Remarks:</b> NA	
		<b>Adjustments (-/+):</b> 0%	
	Comment on Property Salability Outlook	Due to large size of the property, it will have limited buyers	
		<b>Adjustments (-/+):</b> 0%	
	Comment on Demand & Supply in the Market	<b>Demand</b>	<b>Supply</b>
		Low	Abundantly available
		<b>Remarks:</b> Demand is related to the current use of the property only and only limited to the selected type of buyers	
		<b>Adjustments (-/+):</b> 0%	
xxix.	Any other special consideration	<b>Reason:</b> NA	
		<b>Adjustments (-/+):</b> 0%	
xxx.	Any other aspect which has relevance on the value or marketability of the property	NA	
		<p>Valuation of the same asset/ property can fetch different values under different circumstances &amp; 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 fetch considerably lower value. Similarly, an asset sold directly by an owner in the open market through free market arm's length transaction then it will fetch better value and if the same asset/ property is sold by any financier or court decree or Govt. enforcement agency due to any kind of encumbrance on it then it will fetch lower value. Hence before financing, Lender/ FI should take into consideration all such future risks while financing.</p> <p>This Valuation report is prepared based on the facts of the property &amp; market situation on the date of the survey. It is a well-known fact that the market value of any asset varies with time &amp; socio-economic conditions prevailing in the region/ country. In future property market may go down, property conditions may change or may go</p>	

		worse, property reputation may differ, property vicinity conditions may go down or become worse, property market may change due to impact of Govt. policies or effect of domestic/ world economy, usability prospects of the property may change, etc. Hence before financing, Banker/ FI should take into consideration all such future risk while financing.
		<b>Adjustments (-/+): 0%</b>
xxxi.	<b>Final adjusted &amp; weighted Rates considered for the subject property</b>	<b>Rs. 1,33,60,000/- Per Acres</b>
xxxii.	<b>Considered Rates Justification</b>	As per the thorough property & market factors analysis as described above, the considered estimated market rates appears to be reasonable in our opinion.
xxxiii.	<b>Basis of computation &amp; working</b>	
	<ul style="list-style-type: none"> <li>Valuation of the asset is done as found on as-is-where basis on the site as identified to us by client/ owner/ owner representative during site inspection by our engineer/s unless otherwise mentioned in the report.</li> <li>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.</li> <li>For knowing comparable market rates, significant discreet local enquiries have been made from our side based on the hypothetical/ virtual representation of ourselves as both buyer and seller for the similar type of properties in the subject location and thereafter based on this information and various factors of the property, rate has been judiciously taken considering the factors of the subject property, market scenario and weighted adjusted comparison with the comparable properties unless otherwise stated.</li> <li>References regarding the prevailing market rates and comparable are based on the verbal/ informal/ secondary/ tertiary information which are collected by our team from the local people/ property consultants/ recent deals/ demand-supply/ internet postings are relied upon as may be available or can be fetched within the limited time &amp; resources of the assignment during market survey in the subject location. No written record is generally available for such market information and analysis has to be derived mostly based on the verbal information which has to be relied upon.</li> <li>Market Rates are rationally adopted based on the facts of the property which came to our knowledge during the course of the assessment considering many factors like nature of the property, size, location, approach, market situation and trends and comparative analysis with the similar assets. During comparative analysis, valuation metrics is prepared and necessary adjustments are made on the subject asset.</li> <li>The indicative value has been suggested based on the prevailing market rates that came to our knowledge during secondary &amp; tertiary market research and is not split into formal &amp; informal payment arrangements. Most of the deals takes place which includes both formal &amp; informal payment components. Deals which takes place in complete formal payment component may realize relatively less actual transaction value due to inherent added tax, stamp registration liabilities on the buyer.</li> <li>Secondary/ Tertiary costs related to asset transaction like Stamp Duty, Registration charges, Brokerage, Commission, Bank interest, Selling cost, Marketing cost, etc. pertaining to the sale/ purchase of this</li> </ul>	

property are not considered while assessing the indicative estimated Market Value.

- This report includes both, Govt. Guideline Value and Indicative Estimated Prospective Market Value as described above. As per the current market practice, in most of the cases, formal transaction takes place for an amount less than the actual transaction amount and rest of the payment is normally done informally.
- Area measurements considered in the Valuation Report pertaining to asset/ property is adopted from relevant approved documents or sample site measurement whichever is less unless otherwise mentioned. All area measurements are on approximate basis only.
- Verification of the area measurement of the property is done based on sample random checking only.
- 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.
- Drawing, Map, design & detailed estimation of the property/ building is out of scope of the Valuation services.
- Construction rates are adopted based on the present market replacement cost of construction and calculating applicable depreciation & deterioration factor as per its age, existing condition & specifications based on visual observation only of the structure. No structural, physical tests have been carried out in respect of it. No responsibility is assumed for latent defects of any nature whatsoever, which may affect value, or for any expertise required to disclose such conditions.
- Construction rates are adopted based on the plinth area rates prevailing in the market for the structure as a whole and not based on item wise estimation or Bills of Quantity method unless otherwise stated.
- The condition assessment and the estimation of the residual economic life of the structure are only based on the visual observations and appearance found during the site survey. We have not carried out any structural design or stability study; nor carried out any physical tests to assess structural integrity & strength.
- 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.
- 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 neither investigative in nature nor an audit activity.
- 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.

xxxiv. **ASSUMPTIONS**

- a. Documents/ 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. Local verbal enquiries during micro market research came to our knowledge are assumed to be taken on record as true & factual.
- c. 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.
- d. It is assumed that the concerned Lender/ Financial Institution has asked for the valuation of that

	<p>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.</p> <p>e. Payment condition during transaction in the Valuation has been considered on all cash bases which includes both formal &amp; informal payment components as per market trend.</p> <p>f. Sale transaction method of the asset is assumed as Free market transaction without any compulsion unless otherwise mentioned while assessing Indicative &amp; Estimated Fair Prospective Market Value of the asset unless otherwise stated.</p> <p>g. 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. This valuation report is prepared for the specific unit based on the assumption that complete Group Housing Society/ Integrated Township is approved and complied with all relevant laws and the subject unit is also approved within the Group Housing Society/ Township.</p>
xxxv.	<b>SPECIAL ASSUMPTIONS</b>
	NA
xxxvi.	<b>LIMITATIONS</b>
	Unavailability of the data & information in public domain pertaining to the subject location.

3.	VALUATION OF LAND		
	Particulars	Govt. Circle/ Guideline Value	Indicative & Estimated Prospective Fair Market Value
a.	Prevailing Rate range	Rs.96,00,000/- per hectares	Please refer to the attached sheet
b.	Rate adopted considering all characteristics of the property	Rs.96,000/- per hectares	Please refer to the attached sheet
c.	Total Land Area considered (documents vs site survey whichever is less)	79.91 acres (32.34 hectares)	79.91 acres (32.34 hectares)
d.	<b>Total Value of land (A)</b>	31.79 acres x Rs.96,00,000/- per hectares	Please refer to the attached sheet
		<b>Rs.30,51,64,800/-</b>	<b>Rs.119,43,34,860/-</b>

VALUATION AS PER GOVT. GUIDELINE RATES					
S.No	Village Name	Area (Hectare)	Area (Acre)	Govt. Guidelines Rates (in Hectare)	Agricultural Govt. Guideline Value
1	Thanabhawan	31.79	78.55	₹ 96,00,000.00	₹ 30,51,64,800.00
<b>Total</b>		31.79	78.55		₹ <b>30,51,64,800.00</b>
<b>Remarks:</b>					
<b>1. The above mentioned land area has been taken on the basis of information/ data provided by the company.</b>					
<b>2. These circle rates gives only the indicative values. However, actually this value has no reference to the real market transaction value which is much less for this kind of land considering the land used for Industrial purpose comparing it with non-agricultural land. Hence no reference can be derived out of the Circle Guideline Value</b>					

- Based on the above available data/ information, law of average is taken on the complete land to reach out the value of Project land in current times if it is acquired now.
- In our opinion applying the law of average for such a large land parcel Rs.1,60,00,000/- per Acre would be reasonable for the front belt of the land, for the middle belt we have considered Rs.1,36,00,000/- per Acre and for the rear belt we have considered Rs.1,12,00,000/-.
- In addition to this basic rate premium charges are added as mentioned below on the basis of the location and purpose of the land:
  - Around 5% premium is added for non-agricultural land.
  - Around 5% premium is added on this rate which covers the land arranging costs, Land development and site levelling and for the other administrative charges. etc.



THANABHAWAN LAND VALUATION BELTING METHOD				
Calculation by Belting Method	Total Area	Area (front side)	Area (middle part)	Area (back side)
Area (Acre)	79.91	20	32	28
Rate (Acre)		₹ 1,60,00,000	₹ 1,36,00,000	₹ 1,12,00,000
Value		₹ 31,96,40,000	₹ 43,47,10,400	₹ 31,32,47,200
Total Value		₹ 1,06,75,97,600		
Average Rate (Acre)		₹ 1,33,60,000		
				0.835
Add 5% premium for non agriculture land				₹ 5,33,79,880
Add 5% for cost & effort considerations to cover administrative cost, effort towards land acquisition & consolidation etc.				₹ 5,33,79,880
Add: Land Development, Site Levelling charges etc.	2.5 lacs per acre			₹ 1,99,77,500
<b>TOTAL</b>				<b>₹ 1,19,43,34,860</b>

4. VALUATION COMPUTATION OF BUILDING STRUCTURE

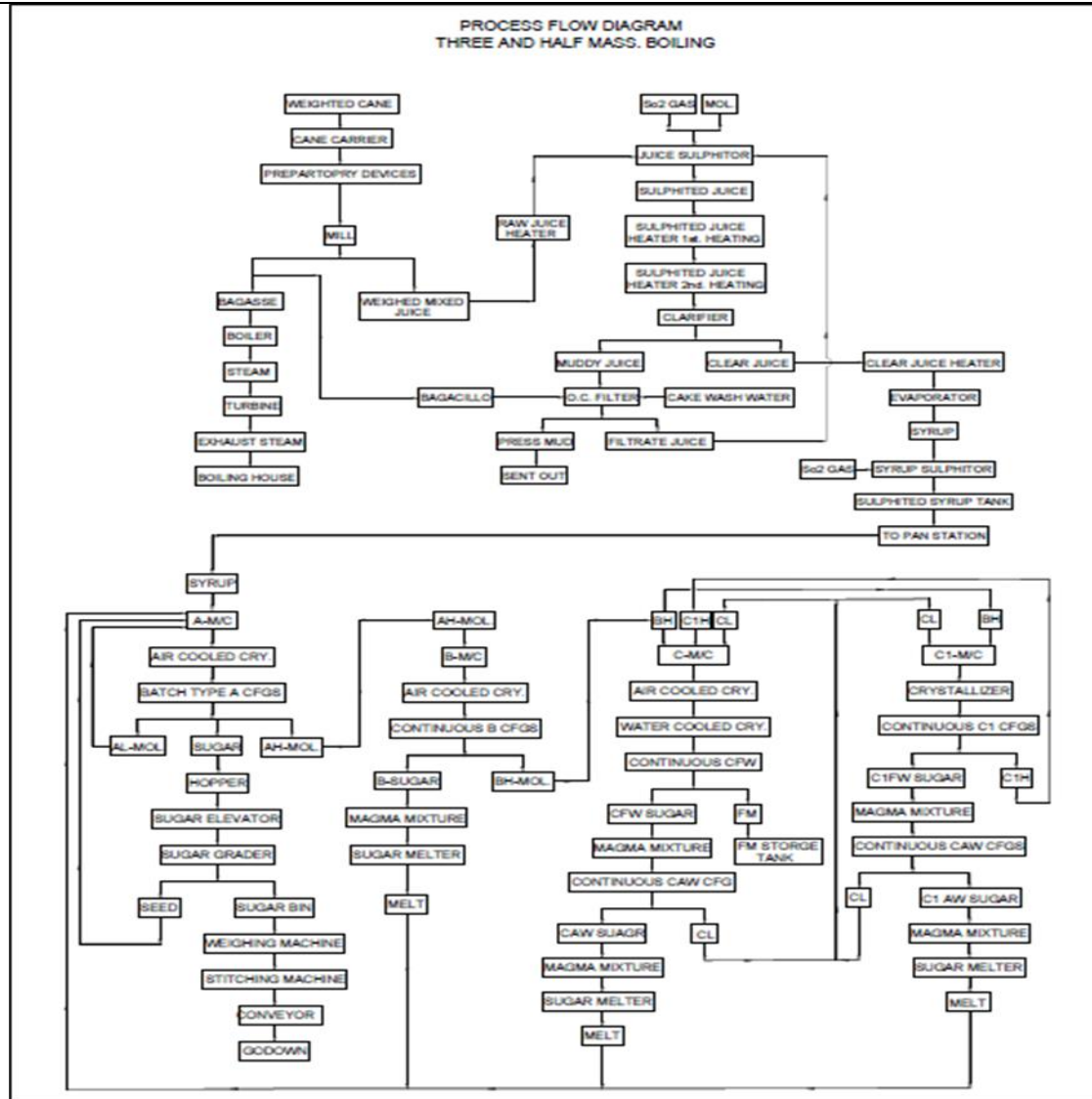
BUILDING/ CIVIL STRUCTURE   BAJAJ HINDUSTHAN SUGAR LIMITED   THANABHAWAN, SHAMLI				
Sr. No.	Description	Annexure	Gross Block	Depreciated Fair Market Value
1	Sugar & Co- Gen Plant	A	₹ 50,93,20,553	₹ 34,10,40,815
2	Other Structures	B	₹ 5,14,89,400	₹ 5,14,89,400
<b>Total</b>			₹ 56,08,09,953	₹ 39,25,30,215
<b>Notes:</b>				
1. Buildings & Civil works only related to the BHSL, Thanabhawan, Shamli, U.P Plant and associated facilities are considered in this report.				
2. On our request, BHSL provided us the area measurement of Buildings. Hence we have believed on the area statement provided by the company in good faith. However, our team have cross-verified all the structure present within the boundary of the company.				
3. Some sample verification has been done with the provided area which was found to be different as provided in the sheet. (Ex: Height of Sugar Godown, Area of Dispensary & cane office office, Labout Hutment, Guest House				
4. For evaluation of the useful economic life for the calculation of depreciation, companies act 2013 and the general practical trend of same Buildings are taken into consideration.				
5. The economic life of the Main Plant Building is taken as 25 years, for Industrial RCC structure is taken as 60 years, and others structure related to Sugar, Manufacturing Plant varies from 40 to 60 years.				
6. For calculcting reproduction cost of Civil & Structural Assets as on date, we have taken reference from open market and calculated depreciation on the same.				

5. VALUATION OF ADDITIONAL AESTHETIC/ INTERIOR WORKS IN THE PROPERTY			
S.No.	Particulars	Specifications	Depreciated Replacement Value
a.	Add extra for Architectural aesthetic developments, improvements (add lump sum cost)	----	----
b.	Add extra for fittings & fixtures (Doors, windows, wood work, cupboards, modular kitchen, electrical/ sanitary fittings)	----	----
c.	Add extra for services (Water, Electricity, Sewerage, Main gate, Boundary, Lift, Auxiliary power, AC, HVAC, Firefighting etc.)	----	----
d.	Add extra for internal & external development (Internal roads, Landscaping, Pavements, Street lights, Green area development, External area landscaping, Land development, Approach road, etc.)	----	----
e.	<b>Depreciated Replacement Value (B)</b>	<b>NA</b>	<b>NA</b>
f.	<b>Note:</b> <ul style="list-style-type: none"> <li>Value for Additional Building &amp; Site Aesthetic Works is considered only if it is having exclusive/ super fine work specification above ordinary/ normal work. Ordinary/ normal work value is already covered under basic rates above.</li> <li>Value of common facilities of society are not included in the valuation of Flat/ Built-up unit.</li> </ul>		

**PART E**

**CHARACTERISTICS DESCRIPTION OF PLANT/ MACHINERY**

S.NO.	CONTENTS	DESCRIPTION
<b>1.</b>	<b>TECHNICAL DESCRIPTION OF THE PLANT/ MACHINERY</b>	
a.	Nature of Plant & Machinery	Sugar
b.	Size of the Plant	Large scale Plant
c.	Type of the Plant	Semi Automatic
d.	Year of Installation/ Commissioning/ COD ( <i>Commercial Operation Date</i> )	2005
e.	Production Capacity	9000 TCD: Sugar 33 MW: Co-gen
f.	Capacity at which Plant was running at the time of Survey	Currently plant is under maintaence, since the availability of raw material (Sugarcane) is not available
g.	Number of Production Lines	No specific production line, however 5 mills are available
h.	Condition of Machines	Good. (Under complete overhauling)
i.	Status of the Plant	Under periodic maintenance
j.	Products Manufactured in this Plant	<ul style="list-style-type: none"> <li>• Sugar</li> <li>• Molasse's</li> <li>• Power</li> </ul>
k.	Recent maintenance carried out on	2021 (As per information provided to us.)
l.	Recent upgradation, improvements if done any	NA
m.	Total Gross Block & Net Block of Assets	<b>Gross Block</b>
		<b>Net Block</b>
		<i>As on 31/03/2022</i>
		Rs.370,39,39,005/-
		Rs.107,51,85,607/-
n.	Any other Details if any	NA
<b>2.</b>	<b>MANUFACTURING PROCESS</b>	



3.	<b>TECHNOLOGY TYPE/ GENERATION USED AND TECHNOLOGICAL COLLABORATIONS IF ANY</b>	
a.	Technology Type/ Generation Used in this Plant	NA
b.	Technological Collaborations If Any	No
c.	Current Technology used for this Industry in Market	Milling Process
4.	<b>RAW MATERIALS REQUIRED &amp; AVAILABILITY</b>	
	Type of Raw Material	Sugarcane, Bagasse



	Availability	The sugar mill lies in the main sugar cane producing area and availability of sugar cane is plentiful in season.
<b>5.</b>	<b>AVAILABILITY &amp; STATUS OF UTILITIES</b>	
	Power/ Electricity	Co-generation power plant within the subject property and from the main grid.
	Water	Available
	Road/ Transport	Yes
<b>6.</b>	<b>COMMENT ON AVAILABILITY OF LABOUR</b>	
	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	485 Employee
<b>7.</b>	<b>SALES TRANSACTIONAL PROSPECTS OF SUCH PLANTS/ MACHINERY</b>	
	On-going concern basis	
	<b>Reason:</b> This is a Large Scale Plant and can only be sold only as an Integrated Industry to preserve its value since complete process line & machines are special purpose machines and can't be used in any other Industry. So for fetching maximum value is through strategic sale to the players who are already into same or similar Industry who have plans for expansion or any large conglomerate who plans to enter into this new Industry	
<b>8.</b>	<b>DEMAND OF SUCH PLANT &amp; MACHINERY IN THE MARKET</b>	
	Appears to be good as per general information available in public domain.	
<b>9.</b>	<b>SURVEY DETAILS</b>	
a.	Plant has been surveyed by our Engineering Team on dated 02/06/2022	
b.	Site inspection was done in the presence of Owner's representative Mr. Anurag Mohan Gupta who were available from the company to furnish any specific detail about the Plant & Machinery.	
c.	Our team examined & verified the machines and utilities from the FAR provided by the Company. Only major machinery, process line & equipment has been verified.	

d.	Photographs have also been taken of all the Machines and its accessories installed there.
e.	Plant was found Non-Operational (Under maintenance) at the time of survey.
f.	Details have been cross checked as per the documents provided to us by the company and what was observed at the site.
g.	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.
h.	Site Survey has been carried out on the basis of the physical existence of the assets rather than their technical expediency.
i.	This is just the fixed asset valuation of the project based on the cost & market approach methodologies considering the utility of the asset for the business & the company as on-going concern basis. This Valuation shall not be construed as the transactional value of the Project which may be determined through Enterprise/ Business Valuation based on Income approach methodologies.
j.	This report only contains general assessment & opinion on the Depreciated market value of the assets of the project found on as-is-where basis on site for which the Bank/ customer has shown & asked us to conduct the Valuation for which photographs is also attached with the report. No legal aspects in terms of ownership or any other legal aspect is taken into consideration. It doesn't contain any due-diligence other than the valuation assessment of the property shown to us on site. Information/ data/ documents given to us by Bank/ client has been relied upon in good faith. This report doesn't contain any other recommendations of any sort.
k.	As per the overall site visit summary, Plant appeared to be in good condition.

**PART F**

**PROCEDURE OF VALUATION ASSESMENT – PLANT & MACHINERY**

1.	GENERAL INFORMATION			
i.	Important Dates	Date of Inspection of the Property	Date of Valuation Assessment	Date of Valuation Report
		2 June 2022	8 June 2022	8 June 2022
ii.	Client	State Bank of India IFB Branch, Tolstoy Marg, New Delhi		
iii.	Intended User	State Bank of India IFB Branch, Tolstoy Marg, New Delhi		
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	For Debt Restructuring purpose		
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.	Identification of the Assets	<input checked="" type="checkbox"/>	Cross checked from the name of the machines mentioned in the FAR/ Inventory list name plate displayed on the machine	
		<input checked="" type="checkbox"/>	Identified by the company's representative	
		<input type="checkbox"/>	Identified from the available Invoices	
		<input type="checkbox"/>	Identification of the machines could not be done properly	
		<input checked="" type="checkbox"/>	Due to large number of machines/ inventory, only major production lines & machines have been checked	
		<input type="checkbox"/>	Physical inspection of the machines could not be done	
ix.	Type of Survey conducted	Full survey (inside-out with approximate sample random measurements verification & photographs).		

2.	ASSESSMENT FACTORS				
i.	Nature of the Valuation	Fixed Assets Valuation			
ii.	Nature/ Category/ Type/ Classification of Asset under Valuation	Nature		Category	Type
		PLANT & MACHINERY		INDUSTRIAL	INDUSTRIAL PLANT & MACHINERY
		Classification		Income/ Revenue Generating Asset	
iii.	Type of Valuation ( <i>Basis of Valuation as per IVS</i> )	Primary Basis	Fair Market Value & Govt. Guideline Value		
		Secondary Basis	On-going concern basis		
iv.	Present market state of the Asset assumed ( <i>Premise of Value as per IVS</i> )	Under Normal Marketable State			
		Reason: Asset under free market transaction state			
v.	Physical Infrastructure availability factors of the locality	Water Supply	Sewerage/ sanitation system	Electricity	Road and Public Transport connectivity
		Yes from municipal connection	Underground	Yes	Easily available
		Availability of other public utilities nearby		Availability of communication facilities	
		Transport, Market, Hospital etc. are available in close vicinity		Major Telecommunication Service Provider & ISP connections are available	
vi.	Neighbourhood amenities	Good			
vii.	Any New Development in surrounding area	Proposed Highway		Delhi - Dehradun Expressway proposed	
viii.	Any specific advantage/ drawback in the plant and machines	NA			
ix.	Machines overall usability/ utility Factor	Normal			
x.	Best Sale procedure to realize maximum Value ( <i>in respect to Present</i> )	Fair Market Value			
		Free market transaction at arm's length wherein the parties, after full market			

	market state or premise of the Asset as per point (iv) above)	survey each acted knowledgeably, prudently and without any compulsion.	
xi.	Hypothetical Sale transaction method assumed for the computation of valuation	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.	
xii.	Approach & Method of Valuation Used	Approach of Valuation	Method of Valuation
		Market Approach & Cost Approach	Market Comparable Sales Method & Depreciated Reproduction Cost Method
xiii.	Type of Source of Information	Level 3 Input (Tertiary)	

xiv.	Any other aspect which has relevance on the value or marketability of the machines	<p>The marketability for the machines depends upon the industry outlook, make, market condition, raw material, maintenance, raw material, usability, capacity.</p> <p>This Valuation report is prepared based on the facts of the assets &amp; market situation on the date of the survey. It is a well-known fact that the market value of any asset varies with time &amp; 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 market may change due to impact of Govt. policies or effect of domestic/ world economy, usability prospects of the Plant may change, etc. Hence before financing, Banker/ FI should take into consideration all such future risk while financing.</p>
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xv.	<b>Basis of computation &amp; working</b>		
	<p><b>Main Basis:</b></p> <p>a. <b>Basic Methodology:</b> For arriving at fair market value of P&amp;M &amp; other fixed assets our engineering team has rationally applied the mixture of <u>'sales comparison approach (market approach)' and the 'cost approach (depreciated replacement cost)'</u>. The fair market value of Plant &amp; Machinery on the date of valuation is its cost of reproduction &amp; commissioning on that date less the depreciation &amp; other deterioration deductions (Technological, Economic, Functional obsolescence) or additions for good maintenance from the date of commissioning of the machinery to the date of its valuation.</p> <p>b. Core P&amp;M Asset Valuation is done keeping in mind various factors like technology used, machines availability, its condition, average age, maintenance &amp; service and parts replacement availability of the machines and more importantly demand in the market.</p> <p>c. Main Machinery of this Plant are specific purpose machines.</p> <p>d. The main data point for the Valuation of Plant &amp; Machinery is the Fixed Asset Register maintained by the company. Plant &amp; Machinery FAR has been provided by the company which has been relied upon</p>		



in good faith. Provided FAR included assets in different heads like Land, Building, Plant & Machinery, Electrical equipment's, Furniture & fittings, Office equipment, etc. Assets under different heads are segregated and are evaluated separately. From the Fixed Asset Register List two key inputs, Date of Capitalization and Cost of capitalization are taken which play vital role in evaluating used Plant & Machinery valuation.

- e. Provided Capitalization cost in FAR doesn't include any kind of soft cost like pre-operative, finance, IDC expenses, etc. incurred during establishment of the Project.
- f. For calculating Replacement Cost of the machines as on date, Whole Sale Price Index (WPI) is used issued by Department Economic Advisor, Govt. of India.
- g. For evaluating depreciation, Chart of Companies Act-2013, Central Electricity Commission Guidelines & Industry & institutional standards are used for ascertaining useful life of different types of machines are followed.
- h. Market & Industry scenario is also explored for demand of such Plants.
- i. On the Depreciated Replacement Cost (DRC) deduction for obsolescence/ deterioration or addition for good maintenance has been taken to arrive at the estimated Prospective Fair Market Value of the machines.
- j. **Underline assumption** for the evaluation of this Plant & Machinery is that it will be sold as an Integrated Plant and not as discrete/ piecemeal machinery basis.
- k. Valuation of the asset is done as found on as-is-where basis on the site as identified to us by client/ owner/ owner representative during site inspection by our engineer/s unless otherwise mentioned in the report.
- l. The valuation of the Plant/ Machinery has been done considering the plant as a whole. The individual cost for machines shown is for illustration purpose, and may vary from market rates since the valuation is done using cost approach method and finally cross verified from market approach as a whole plant and not individual machine.
- m. Consolidated valuation sheet of Plant & Machinery and other asset items are mentioned below with depreciated current market value as per different category of the machines/assets cumulated together. Our engineering team has separated the Cost of Equipment's in the different sections of the plant. The cost of equipment considered from P&M List doesn't 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.

#### Other Basis:

- n. 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.
- o. 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.
- p. Secondary/ Tertiary costs related to asset transaction like Installation, maintenance and Logistics costs

	<p><i>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.</i></p> <p><i>q. 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.</i></p> <p><i>r. 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.</i></p> <p><i>s. 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.</i></p> <p><i>t. This is just the fixed asset valuation of the project based on the cost &amp; market approach methodologies considering the utility of the asset for the business &amp; the company as on-going concern basis. This Valuation shall not be construed as the transactional value of the Project which may be determined through Enterprise/ Business Valuation based on Income approach methodologies.</i></p>
xvi.	<b>ASSUMPTIONS</b>
	<p><i>u. Documents/ Information/ Data provided by the client/ property owner or his representative both written &amp; verbally is true and correct without any fabrication and has been relied upon in good faith.</i></p> <p><i>v. 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.</i></p> <p><i>w. 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.</i></p> <p><i>x. Payment condition during transaction in the Valuation has been considered on all cash basis which includes both formal &amp; informal payment components as per market trend.</i></p> <p><i>y. Sale transaction method of the asset is assumed as Free market transaction without any compulsion unless otherwise mentioned while assessing Indicative &amp; Estimated Fair Prospective Market Value of the asset unless otherwise stated.</i></p>
xvii.	<b>SPECIAL ASSUMPTIONS</b>
	<b>NA</b>
xviii.	<b>LIMITATIONS</b>
	<b>Unavailability of the data &amp; information in public domain pertaining to the subject location.</b>

SUMMARY- VALUATION OF PLANT & MACHINERY AND OTHER FIXED ASSETS OF M/S. BHSL. (THANABHAVAN PLANT)						
Sr. No.	Annexure	Items	Cost of Capitalization	Net Block	Gross Current Reproduction Cost (GCRC)	Current Depreciated Replacement Value
1	A	Plant & Machinery	₹ 2,85,56,07,691	₹ 1,06,92,04,813	₹ 3,59,14,98,361	₹ 99,76,71,941
2	B	Electrical Installation	₹ 8,80,30,377	₹ 44,01,516	₹ 8,80,30,377	₹ 3,42,41,045
3	C	Furniture Fixture	₹ 62,89,996	₹ 3,14,447	₹ 62,89,996	₹ 3,14,500
4	D	Office Equipments	₹ 58,11,580	₹ 3,20,656	₹ 58,11,580	₹ 3,12,180
5	E	Computer & Softwares	₹ 73,83,886	₹ 3,58,681	₹ 73,83,886	₹ 6,43,935
6	F	Computer & Accessories	₹ 37,55,125	₹ 5,42,877	₹ 37,55,125	₹ 2,43,921
7	G	Vehicles	₹ 12,41,510	₹ 42,617	₹ 12,41,510	₹ 2,38,211
<b>Total</b>			<b>₹ 2,96,81,20,166</b>	<b>₹ 1,07,51,85,607</b>	<b>₹ 3,70,40,10,836</b>	<b>₹ 1,03,36,65,732</b>

**Notes:**

- Asset items pertaining to M/S. Bajaj Hindusthan Sugar Limited, Village-Bilai, U.P Plant is only considered in this report.
- Asset items of different classes are grouped together and summarized separately. Detailed valuation sheet with calculation can be referred in attached annexures.
- BHSL has provided us the Fixed Asset Register (FAR) for the purpose of Valuation. This FAR has the capitalization of the items based on the capex incurred under various heads and shown it in under various phases. Hence, for the purpose of Valuation we have taken the FAR having capex incurred.
- For evaluating useful life for calculation of depreciation, Central Electricity Commission Guidelines, Chart of Companies Act-2013 and finally general practical trend of Sugar Plants are referred.
- Useful life of Primary machines of the Plant like Boiler, Mills, Mollases Tank, Sugar Bins, Centrifugal Machines, Crystallizer, Pan etc. is taken as 20-30 years. For other auxiliary machinery & equipment average life varies from 5 – 25 years.
- As evaluated from the operational performance data given by the company, the operational performance parameters of the Plant such as power consumption & production per TC, steam generation and consumption per TC, bagasse production per TC, Boiler pressure and temperature, appear to be in line or even better in some cases with the Industry standard. We have not come across any instance where any of the Plant is majorly lagging on any such parameter. Plants are well maintained, efficient within the class of technology the Plants are using.
- However, the turbines are using backpressure technology and Mill is using mechanical drives, gearbox system. Although, this is still the most widely used technology in trend and most of the Sugar Mills in India are setup and working on this technology itself. The latest technology works on condensing steam extraction turbines, cane diffuser technology and electrical drives & hydraulic system, state-of-the-art dryers, setting up Moisture Control Unit, High Pressure Boilers which has higher steam efficiency, requires less maintenance and consumes less captive power and produces more power. The cost of setting up the diffuser Plant is also less than the new technology.
- Commonly implemented modifications in cogeneration units of sugar mills include:- installing high pressure boilers, use of efficient electric drives instead of the conventional steam turbines that produce mechanical power, use of diffusers for cane juice extraction instead of mill rollers, use of condensing steam extraction turbines together with high efficiency boilers, and bagasse drying.
- We have evaluated the other similar peer group expenditure on maintenance and found it is line to the peer group but definitely higher than the new Plants.
- The current Plant can also be modernised with some changes in the Milling and dryer system to achieve higher efficiency. However, we have not got any reference that what may be the cost required in of the Plants.
- Therefore, even though the Plants are well maintained and running well within their class of technology but only for technology obsolescence as described above we have taken 20% discount on Plant & Machinery
- For evaluating the Gross current replacement cost of the machines and equipments, we have adopted the benchmark cost from the same type of plant with the same technology established recently.
- During the site visit, the units of the plant was in operational (Maintenance work going on since, it is an off season). Our engineering team visited all the sections and manually inspected the machines and equipment's on the basis of their physical existence not on the basis technical.

**PART G**

**INDUSTRY OVERVIEW & ANALYSIS**

**1. OVERALL OUTLOOK:**

Sr. No.	PARAMETERS	FOR	AGAINST
1	Plant Condition	Very good. Well maintained with the class of technology the Plants are using. All operational parameters are either inline or better than Industry standard. After completion of every season proper maintenance takes place.	.....
2	Plant Technology	Using the technology which is widely used and not outdated as such.	Mostly using back pressure turbines and mechanical drive mill system. This is not completely latest technology but not outdated and still widely used. However latest technology and modernisation such as cane diffuser technology and electrical drives & hydraulic system and high pressure boilers has better operational parameters, efficiency & productivity in terms of power consumption and generation, less maintenance cost, less operational cost
3	Demand & Supply Gap.	By-products such as Bagasse for power generation, Molasses and Ethanol production are currently in huge demand. Many proposals are in pipeline for setting up distillery or expansion of current Sugar Plants.	Sugar is in surplus production in India than its demand & consumption and therefore there is pressure on pricing and margins since because of fixed FRP/ SAP setup by the Govt., Sugar Mills can't negotiate anything on input cost, in spite of more supply than demand.
4	Sugar Cost & Pricing	Decent profit margins from power export from Bagasse and producing Ethanol from Molasses.	Sugar & Ethanol pricing are highly regulated. FRP/ SAP for Sugar in 2021 is Rs.290/- per quintal @10% recovery and UP SAP is Rs.350/- per quintal and SAP is Rs.31/- per Kg. and average ex mill price of BHSL is Rs.3,500/- per quintal leaving very thin margin for profits.
5	Export Market	Appears to be good and promising presently for Indian players and lot of opportunity is developing because of low production in Brazil.	However due to location disadvantage of UP Sugar Mills for being away from the Ports, BHSL do not export because of price incompetitiveness.
6	Industry Outlook & Trend	Industry outlook appears positive for coming years due to interest in Ethanol and distillery and incentives from the Govt. to produce more ethanol sacrificing sugar. This will also help in reducing sugar inventories in the system which is likely to push domestic sugar prices upwards.	Even though Industry outlook and trend appears to be positive due to ethanol opportunities in the sector but still there are regulatory and pricing challenges in the sector.
7	Govt. support	Politically sensitive sector due to large number of farmers involved.	Govt. is cautious on the issue and have been actively taking measures and providing support to the sector as and when it is required to improve its liquidity such as incentives for producing Ethanol, etc..
8	Other Issues	.....	Demand and supply mismatch, affects funds & liquidity of sugar mills resulting in accumulation of cane price arrears. This also makes the sugar mills ineligible for working capital limits.



## 2. INDIA'S ECONOMIC TREND & SECTOR OUTLOOK

- a. After the relatively better Covid-19 situation and stabilization of the world and Indian economy post Covid-19 disruption, the growth outlook for the Indian economy looks to be firm and positive. By various world agencies the Indian economy is projected to grow in the range 7-9%. As per an economic survey by Indian Govt., India's GDP is projected to grow in real terms by 8.0-8.5 per cent in 2022-23.
- b. Private investment in Indian economy is on upward trajectory and showing up some movement. However, inflation, global supply chain disruptions and mounting risk of global recession are the current major issues in front of the economy and therefore uncertainties have started clouding ahead in regard to growth. Some of the credit rating agencies, global institutions, market pundits have downgraded the growth projections for India for 2023 when everyone was bullish earlier because of the issues mentioned above.
- c. India is the second largest producer of sugar in the world and is also the largest consumer. Significance of sugarcane and sugar industry for India's economy can be gauged from the fact that it is the country's second largest agro-based industry, next to cotton.
- d. As per various Industry estimates, Sugar industry in India is expected to grow by 6-7% in the years 2021-2022 due to growth in exports of sugar and ethanol and further Indian cane sugar market is projected to reach a CAGR of 5.2% during the forecast period (2022-2027).
- e. However, over the years, India has become a sugar surplus nation as reflected from the trend of sugar production and consumption. As per Economic Survey 2021-22 Average annual production of sugarcane is around 35.5 crore tonnes which is used to produce around 3 crore tonnes of sugar. The domestic consumption is estimated to be around 2.75 crore tonnes in 2021-22.
- f. It is pertinent to mention here that in every sugar season (October-September), production of sugar is around 320-330 Lakh Metric Tonne (LMT) as against the domestic consumption of 260 LMT which results in huge carry over stock of sugar with mills. Due to excess availability of sugar in the country, the ex-mill prices of sugar remain subdued resulting in cash loss to sugar mills. This excess stock of 60 LMT also leads to blockage of funds & affects the liquidity of sugar mills resulting in accumulation of cane price arrears. This also makes the sugar mills ineligible for working capital limits.
- g. With a view to maintain the demand supply position of sugar in the country and to stabilize ex-mill prices of sugar and also to ensure sufficient availability of sugar for domestic consumption, mill wise monthly release quota of sugar for domestic sale by sugar mills is allocated by Department of Food and Public Distribution under Ministry of Consumer Affairs, Food and Public Distribution every month on the basis of stocks held by them, export performance and diversion of sugar to ethanol.

## 3. SUGAR PRICING

- a. Prices of sugar are market driven & depend on demand & supply of sugar. Sugarcane cultivation, manufacturing & sale are marred by a complex system of pricing, procurement, supply, regulation and demand and supply gap.
- b. Cost & Prices of Sugar is mainly controlled by Fair & Remunerative Price (FRP) of sugarcane and Minimum Selling Price (MSP) at which a sugar mill can sell the Sugar. However, over FRP States have additionally advised SAP (State advisory Price) of sugarcane. For year
- c. Fair and Remunerative Price (FRP) for sugar season 2021-22 has been fixed at Rs. 290 per quintal linked to a basic recovery of 10% subject to a premium of Rs. 2.90 per quintal



for each 0.1% increase of recovery over and above 10% and reduction in FRP at the same rate for each 0.1% decrease in the recovery rate till 9.5%. However UP SAP is kept at Rs.350/- per quintal

- d. However, with a view to protect the interests of farmers, concept of Minimum Selling Price (MSP) of sugar has been introduced w.e.f. 07.06.2018 so that industry may get at least the minimum cost of production of sugar, so as to enable them to clear cane price dues of farmers. The MSP of sugar has been fixed after taking into account the Fair & Remunerative Price (FRP) of sugarcane and minimum conversion cost of the most efficient mills.
- e. Government has notified Sugar Price (Control) Order, 2018. Under the provisions of said order, Government initially fixed Minimum Selling Price (MSP) of white/refined sugar which is presently at Rs.31 per Kg. and has been recommended by the government set task force to increase it to ₹33 Per Kilogram.
- f. However, Govt. is cautious on these issues and actively talking measures to address the issues and come out with schemes, subsidies and incentives to the Sugar Industry from time to time to bail out sugar mills from cash losses like scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity, export subsidy, soft loan to sugar mills to facilitate clearance of cane price arrears, production subsidy, Sugar Development Fund (SDF) Schemes for modernization and expansion of sugar factory.

#### 4. SUGAR EXPORTS

- a. Exports can be a viable option for disposal of this excess production. However, many times due to higher pricing and quality the competition of the Indian sugar industry becomes tough. The cost of production in India is also high in comparison to other countries.
- b. Export market for Sugar is also growing exponentially. Export of sugar in the current sugar season 2021-22 is the historically highest. Exports taking place from India will rise as Brazil which is the largest producer of sugar in the world is facing weather changes which are impacting crops.
- c. Last year in August, global white sugar prices started rallying and had reached a four-and-a-half-year high of \$504 per tonne as on 17th of the month, up 28% on-year. Inclement weather is affecting sugar production in Brazil and this, in turn, is expected to impact global supply in the upcoming sugar season (SS 2022; October 2021 to September 2022).
- d. Export subsidies for sugar have benefitted Indian exporters to an extent, but this has resulted in other sugar-exporting countries like Brazil voicing their concerns to the World Trade Organisation (WTO) against excessive Government support being provided to boost sugar shipment from India.
- e. Government has announced a quota for export of sugar with some incentive mechanism but that is also likely to be phased out by 2023 due to WTO agreements. As per the Nairobi Ministerial Declaration of the WTO, India cannot provide export subsidies and any export promotion measures of equivalent effect on agricultural products. However, under special and differential treatment provision of the Uruguay Round Agreement on Agriculture, India can provide reductionist export subsidies in a way to gradually phase them out by 2023.
- f. However, notwithstanding anything, the country's sugar exports in the past few years has increased considerably due to the government's timely and proactive policy decisions. The government has provided assistance to sugar mills to facilitate exports in the last few years.

- g. Assistance to sugar mills was extended for defraying expenditure towards internal transport, freight, freight and other charges to facilitate export of sugar. However, we couldn't retrieve any information if this assistance has been extended to current year also.
- h. In the marketing year 2021-22, the sugar exports have been boosted without the government subsidy in view of high global prices.
- i. As a result, even without extending any assistance to sugar mills, exports in the 2021-22 marketing year touched a figure of 100 lakh tonnes, which is an all-time high.
- j. However, to increase the availability of the commodity in the domestic market and curbing price rise, the government has imposed restrictions on sugar exports from June 1 till 31st Oct., 2022 or till further notice whichever is earlier. However, these restrictions would not be applicable on sugar being exported to the EU and the US under CXL and TRQ.
- k. However unfortunately even though opportunities are growing in Sugar exports but Sugar Mills in Uttara Pradesh are unable to tap that fully because of location disadvantage since being far away from ports. Therefore, due to thin margins, they are unable to export because of transport and freight cost. Therefore, BHSL is not exporting Sugar as confirmed by them.

## 5. GOVT. POLICY SUPPORT AND ETHANOL

- a. To handle the surplus production and enhance liquidity of mills, the Government has taken various steps such as incentivising sugar mills to divert excess sugar cane/sugar to ethanol production, providing financial assistance for transport to sugar mills to facilitate export of sugar, etc.
- b. The government is taking several steps to boost ethanol production, which can be used as an alternative to fuel in car engines and thereby reduce air pollution. Ethanol is an alcohol-based fuel produced by fermenting the sugarcane juice.
- c. Government plans 20% ethanol blending by 2025 in petrol, currently it is 10%. This measure will reduce the debt burden on farmers as a result sugar stocks are to grow.
- d. Sugar producing company stocks have rallied up to 25% in 2021 on excitement of double incentive by the government for producing ethanol. Stock prices of many sugar companies doubled in 2021.
- e. In October, 2021, the government announced an incentive to encourage sugar companies to divert excess sugar cane stock in producing ethanol, which can be blended with petrol and used as fuel in vehicles.
- f. Keeping in view the various benefits of the Ethanol Blending Programme, the Government has advanced the target of achieving 20% blending to 2025, which was earlier scheduled to be achieved in 2030. However, the ethanol production capacity in the country is not sufficient at present to achieve 20% blending by 2025.

## 6. MARKET TREND

- a. As per one of the industry research reports on Sugar by ICICI Direct in July, 2021, with the massive increase in distillery capacities by sugar companies, ethanol sales would contribute 25-30% to revenues of major sugar companies by FY24. Moreover, reducing sugar inventories in the system are likely to push domestic sugar prices upwards. Both these factors would boost earnings for sugar companies in the next three years. The report has estimated 15- 40% earnings growth for a few top companies. Despite the huge run up in the sugar stocks, valuation multiples are still 5-10x FY23 PE. Given the strong earnings growth visibility, sugar stocks are likely to command higher valuation multiples. We remain positive on the sector.

- b. In spite of several issues related to pricing, demand-supply gap, working capital issues, cane dues, not many sugar companies of the similar level have gone into IBC in comparison to other sectors. The few handful accounts have a single operating unit and have yielded more than 150% from the liquidation value. This shows that there is still demand in this sector.
- c. On review of the peer group companies and of the same level playing field, sugar companies are in profit and in the last couple of years Sugar companies EBIDTA has improved significantly.
- d. There are no latest references available for any M&A and transactions in the Sugar sector and regarding resolution of any Sugar account of this level.
- e. Thus, the overall outlook of the sector looks positive and promising in future.
- f. We have reviewed the current demand of the Sugar Plants and in spite of issues in the sector related to cane arrears, over production of sugar, the sector is still in demand and many existing sugar companies are either expanding their Plant capacity or many new players are coming in as per the several EC approvals applied for in last 3 years. However, the main traction is towards setting up distillery.
- g. BHSL is one of the largest producers of Sugar and ethanol in the country and is a brand name in the industry.
- h. Key products that are extracted from a sugar mill are Sugar, Bagasse, Molasses, Ethanol and Power. Except sugar all the remaining by-products Bagasse, Molasses, Ethanol and Power have good demand and economic value in the market and as per current scenario and Govt. policy support its demand is likely to rise in the coming future which can even address the over production of the sugar and can better its price margins.
- i. The main attraction in the sugar plants is from the production and sale of its by-products such as Power & Ethanol since sugar production is in excess of demand and consumption.

## 7. CANE ARREARS

- a. Because of the continuous cane arrear problem in the sector, Uttar Pradesh Govt. has formulated Uttar Pradesh Sugarcane Amendment Act, which empowers the state government to attach assets or use receivables of a company based there or its subsidiaries to recover dues of farmers which has also created the confusion amid the financial sector that which will take precedence, IBC or Uttar Pradesh Sugarcane Amendment Act.
- b. Current gross cane arrear outstanding dues of BHSL stands at Rs.3741 crores.

## 8. SUBJECT PLANT

- a. The subject Plant is strategically located in the cane producing belt. Plant has adequate land for further expansion. Plant is run with 800 KLPD distillery.
- b. Plant is well maintained and in every off season it goes for full maintenance. Plant is run with adequate efficiency having recovery of 11.71% Sugar, while the industry average is 10.86% but UP average is 11.35%.
- c. However, BHSL plants still run-on back pressure turbines and mechanical drive mill system, whereas newer technology, cane diffuser, electrical drives & hydraulic system and high-pressure boilers are used which has better operational parameters, efficiency & productivity in terms of power consumption and generation, less maintenance cost, less operational cost.
- d. The Plant is a well operated readymade asset for any potential buyer with all the required licenses.

**PART H**
**CONSOLIDATED VALUATION ASSESSMENT OF THE PLANT**

S.No.	Particulars	Govt. Circle/ Guideline Value	Indicative & Estimated Prospective Fair Market Value
1.	Land Value (A)	Rs.122,06,59,200/-	Rs.1,19,43,34,860/-
2.	Building Value (B)	---	Rs.39,25,30,215/-
3.	Additional Aesthetic Works Value (C)	NA	NA
4.	Plant & Machinery Value (D)	NA	Rs.103,36,65,732/-
5.	<b>Total Add (A+B+C+D)</b>	<b>Rs.122,06,59,200/-</b>	<b>Rs.262,05,30,807/-</b>
6.	Additional Premium if any	NA	NA
	Details/ Justification	NA	NA
7.	Deductions charged if any	NA	NA
	Details/ Justification	NA	NA
8.	<b>Total Indicative &amp; Estimated Prospective Fair Market Value</b>	<b>NA</b>	<b>Rs.262,05,30,807/-</b>
9.	<b>Rounded Off</b>	<b>NA</b>	<b>Rs.262,00,00,000/-</b>
10.	<b>Indicative &amp; Estimated Prospective Fair Market Value in words</b>	<b>NA</b>	<b>Rupees Two Hundred Sixty-Two Crore Only</b>
11.	<b>Expected Realizable Value (@ ~15% less)</b>	<b>NA</b>	<b>Rs.222,70,00,000/-</b>
12.	<b>Expected Distress Sale Value (@ ~40% less)</b>	<b>NA</b>	<b>Rs.157,23,18,484/-</b>
13.	<b>Expected Liquidation Sale Value (@ ~50% less)</b>	<b>NA</b>	<b>Rs.131,00,00,000/-</b>
14.	<b>Percentage difference between Circle Rate and Fair Market Value</b>	<b>NA</b>	
15.	<b>Likely reason of difference in Circle Value and Fair Market Value in case of more than 20%</b>	Circle rates are determined by the District administration as per their own theoretical internal policy for fixing the minimum valuation of the property for property registration tax collection purpose and Market rates are adopted based on prevailing market dynamics found as per the discrete market enquiries	



		which is explained clearly in Valuation assessment factors.
<b>16.</b>	<b>Concluding Comments/ Disclosures if any</b>	
	<p>a. In addition to the Plants fixed assets we have also reviewed the Plants Enterprise Value and key financial indicators matrix like RoI &amp; payback period or breakeven period on the FMV to weigh if the suggested value is optimal for business since any investor or buyer will always first evaluate the financial parameters of this business before making a decision.</p> <p>b. We have also reviewed the operational liabilities in the form of cane arrears which is standing at Rs.3741 crores.</p> <p>c. Therefore, based on the economic conditions and current business outlook of the country, market study of sugar sector where there is mixed outlook with challenges and opportunities, demand of the sector, Plant assets in question and that it is already having in-built distillery of 800 KLPD, operational liabilities on the company which is mainly in the form of cane arrears, Brand consideration and above all reviewing &amp; weighing the enterprise value and financial indicators of the financial projections we have reasonably taken 15% as realizable value and 40% Distress Value &amp; 50% Liquidation Value of the Plant.</p> <p>d. FMV and Realizable values are Plant based. Distress &amp; Liquidation value percentages are considered in totality based on the adjustments of the business factors of the overall company and not done Plant wise.</p> <p>e. The discounting percentages suggested based on the general market negotiation trend and that the account is NPA so negotiation power of the seller will be less than the buyer. Apart from that we do not see any issue in the Plants fixed assets as such except that the Plants are run on old technology which is still in use for which adequate technology obsolescence is already considered in the P&amp;M valuation. Since the account is just NPA and has not entered into liquidation as such, therefore a moderate percentage of liquidation value weighing the business factors considering both demand &amp; supply side in a balanced manner.</p> <p>f. The values have been suggested as on-going concern basis only.</p> <p>g. It should be noted that this is only a fixed asset valuation of the Plant on an as-is-were basis. It doesn't cover any kind of liabilities, contingent liabilities or dues and assessment of current assets. If the transaction is taking place on a fixed asset basis, then the transaction value can be arrived at only after adjustment of all the liabilities, dues &amp; current assets. If the transaction is taking place based on business/ economic basis, then it can only arrive based on the business Enterprise Valuation which is not the scope of the work. Therefore, the above value shall not be construed as a transaction value.</p> <p>h. However, while considering the Liquidation value, enterprise value and net of current assets and liabilities are also kept into consideration, and this should be the best value on which the reserve price should be set and negotiated.</p> <p>i. We are independent of client/ company and do not have any direct/ indirect interest in the property.</p> <p>j. This valuation has been conducted by R.K Associates Valuers &amp; Techno Engineering Consultants (P) Ltd. and its team of experts.</p> <p>k. This Valuation is done for the property found on as-is-where basis as shown on the site by the Bank/ customer of which photographs is also attached with the report.</p> <p>l. Reference of the property 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 identification, exact address, physical conditions, etc. based on the documents provided to us since property shown to us may differ on site Vs as mentioned in the documents or incorrect/ fabricated documents may have been provided to us.</p>	



- m. 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.
- n. 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.
- o. 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.
- p. 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.
- q. 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.
- r. During the site visit, the units of the plant was in operational (Maintenance work going on since, it is an off season). Our engineering team visited all the sections and manually inspected the machines and equipment's on the basis of their physical existence not on the basis technical.

#### 17. 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 market 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

	<p>particular definition of value.</p> <p>Therefore, in actual for the same asset/ property, cost, price &amp; value remain different since these terms have different usage &amp; meaning.</p>
18.	<p><b>Enclosures with the Report:</b></p> <ul style="list-style-type: none"> <li>• Enclosure: I – Google Map Location</li> <li>• Enclosure: II - References on price trend of the similar related properties available on public domain</li> <li>• Enclosure: III – Photographs of the property</li> <li>• Enclosure: IV – Copy of Circle Guideline Rate</li> <li>• Enclosure V: Important Property Documents Exhibit</li> <li>• Enclosure VI: Annexure: VI - Declaration-cum-Undertaking</li> <li>• Enclosure VII: Annexure: VII - Model code of conduct for valuers</li> <li>• Enclosure VII: Part D - Valuer's Important Remarks</li> </ul>

### **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](mailto: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](mailto: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.

**IF REPORT IS USED FOR BANK/ FIs**

**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.

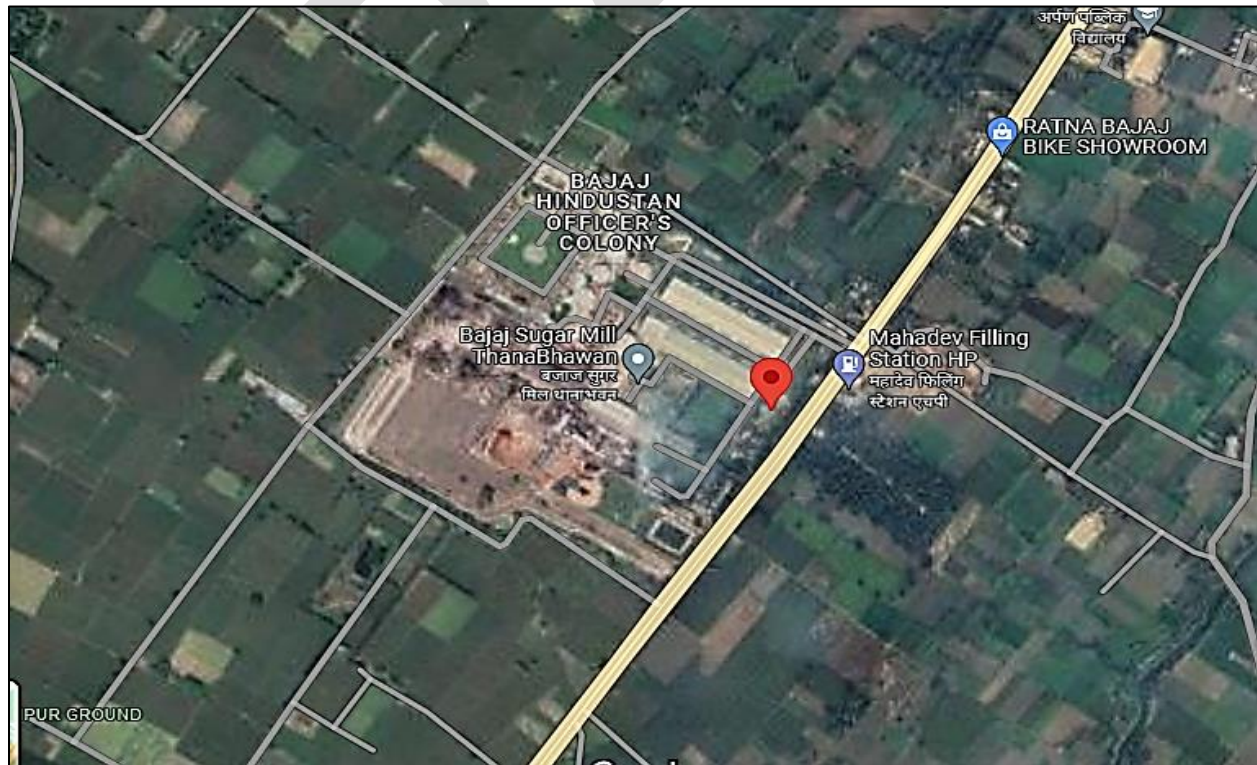
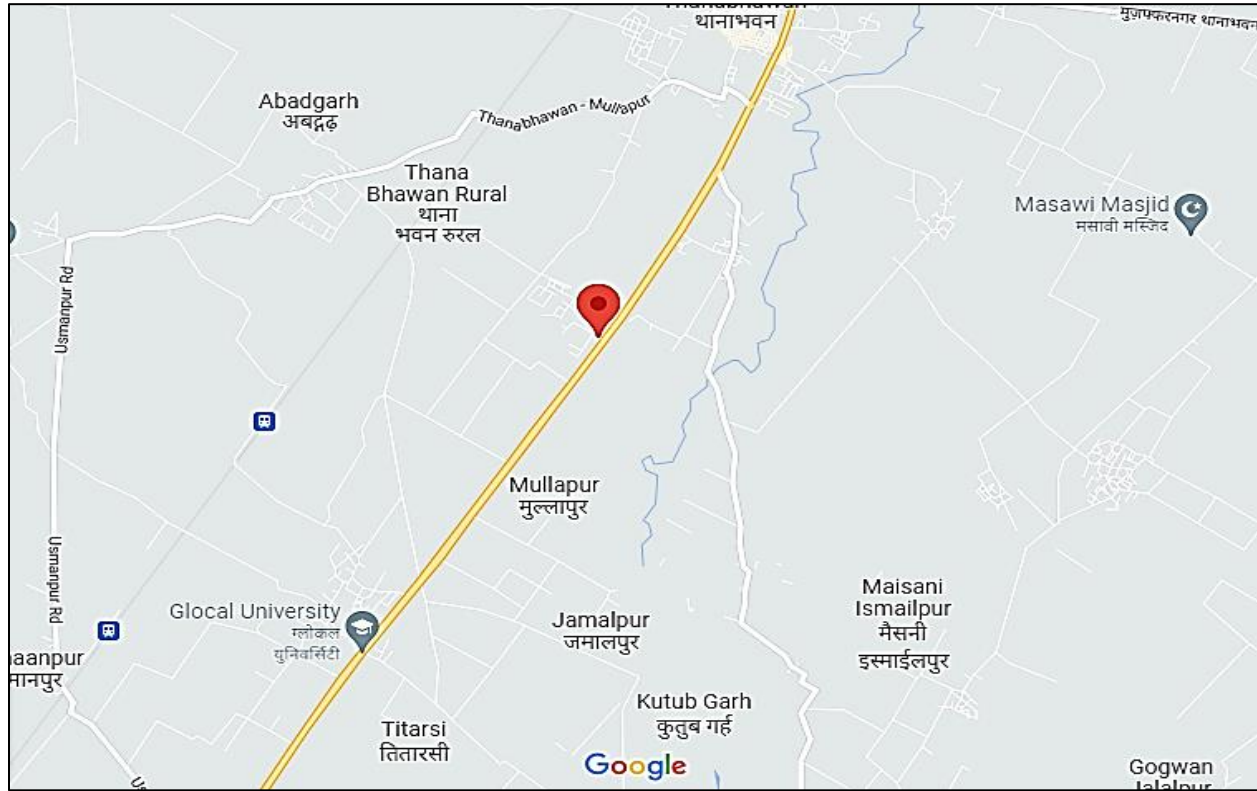
**At our end we have not verified the authenticity of any documents provided to us. Bank is advised to verify the genuineness of the property documents before taking any credit decision.**

**Valuation Terms of Services & Valuer's Important Remarks are available at [www.rkassociates.org](http://www.rkassociates.org) for reference.**

SURVEY ANALYST	VALUATION ENGINEER	L1/ L2 REVIEWER
Arup Banerjee & Babul	Aditya & Arup Banerjee	Gaurav Sharma/Engineering Team/Senior VP Projects



## ENCLOSURE: I – GOOGLE MAP LOCATION





**ENCLOSURE: II - REFERENCES ON PRICE TREND OF THE SIMILAR RELATED  
PROPERTIES AVAILABLE ON PUBLIC DOMAIN**

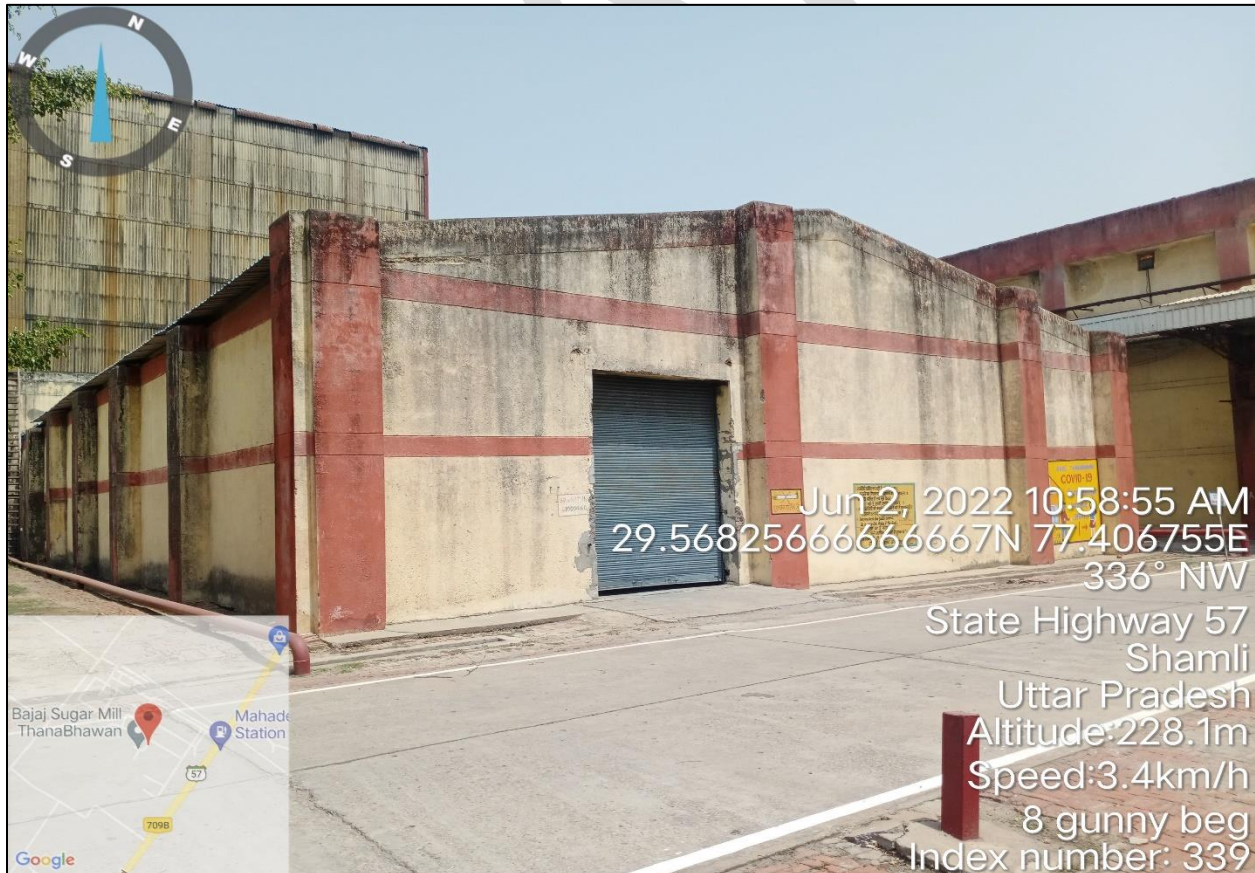
**NO REFERENCE AVAILABLE ON PUBLIC DOMAIN**

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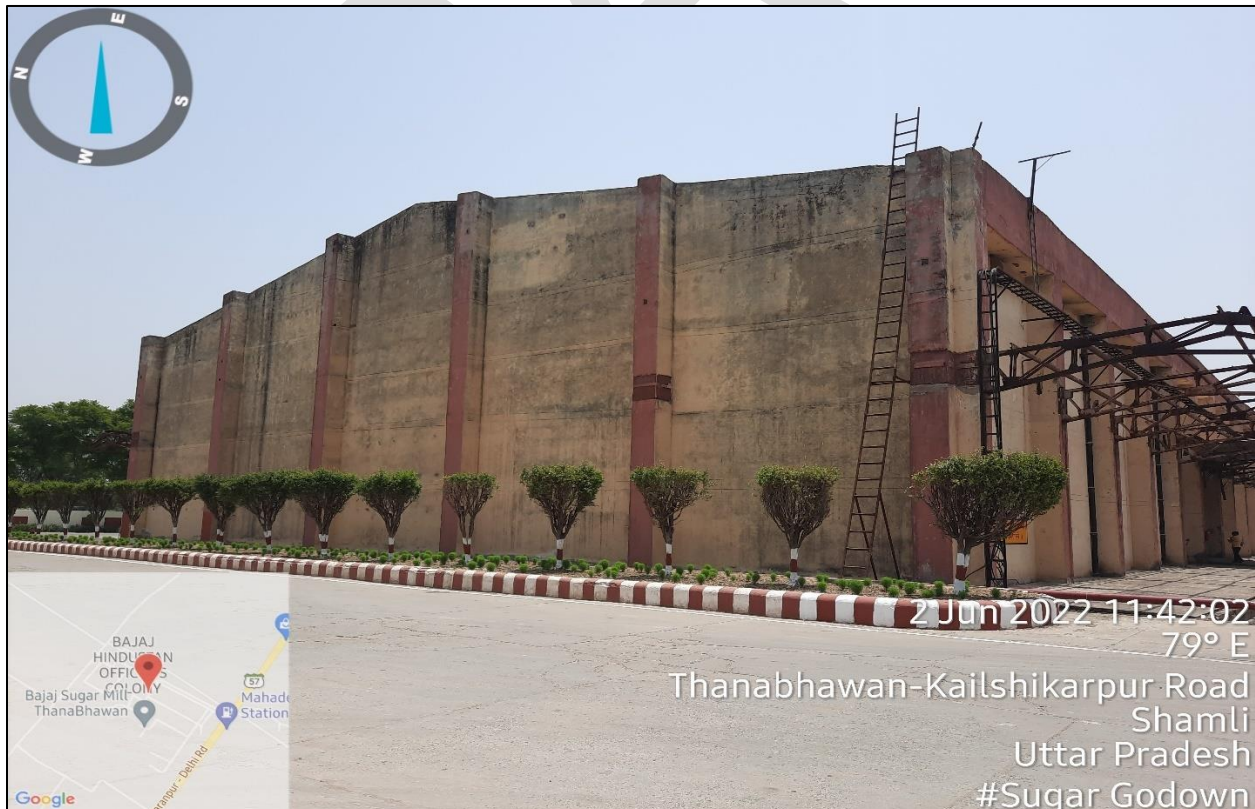
**ENCLOSURE: III – PHOTOGRAPHS OF THE PROPERTY**





































**ENCLOSURE: IV – COPY OF CIRCLE RATE**

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क्रमांक 1 के आवृत्ति संख्या की श्रेणी	मौजदार या राजस्व का नाम	सेवा, नगरपालिका, अर्धनगरपालिका या ग्रामीण	अवशेष भूमि की मूल्यमान पर	5 मीटर से 8 मीटर तक की चौड़ाई वाले पर	8 मीटर से अधिक की चौड़ाई वाले पर	राजस्व का वर्गीकरण की श्रेणी	राजस्व का वर्गीकरण की श्रेणी	राजस्व का वर्गीकरण की श्रेणी	राजस्व का वर्गीकरण की श्रेणी	राजस्व का वर्गीकरण की श्रेणी	राजस्व का वर्गीकरण की श्रेणी	राजस्व का वर्गीकरण की श्रेणी	राजस्व का वर्गीकरण की श्रेणी
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1053	जलानपुर	ग्रामीण	1500	1600	12000	17000	45	55	72	48	36		
1054	जलानपुर	ग्रामीण	1400	1500	12000	17000	45	55	72	48	36		
1055	जलानपुर	ग्रामीण	1600	1700	12000	17000	45	55	72	48	36		
1056	जलानपुर	ग्रामीण	1300	1400	12000	17000	45	55	72	48	36		
1057	जलानपुर	ग्रामीण	1400	1500	12000	17000	45	55	72	48	36		
0033	जिलावा दलवाजा	नगरपालिका	11000	11800	30000	38000	—	—	—	—	—	—	—
0110	जिलावा दलवाजा	नगरपालिका	8700	7300	25000	30000	—	—	—	—	—	—	—
1058	जलानपुर	ग्रामीण	1400	1500	12000	17000	45	55	72	48	36		
0034	जिलावा दलवाजा	नगरपालिका	13000	14000	30000	35000	—	—	—	—	—	—	—
0035	जिलावा दलवाजा	नगरपालिका	13500	15500	35000	40000	—	—	—	—	—	—	—
0036	जिलावा दलवाजा	नगरपालिका	16000	17000	35000	40000	—	—	—	—	—	—	—
0037	जिलावा दलवाजा	नगरपालिका	13000	14000	34000	39000	—	—	—	—	—	—	—
0038	जिलावा दलवाजा	नगरपालिका	20500	21000	50000	60000	—	—	—	—	—	—	—
0039	जिलावा दलवाजा	नगरपालिका	1800	1700	17000	22000	45	55	72	48	36		
0040	जिलावा दलवाजा	नगरपालिका	18500	17500	50000	55000	—	—	—	—	—	—	—
0041	जिलावा दलवाजा	नगरपालिका	1600	1500	22000	27000	70	100	110	75	50		
0042	जिलावा दलवाजा	नगरपालिका	1600	1500	22000	27000	—	—	—	—	—	—	—
0043	जिलावा दलवाजा	नगरपालिका	11500	12000	25000	30000	—	—	—	—	—	—	—
0044	जिलावा दलवाजा	नगरपालिका	10900	10500	30000	35000	—	—	—	—	—	—	—
0045	जिलावा दलवाजा	नगरपालिका	4700	5200	24000	29000	53	54	55	55	45		
1063	जिलावा दलवाजा	नगरपालिका	1500	1600	12000	17000	45	55	72	48	36		
1064	जिलावा दलवाजा	नगरपालिका	2100	2300	22000	27000	70	100	110	75	50		
0117	जिलावा दलवाजा	नगरपालिका	5200	5300	35000	40000	50	109	145	86	72		
1067	जिलावा दलवाजा	नगरपालिका	3800	5000	30000	35000	50	72	90	67	50		
0042	जिलावा दलवाजा	नगरपालिका	8500	10000	40000	45000	—	—	—	—	—	—	—
0043	जिलावा दलवाजा	नगरपालिका	20000	21500	55000	60000	—	—	—	—	—	—	—
0044	जिलावा दलवाजा	नगरपालिका	10000	10500	30000	35000	—	—	—	—	—	—	—
0045	जिलावा दलवाजा	नगरपालिका	12000	13000	38000	43000	—	—	—	—	—	—	—
0158	जिलावा दलवाजा	नगरपालिका	4100	4900	22000	27000	—	—	—	—	—	—	—
1068	जिलावा दलवाजा	नगरपालिका	1300	1400	12000	17000	45	55	72	48	36		
1069	जिलावा दलवाजा	नगरपालिका	1400	1500	12000	17000	45	55	72	48	36		
0046	जिलावा दलवाजा	नगरपालिका	11500	12000	25000	30000	—	—	—	—	—	—	—
0047	जिलावा दलवाजा	नगरपालिका	20500	21000	50000	60000	—	—	—	—	—	—	—
1072	जिलावा दलवाजा	नगरपालिका	1400	1500	12000	17000	45	55	72	48	36		
0048	जिलावा दलवाजा	नगरपालिका	31000	32000	70000	75000	—	—	—	—	—	—	—

## ENCLOSURE V: IMPORTANT PROPERTY DOCUMENTS EXHIBIT

Click or tap here to enter text.

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## ENCLOSURE VI: ANNEXURE: VI - DECLARATION-CUM-UNDERTAKING

- a Persons worked on this report are citizen of India.
- b No employee or member of R.K Associates has any direct/ indirect interest in the property or become so interested at any time during a period of three years prior to our appointment as valuer or three years after the valuation of assets was conducted by us.
- c The information furnished in our valuation report dated 8/6/2022 is true and correct to the best of our knowledge and belief and we have made an impartial and true valuation of the property.
- d Our authorized Engineer/ surveyor Mr. Arup Banerjee, Mr. Babul Akther Gazi & Mr. Pankaj have personally inspected the property on 2/6/2022 the work is not subcontracted to any other valuer and is carried out by us.
- e Valuation report is submitted in the format as prescribed by the Bank.
- f We have not been depanelled/ delisted by any other bank and in case any such depanelment by other banks during my empanelment with you, we will inform you within 3 days of such depanelment.
- g We have not been removed/ dismissed from service/employment earlier.
- h We have not been convicted of any offence and sentenced to a term of imprisonment.
- i We have not been found guilty of misconduct in professional capacity.
- j I have not been declared to be unsound mind.
- k We are not undischarged bankrupt or has not applied to be adjudicated as a bankrupt.
- l We are not an undischarged insolvent.
- m No penalty is levied under section 271J of Income-tax Act, 1961 (43 of 1961) and time limit for filing appeal before Commissioner of Income tax (Appeals) or Income-tax Appellate Tribunal, as the case may be has expired, or such penalty has been confirmed by Income-tax Appellate Tribunal, and five years have not elapsed after levy of such penalty.
- n We have not been convicted of an offence connected with any proceeding under the Income Tax Act 1961, Wealth Tax Act 1957 or Gift Tax Act 1958 and
- o Our PAN Card number/ GST number as applicable is **AAHCR0845G/ 09AAHCR0845G1ZP**.
- p We undertake to keep you informed of any events or happenings which would make us ineligible for empanelment as a valuer.
- q We have not concealed or suppressed any material information, facts and records and we have made a complete and full disclosure.
- r We have read the Handbook on Policy, Standards and procedure for Real Estate Valuation, 2011 of the IBA and this report is in conformity to the "Standards" enshrined for valuation in the Part-B of the above handbook to the best of our ability.
- s We have read the International Valuation Standards (IVS) and the report submitted to the Bank for the respective asset class is in conformity to the "Standards" as enshrined for valuation in the IVS in "General Standards" and "Asset Standards" as applicable.
- t We abide by the Model Code of Conduct for empanelment of valuer in the Bank.
- u Our Valuer is registered under Section 34 AB of the Wealth Tax Act, 1957. (Strike off, if not applicable).

- v Our Valuer is registered with Insolvency & Bankruptcy Board of India (IBBI) (Strike off, if not applicable).
- w Our CIBIL Score and credit worthiness is as per Bank's guidelines.
- x I am the authorized official of the firm / company, who is competent to sign this valuation report.
- y We have undertaken the valuation work on receipt of Letter of Engagement generated from the system (i.e. LLMS/LOS) only.
- z Further, we hereby provide the following information.

S. No.	Particulars	Valuer comment	
1.	Background information of the asset being valued	This is an Industrial Plant units located at aforesaid address having total land area as Approx, 79.91 Acres/ 32.34 Hectare as 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.	
2.	Purpose of valuation and appointing authority	Please refer to Part-C of the Report.	
3.	Identity of the Valuer and any other experts involved in the valuation	<b>Survey Analyst:</b> Er. Arup Banerjee, Mr. Babul Akther Gazi & Mr. Pankaj  <b>Valuation Engineer:</b> Er. Aditya & Er. Arup Banerjee  <b>L1/ L2 Reviewer:</b> Gaurav Sharma/Engineering Team/Senior VP Projects	
4.	Disclosure of valuer interest or conflict, if any	No relationship with the borrower and no conflict of interest.	
5.	Date of appointment, valuation date and date of report	<b>Date of Appointment:</b>	<b>11/12/2021</b>
		<b>Date of Survey:</b>	<b>2/6/2022</b>
		<b>Valuation Date:</b>	<b>8/6/2022</b>
		<b>Date of Report:</b>	<b>8/6/2022</b>
6.	Inspections and/ or investigations undertaken	Yes, by our authorized Survey Engineer Arup Banerjee, Mr. Babul Akther Gazi & Arup Banerjee bearing knowledge of that area on 2/6/2022. Property was shown and identified by	

		<b>Mr. Anurag Mohan Gupta (☎-9719023771)</b>
7.	Nature and sources of the information used or relied upon	Please refer to Part-C of the Report. Level 3 Input (Tertiary) has been relied upon.
8.	Procedures adopted in carrying out the valuation and valuation standards followed	Please refer to Part-C of the Report.
9.	Restrictions on use of the report, if any	<p>Value varies with the Purpose/ Date/ Market &amp; Asset Condition &amp; Situation prevailing in the market. We recommend not to refer the indicative &amp; estimated prospective Value of the asset given in this report if any of these points are different from the one mentioned aforesaid in the Report.</p> <p>This report has been prepared for the purposes stated in the report and should not be relied upon for any other purpose. Our client is the only authorized user of this report and is restricted for the purpose indicated in This report. I/we do not take any responsibility for the unauthorized use of this report.</p> <p>During the course of the assignment, we have relied upon various information, data, documents in good faith provided by Bank/ client both verbally and in writing. If at any point of time in future it comes to knowledge that the information given to us is untrue, fabricated, misrepresented then the use of this report at very moment will become null &amp; void.</p> <p>This report only contains general assessment &amp; opinion on the indicative, estimated Market Value of the property for which Bank has asked to conduct the Valuation for the asset as 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 which has been relied upon in good faith. It doesn't contain any other recommendations of any sort including but</p>



		not limited to express of any opinion on the suitability or otherwise of entering into any transaction with the borrower.
10.	Major factors that were taken into account during the valuation	Please refer to Part A, B & C of the Report.
11.	Major factors that were not taken into account during the valuation	Please refer to Part A, B & C of the Report.
12.	Caveats, limitations and disclaimers to the extent they explain or elucidate the limitations faced by valuer, which shall not be for the purpose of limiting his responsibility for the valuation report.	Please refer to Part C of the Report and Valuer's Important Remarks enclosed herewith.

**Date: 8/6/2022**

**Place: Noida**

**Signature**

**(Authorized Person of R.K Associates Valuers & Techno Engg. Consultants (P) Ltd.)**

## ENCLOSURE VII: ANNEXURE: VII - MODEL CODE OF CONDUCT FOR VALUERS

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### Integrity and Fairness

1. A valuer shall, in the conduct of his/its business, follow high standards of integrity and fairness in all his/its dealings with his/its clients and other valuers.
2. A valuer shall maintain integrity by being honest, straightforward, and forthright in all professional relationships.
3. A valuer shall endeavor to ensure that he/it provides true and adequate information and shall not misrepresent any facts or situations.
4. A valuer shall refrain from being involved in any action that would bring disrepute to the profession.
5. A valuer shall keep public interest foremost while delivering his services.

### Professional Competence and Due Care

6. A valuer shall render at all times high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment.
7. A valuer shall carry out professional services in accordance with the relevant technical and professional standards that may be specified from time to time.
8. A valuer shall continuously maintain professional knowledge and skill to provide competent professional service based on up-to-date developments in practice, prevailing regulations/guidelines and techniques.
9. In the preparation of a valuation report, the valuer shall not disclaim liability for his/its expertise or deny his/its duty of care, except to the extent that the assumptions are based on statements of fact provided by the company or its auditors or consultants or information available in public domain and not generated by the valuer.
10. A valuer shall not carry out any instruction of the client in so far as they are incompatible with the requirements of integrity, objectivity and independence.
11. A valuer shall clearly state to his client the services that he would be competent to provide and the services for which he would be relying on other valuers or professionals or for which the client can have a separate arrangement with other valuers.

### Independence and Disclosure of Interest

12. A valuer shall act with objectivity in his/its professional dealings by ensuring that his/its decisions are made without the presence of any bias, conflict of interest, coercion, or undue influence of any party, whether directly connected to the valuation assignment or not.
13. A valuer shall not take up an assignment if he/it or any of his/its relatives or associates is not independent in terms of association to the company.
14. A valuer shall maintain complete independence in his/its professional relationships and shall conduct the valuation independent of external influences.

15. A valuer shall wherever necessary disclose to the clients, possible sources of conflicts of duties and interests, while providing unbiased services.
16. A valuer shall not deal in securities of any subject company after any time when he/it first becomes aware of the possibility of his/its association with the valuation, and in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 or till the time the valuation report becomes public, whichever is earlier.
17. A valuer shall not indulge in “mandate snatching or offering” convenience valuations” in order to cater to a company or client’s needs.
18. As an independent valuer, the valuer shall not charge success fee.
19. In any fairness opinion or independent expert opinion submitted by a valuer, if there has been a prior engagement in an unconnected transaction, the valuer shall declare the association with the company during the last five years.

### **Confidentiality**

20. A valuer shall not use or divulge to other clients or any other party any confidential information about the subject company, which has come to his/its knowledge without proper and specific authority or unless there is a legal or professional right or duty to disclose.

### **Information Management**

21. A valuer shall ensure that he/ it maintains written contemporaneous records for any decision taken, the reasons for taking the decision, and the information and evidence in support of such decision. This shall be maintained so as to sufficiently enable a reasonable person to take a view on the appropriateness of his/its decisions and actions.
22. A valuer shall appear, co-operate and be available for inspections and investigations carried out by the authority, any person authorised by the authority, the registered valuers organization with which he/it is registered or any other statutory regulatory body.
23. A valuer shall provide all information and records as may be required by the authority, the Tribunal, Appellate Tribunal, the registered valuers organization with which he/it is registered, or any other statutory regulatory body.
24. A valuer while respecting the confidentiality of information acquired during the course of performing professional services, shall maintain proper working papers for a period of three years or such longer period as required in its contract for a specific valuation, for production before a regulatory authority or for a peer review. In the event of a pending case before the Tribunal or Appellate Tribunal, the record shall be maintained till the disposal of the case.

### **Gifts and hospitality.**

25. A valuer or his/its relative shall not accept gifts or hospitality which undermines or affects his independence as a valuer.

Explanation: For the purposes of this code the term ‘relative’ shall have the same meaning as defined in clause (77) of Section 2 of the Companies Act, 2013 (18 of 2013).

26. A valuer shall not offer gifts or hospitality or a financial or any other advantage to a public servant or any other person with a view to obtain or retain work for himself/ itself, or to obtain or retain an advantage in the conduct of profession for himself/ itself.

#### **Remuneration and Costs.**

27. A valuer shall provide services for remuneration which is charged in a transparent manner, is a reasonable reflection of the work necessarily and properly undertaken, and is not inconsistent with the applicable rules.
28. A valuer shall not accept any fees or charges other than those which are disclosed in a written contract with the person to whom he would be rendering service.

#### **Occupation, employability and restrictions.**

29. A valuer shall refrain from accepting too many assignments, if he/it is unlikely to be able to devote adequate time to each of his/ its assignments.
30. A valuer shall not conduct business which in the opinion of the authority or the registered valuer organisation discredits the profession.

#### **Miscellaneous**

31. A valuer shall refrain from undertaking to review the work of another valuer of the same client except under written orders from the bank or housing finance institutions and with knowledge of the concerned valuer.
32. A valuer shall follow this code as amended or revised from time to time

Signature of the Valuer: \_\_\_\_\_

Name of the Valuer: R.K Associates Valuers & Techno Engg. Consultants (P) Ltd.

Address of the Valuer: D-39, Sector-2, Noida-201301

Date: 8/6/2022

Place: Noida

## ENCLOSURE VIII

### PART I

### 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 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 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 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 <u>to provide only the general basic idea of the value of the property prevailing in the market</u> 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 <u>as free market transaction</u> .
15.	The sale of the subject property is assumed to be on an all cash basis. Financial arrangements would affect the price at which the property 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.	<b>Defect Liability Period is 15 DAYS.</b> 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 <a href="mailto:valuers@rkassociates.org">valuers@rkassociates.org</a> 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 <b>ONE YEAR</b> . 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.