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**File No.: VIS (2024-25)-PL065-056-075 Dated: 20.12.2024**

**ENTERPRISE VALUATION REPORT**

**OF**

**SVIL MINES LIMITED**

**SITUATED AT**

**13B, 3RD FLOOR, NETAJI SUBHASH MARG, DARYAGANJ, CENTRAL DELHI, DELHI, INDIA- 110002**

**REPORT PREPARED FOR**

**PUNJAB NATIONAL BANK, ZONAL SASTRA CENTRE DELHI, 1ST FLOOR, 7TH BHIKAJI CAMA PLACE, NEW DELHI - 110066**

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| **TABLE OF CONTENTS** | | |
| --- | --- | --- |
|  | | |
| **SECTIONS** | **PARTICULARS** | **PAGE NO.** |
| **PART A** | **INTRODUCTION** | **3** |
| 1. About the Report | 3 |
| 1. Background of the Project | 3 |
| 1. Type of Report | 6 |
| 1. Purpose of the Report | 6 |
| 1. Scope of the Report | 6 |
| 1. Methodology/ Model Adopted | 7 |
| 1. Documents/ Data Referred | 7 |
| **PART B** | **INCORPORATION DETAILS OF THE COMPANY** | **8** |
| **PART C** | **VALUATION OF THE SHARES OF THE COMPANY** | **10** |
| M/s SVIL Mines Limited | 10 |
| **PART D** | **IMPORTANT DEFINITION** | **21** |
| **PART E** | **DISCLAIMER & REMARKS** | **23** |

|  |  |
| --- | --- |
| **PART A** | **INTRODUCTION** |

1. **ABOUT THE REPORT:**

Enterprise Valuation of Marble Mining and Processing Company, M/s SVIL Mines Limited with registered office at 13B, 3rd Floor, Netaji Subhash Marg, Daryaganj, Central Delhi, Delhi, India- 110002 and mines located at Village Gudri, Nimas, Bhaganwara, Kachargaon, District – Katni, Madhya Pradesh.

1. **BACKGROUND:**

M/s SVIL Mines Limited (SML) was incorporated on 16th June, 2004 with Registrar of Companies, Delhi under Companies Act, 1956. The registered office of the company is located 13B, 3rd Floor, Netaji Subhash Marg, Daryaganj, Central Delhi, Delhi, India- 110002, whereas the mines of the company are located at Village Gudri, Nimas, Bhaganwara, Kachargaon, District – Katni, Madhya Pradesh - 483501.

However, as per the data/information provided by the client/bank, we found that the SVIL Mines Limited was incorporated on 16th December 2002 under the name of Yash Mines and Marbles (India) Private Limited. Subsequently, the name of the Company was changed to SVIL Mines Private Limited on 21st September 2004. The status of the Company was also changed from private company to public company on 8th October 2004. Pursuant to the scheme of amalgamation approved by Hon’ble High Court of New Delhi on 11th December 2008, the erstwhile Texefx Marble Industries Limited (the transferor Company) had been amalgamated with the Company on the appointed day i.e. 30th March 2008.

The Company also have wholly owned subsidiary, namely, SVIL Mines International FZE. SVIL Mines International FZE has also acquired 49% stake in another entity, namely, SVIL Mines International LLC. During the year 2010-11, the company has also incorporated wholly owned subsidiary, Namely, SVIL Mines International PTE Ltd.

SML is one of the group companies of Delhi based Floriana Group having registered and having corporate office at Delhi. The Company is primarily engaged in the extraction of marble blocks and processing of marble blocks into marble slabs and selling the same in the domestic and international market. As per the information available with us, the company had an installed capacity of 8,55,000 MTPA for Marble Slab and Tiles. The raw material (marble) is extracted from the mines which are located near the plant.

As per the information shared by client/company, SML had mines at Katni, Madhya Pradesh and Udaipur, Rajasthan. The Company’s Promoters namely Mr. Sanjay Jain and Mr. Rajic Jain had substantial shareholding in the SML. As on 31.03.2011, Citigroup Venture Capital (CVC) held about 23% equity share capital in the company.

The company had set up a fully integrated automatic plant in Madhya Pradesh for mining and processing of marble by adopting modern scientific technology of block impregnation and slab impregnation to improve recovery of non-renewable wasting assets and to increase the efficiency of block processing. The company had an International Patent for “method for consolidation of blocks and process” technology from an Italian Company.

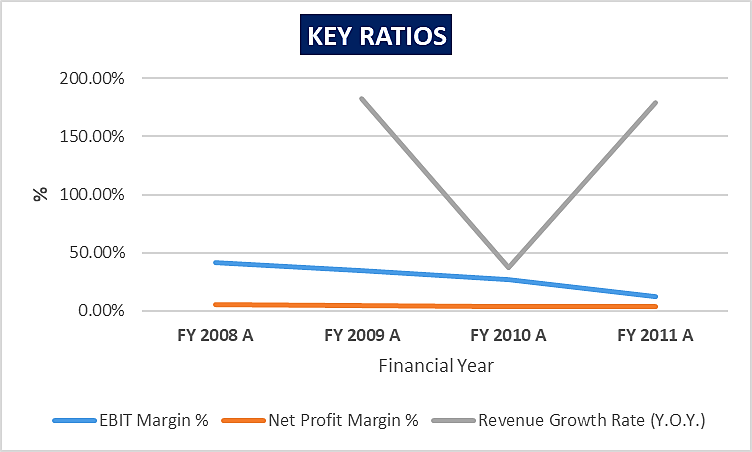
As per the audited balance sheet dated 31.03.2011, the company had a chain of marble retail showrooms & warehouses with brand name Floriana Concept Marble. The distribution network of the company comprised of 45 exclusive stores in India, one showroom in Dubai and one in Singapore. The product range included finished-to-fit Slabs, Tiles, Mosaic panels and ready to fix Countertops.

On 01.12.2011, SML had inaugurated one showroom at Kundli, Haryana measuring about 66,000 sq. ft. To make the product globally, Company has two wholly owned subsidiaries across the globe named SVIL Mines International FZE at Ajman in Dubai and SVIL Mines International Pte. Ltd. in Singapore, to undertake general trading (including import/export) of Marble and other allied products & activities.

Below table shows the historical financial performance of the company from FY 2007-08 to FY 2010-11:

***(INR)***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Particulars** | **FY 2008 A** | **FY 2009 A** | **FY 2010 A** | **FY 2011 A** |
| Revenue from Operations | 49,01,45,654 | 1,38,49,57,500 | 1,89,76,92,735 | 5,30,13,33,961 |
| Other income | 8,65,99,560 | 3,39,70,771 | 2,64,05,830 | 8,19,10,274 |
| **Total Revenue** | **57,67,45,214** | **1,41,89,28,271** | **1,92,40,98,565** | **5,38,32,44,235** |
| Net Cost of Materials Consumed | 15,94,50,940 | 66,88,60,171 | -10,98,19,345 | -9,62,70,285 |
| Contract cost | - | - | 47,66,47,399 | 3,94,25,15,722 |
| Administrative, Selling & Other expenses | 21,43,28,682 | 26,98,13,224 | 1,05,01,89,043 | 87,62,90,819 |
| **Total expenses** | **37,37,79,622** | **93,86,73,395** | **1,41,70,17,097** | **4,72,25,36,256** |
| **EBIT** | **20,29,65,592** | **48,02,54,876** | **50,70,81,468** | **66,07,07,979** |
| Finance costs | 17,84,90,398 | 41,32,23,173 | 43,00,36,197 | 43,87,17,519 |
| **Profit before tax** | **2,44,75,194** | **6,70,31,703** | **7,70,45,271** | **22,19,90,460** |
| Tax Expense | -30,97,196 | 40,01,116 | 16,66,956 | 75,16,423 |
| **Profit for the year** | **2,75,72,390** | **6,30,30,587** | **7,53,78,315** | **21,44,74,037** |
| EBIT Margin % | 41.41% | 34.68% | 26.72% | 12.46% |
| Net Profit Margin % | 5.63% | 4.55% | 3.97% | 4.05% |
| Revenue Growth Rate (Y.O.Y.) | - | 182.56% | 37.02% | 179.36% |



As per the previous years’ audited financials shared with us, the EBIT Margin and Net Profit Margin of the company have decreased from 41.41% & 5.63% in FY 2007-08 respectively to 12.46% & 4.05% in FY 2010-11 respectively.

As per the information available with us and on the public domain, the company has been non-operational since FY 2011 and as per the filling details available on MCA, latest Balance Sheet filled by the company is as on 31st March 2011. The company has last filed its financial statements on the MCA website for the FY ending 31.03.2011. At present, all properties and plant of the company are under the possession of Honorable High Court of Delhi for liquidation. Due to financial stress currently, company’s debt accounts are classified as NPA and hence Punjab National Bank, Zonal Sastra, Delhi need to take appropriate decision/resolution on this NPA account.

**Thus, for the purpose of decision making on resolution of this stressed account, Punjab National Bank, Zonal Sastra Delhi** **has assigned R K Associated to assess & determine the Enterprise Value/Fair Market Value of M/s SVIL Mines Limited as per scope of work, to execute the appropriate action by the decision makers on this NPA account.**

1. **TYPE OF REPORT:** Enterprise Valuation Report.
2. **PURPOSE OF THE REPORT:**

To assess & determine the Enterprise Value of the company on standalone basis as required by the lenders.

1. **SCOPE OF THE REPORT:**

As per the client requirement and based on the purpose of the report, RKA subject matter expert team has arrived at Fair Valuation of the Project and describe in-depth detailed assessment of the clear basis of the Valuation assessment. To assess and determine Fair Market Valuation of M/s SVIL Mines Limited, the Enterprise Valuation is being calculated by using Net Asset Value (NAV) Method as per best fit method in present scenario.

* *This is just the enterprise valuation of the company based on its fair market value of Current and Non-Current Assets. Further the Current and Non-Current Liabilities will be adjusted with the Fair market value of Total assets, which will give the Net Assets Value (adjusted) of the company which can be used as proxy of Enterprise Value of the company.*
* *This Valuation only covers the fair market value of Current and Non-Current assets of the company. It does not cover any transaction with the subject company’s subsidiary/ associate/ Joint Venture Companies, as per the requirement by the lender.*
* *This Valuation is prepared based on the current financial status and futuristic operational uncertainty of the company, financial data/ model, future projections, other facts & information provided by the company/ lender/ Client in writing & verbal discussions held during the course of the assignment and based on independent assessment of certain assumptions which are specifically mentioned in the Valuation section of the Report.*
* *This Enterprise Valuation report doesn’t cover vetting of the documents/ financial data/ projections or any other information provided to us by the Bank.*
* The physical asset valuation (Fixed Asset Valuation) is based on the desktop Valuation as the physical site inspection was out of scope of this valuation report and virtual site survey is conducted only for one site at Gudri, Katni.
* *We have relied on the data provided by the Bank and the Company in good faith.*
* *We have assumed that the information provided to us is correct and is not manipulated or distorted.*
* *The Market and Industrial assessment of the given company’s industry/ sector has not been done at our end. So, this valuation doesn’t cover the Market & industrial scenario in terms of the product demand & market potential.*
* *This exercise is neither an audit activity nor investigative in nature.*
* *It is important to point out that we have carried out these valuations based on the limited information which was available with us at the time of valuation. As and when any new or updated information comes forward, it is likely that the suggested valuation will no longer represent a true and fair representation of the situation.*

1. **METHODOLOGY/ MODEL ADOPTED:**

**Net assets Value (NAV)** method is adopted for the calculation of Enterprise Valuation of the Company.

1. **DOCUMENTS / DATA REFFERED:**

* Last available Audited Financial Statements dated 31.03.2011 of M/s SVIL Mines Limited (SML).
* Fixed Asset Valuation Report of SML dated 10.11.2008, 24.06.2022 & 08.07.2022.
* Restructuring Proposal dated 01.04.2012.
* Bank Inspection Report, Due Diligence Report & Search Report.
* Registry, Khasra Copy and other documents.
* Details of Outstanding loan as on 31.07.2012
* Data/Information available on the public domain.

|  |  |
| --- | --- |
| **PART B** | **INCORPORATION DETAILS OF THE COMPANY** |

As per information available on MCA website, the incorporation detail of the Project Company is provided in the table below:

|  |  |
| --- | --- |
| **INCORPORATION DETAILS** | |
| **Name of the Company** | SVIL Mines Limited |
| **CIN** | U51909DL2004PLC126962 |
| **ROC Name** | ROC Delhi |
| **Registration Number** | 126962 |
| **Registered Office Address** | 13B, 3rd Floor, Netaji Subhash Marg, Daryaganj, Central Delhi, Delhi, India- 110002 |
| **Constitution** | Public Company (Limited by Shares) |
| **Date of Incorporation** | 16th June 2004 |
| **Authorised Capital** | INR 37,00,00,000 |
| **Paid up Capital (Equity)** | INR 24,09,45,500 |
| **Date of Last AGM** | 30th September 2011 |
| **Date of Last Balance Sheet** | 31st March 2011 |

***Source****: As per data/information available on MCA website*

Below table shows the details of directors/Promoters of the company along with their DIN details and date of appointment:

**List of Directors of M/s SVIL Mines Limited**

| **S. No.** | **Name** | **DIN/PAN** | **Designation** | **Date of Appointment** |
| --- | --- | --- | --- | --- |
| **1** | Mr. Periannan Rajamani | 07811426 | Additional Director | 03/05/2017 |
| **2** | Mr. Sanjay Jain | 00026147 | Additional Director | 15/03/2017 |
| **3** | Mrs. Rajiv Jain | 00026004 | Additional Director | 15/03/2017 |

***Source****: MCA Data*

We could not find much details of directors/promoters, their educational background and experience in the public domain.

**CAPITAL STRUCTURE:** The authorized Share Capital of the Company is INR 37.00 Crore divided into 37 Lakh Equity Shares of INR 100/- each as per audited financial statement dated 31.03.2011. During the year under review, paid up capital of the Company was INR 29,09,45,500.00 into 29,09,455 Equity Shares of INR 100/- each fully paid as on 31st March, 2011.

**DEBT POSITION OF THE COMPANY**: As per the data/information shared by the client/company, the details of outstanding dues of SVIL Mines Limited as on 31.07.2012 is shown in the table below:

***(INR Crore)***

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **S. No.** | **Name of Bank** | **Principal** | **Interest** | **Other Charges** | **Total** |
| 1 | Punjab National Bank | 39.77 | 2.55 | 0.43 | 42.75 |
| 2 | Bank of India | 10.75 | 0.80 | 0.00 | 11.55 |
| 3 | Canara Bank | 10.09 | 0.78 | 0.00 | 10.87 |
| 4 | Indian Bank | 9.15 | 0.65 | 0.00 | 9.80 |
| 5 | Oriental Bank of Commerce | 21.11 | 0.76 | 0.00 | 21.87 |
| 6 | State Bank of India | 15.79 | 0.71 | 0.00 | 16.50 |
| 7 | Syndicate Bank | 11.37 | 1.95 | 0.03 | 13.35 |
| 8 | The Federal Bank Limited | 9.16 | 0.77 | 0.00 | 9.93 |
| 9 | UCO Bank | 8.11 | 0.62 | 0.02 | 8.75 |
| 10 | United Bank of India | 11.53 | 2.43 | 0.00 | 13.96 |
| 11 | Vijaya Bank | 5.53 | 0.49 | 0.00 | 6.02 |
| **Total** | | **152.36** | **12.51** | **0.48** | **165.35** |

|  |  |
| --- | --- |
| **PART C** | **VALUATION OF THE COMPANY** |

1. **METHODOLOGY/ MODEL ADOPTED:**

Out of the various Models & theories available, we have adopted the most widely used & acceptable approach to calculate the Enterprise Valuation of the Company, which is, Net Assets Value (NAV) Approach, and the adjusted NAV is being considered as the proxy of the Enterprise Value of M/s SVIL Mines Limited:

1. The NAV approach used here, is based on the present value/fair market value of all its fixed asset and its financial assets.
2. Fair value of fixed assets of the company including property, plant and equipment is calculated based on the Market and Cost Approach as-is-where-is basis for estimating the Current Depreciated Replacement value of the assets.
3. Present value of the financial/ current assets is estimated based on the document/ information provided by the company.
4. Further, the liabilities of the company will be net off with the Fair market value of Total asset value estimated based on the present scenario.

**Rationale for using Net Asset Value (NAV) Approach for the Enterprise Valuation:**

1. The 3 Broad Model of Company Valuation are – Income based approach (Discounted Cash Flow Models), Asset Based and Market Multiple.
2. The free cash flow method is not used here because the account is under liquidation process and due to going on hearings & pending litigations future cash flow cannot be projected easily since the company is non-operational since last 10-12 years and the account is already categorized NPA by the financial creditor as per norms of the RBI guidelines.
3. Also, due to uncertain future operations as the same is communicated by the banker/client, estimating accurate future projections becomes difficult.
4. Further, the Present Value Model gives us a variety of input options to use while calculating the Value of the firm - Dividend, Free Cash Flow to the Firm, Free Cash Flow to Equity, Capitalized Cash Flows and Residual Earnings.
5. Dividends cannot be used as the Company has no history of paying dividends and we don’t foresee any dividend payments to occur in the future due to the high leverage of the firm.
6. Market Comparable Approach was also not used since we could not find any suitable market comparable transactions and company of similar scale, scope & nature in the market.
7. Asset Based Model is a more appropriate approach for estimating the Company’s present value/fair market value based on the present value calculation of the assets (fixed asset and financial assets).
8. Therefore, the most appropriate Model left to Value M/s SVIL Mines Limited is Net Asset Value approach since there is an uncertainty regarding company’s futuristic operations.
9. The best method input option for the NAV Model in the case of M/s SVIL Mines Limited will be current fair value of the fixed assets based on the market and cost-based approach and financial assets valuation based on the documents/information made available us by the client/company
10. Hence, NAV method is used in the valuation process of the company.

**For Financial and Current Assets:** Gathering of Information on high level breakup of each head of Financial and Current Assets for assessment (as per RKA Format).

* Review of data/ inputs/ information which company could provide to us against the queries raised by the consultant.
* Final assessment as per the data /information available on record.

**Notes:**

1. *There is not a fixed criterion, formula or norm for the Valuation of Current Assets. It is purely based on the individual assessment and may differ from consultant to consultant based on the practicality he analyses in recoveries of the outstanding dues. Ultimate recovery depends on efforts, extensive follow-ups of the individual case by the company. So, our values should not be regarded as any judgement in regard to the recoverability of current assets but should only be read in terms of analysis.*
2. *For arriving at the Fair Value,* ***appropriate discounting factor against each current asset item is applied based on the nature of current asset and level of difficulty in realization of these.***
3. *No audit of any kind is performed by us at our end from the books of account or ledger statements. All the data/ information/ input/ details provided to us by the company/ lenders are taken by us as-it-is on good faith and assumed that that these are factually correct information.*
4. *This is a general assessment of the estimated fair value of the current assets based on the data/ input/ Information Company/ lenders could provide to us against our questions/ queries. In no manner this should be regarded as an audit activity/ report and NO micro analysis or detailed or forensic audit/ scrutiny of the financial transactions or accounts of any kind has been carried out at our end.*
5. *Review of data/ inputs/ information which company could provide to us against the queries raised by the consultant. Final assessment as per the data /information available on record.*
6. **SUMMARY OF VALUATION ASSESSMENT:**

*(Value in INR)*

|  |  |  |
| --- | --- | --- |
| **Particulars** | **Amount As On 31st March 2011** | **Fair Market Value** |
| **Assets** |  |  |
| **Non-Current Assets** |  |  |
| Property Plant & Equipment | 3,48,85,62,177.00 | 40,04,86,932.00 |
| CWIP | 5,75,22,627.00 | - |
| Investments | 30,59,89,904.00 | - |
| **Total Non-Current Assets** | **3,85,20,74,708.00** | **40,04,86,932.00** |
| **Current Assets** |  |  |
| Inventories | 2,55,86,99,429.00 | 2,20,92,000.00 |
| Trade Receivables | 92,20,62,216.00 | - |
| Cash and Bank Balance | 2,88,88,495.00 | - |
| Loans | 52,03,56,860.00 | - |
| **Total Current Assets** | **4,03,00,07,000.00** | **2,20,92,000.00** |
| **Total Assets** | **7,88,20,81,708.00** | **42,25,78,932.00** |
| **Liabilities** |  |  |
| **Non-Current Liabilities** |  |  |
| Secured Loan | 2,52,68,80,972.00 | 2,52,68,80,972.00 |
| Unsecured Loan | 75,84,26,375.00 | 75,84,26,375.00 |
| **Total Non-Current Liabilities** | **3,28,53,07,347.00** | **3,28,53,07,347.00** |
| **Current Liabilities** |  |  |
| Current Liabilities | 59,21,74,053.00 | 59,21,74,053.00 |
| Provisions | 96,54,897.00 | 96,54,897.00 |
| **Total Current Liabilities** | **60,18,28,950.00** | **60,18,28,950.00** |
| **Total Liabilities** | **3,88,71,36,297.00** | **3,88,71,36,297.00** |

1. **NAV AS A PROXY OF ENTERPRISE VALUE:**

**CALCULATION OF ENTERPRISE VALUE**

|  |  |
| --- | --- |
| **Particulars** | **Amount** |
| Total Assets (A) | INR 42,25,78,932.00 |
| Total Liabilities (B) | INR 3,88,71,36,297.00 |
| **Net Assets Value (NAV) (A-B)** | **NIL** |

As the fair value of the assets is less than the fair value of the liabilities, hence, the Net Asset Value (NAV) of M/s SVIL Mines Limited is estimated to be Nil.

|  |
| --- |
| **ADJUSTED NET ASSET VALUE (NAV) OF M/S SVIL MINES LIMITED** |
| **NIL** |

**Hence, the “Enterprise Value” of the Firm “M/s SVIL Mines Limited” is NIL.**

*This is only a general assessment of the current value of the Enterprise/Business based on the data/ input that the Bank/Client/Company could provide to us against our questions/ queries using the appropriate method with respect to the present scenario. In no manner this should be regarded as an audit activity/ report and NO micro analysis or detailed or forensic audit/ scrutiny of the financial transactions or accounts of any kind has been carried out at our end.*

1. **KEY ASSUMPTIONS:**
2. **NON-CURRENT ASSETS:**
3. **PROPERTY PLANT & EQUIPMENT**

* **PLANT LOCATED AT PIPROUNDH, KATNI**

|  |  |  |
| --- | --- | --- |
| **S. No.** | **Particulars** | **Indicative & Estimated Prospective Fair Market Value** |
| **1.** | Land Value (A) | Rs. 98,84,000/- |
| **2.** | Total Building & Civil Works (B) | Rs. 6,21,87,667/- |
| **3.** | Plant & Machinery Value (C) | Rs. 23,50,100/- |
|  | **Total Add** **(A+B+C)** | **Rs. 7,44,21,767/-** |

**Note:** *For detailed working, assumptions and calculations of the above valuation, please refer to the Fixed Asset Valuation Report [VIS (2024-25) - PL065-056-075(I)]*

* **PLANT LOCATED AT GUDRI, KATNI**

|  |  |  |
| --- | --- | --- |
| **S. No.** | **Particulars** | **Indicative & Estimated Prospective Fair Market Value** |
| **1.** | Land Value (A) | Rs. 5,66,35,320/- |
| **2.** | Total Building & Civil Works (B) | Rs. 25,12,57,864/- |
| **3.** | Plant & Machinery Value (C) | Rs. 1,81,71,981/- |
|  | **Total Add** **(A+B+C)** | **Rs. 32,60,65,165/-** |

**Note:** *For detailed working, assumptions and calculations of the above valuation, please refer to the Fixed Asset Valuation Report [VIS (2024-25) - PL065-056-075(II)]*

* **ASSET LOCATED AT NIMAS, KATNI**

As mentioned in the OVR, The Company also owns Land & Building and Plant & Machinery assets located in Village-Nimas, Kachargaon, Tehsil Salemnabad, Katni. Ownership documents are not shared with us regarding this property. Also, property couldn’t be found on google maps. Thus, we cannot comment upon the Estimated Fair Market Value of these properties.

* **FLATS**

As per OVR, apart from 2 nos. of plant total 06 nos. of Flats are also in the name of M/s SVIL Mines Limited. Copy of sale deed and approved sanction plan is not shared with us. Land area & plinth area of the residential property is not mentioned in the OVR. In the absence of required documents/information, we cannot comment upon the Estimated Fair Market Value of the property.

1. **CWIP**

As per audited balance sheet dated 31.03.2011, CWIP had a book value of INR 5,75,22,627. We have not received any details/ supporting documents regarding the Ownership documents, status of the construction, approved sanction plan, etc. In the absence of required documents/information, we cannot comment upon the Estimated Fair Market Value of the asset.

1. **INVESTMENTS**

As per audited balance sheet dated 31.03.2011, M/s SVIL had made investments of book value of INR 30,59,89,904. We have not received any details/ supporting documents regarding the terms and conditions under which these investments were made, current status of investees, etc. In the absence of required documents/information, we cannot comment upon the Estimated Fair Market Value of the investments. Thus, we have not assigned any value to these investments.

1. **CURRENT ASSETS:**
2. **INVENTORY**

The company operates mines situated at Mouza-Gudri, within Block-Sleemnabad, Tehsil-Bahoriband, District-Katni. During a virtual survey conducted on 26th September 2024, it was observed that the plant contains a substantial volume of inventory categorized as Finished Goods. These goods are stored across multiple locations within the plant premises, indicating significant stock levels.

However, despite the survey, crucial financial and quantitative details about the inventory remain unavailable. Specifically, neither the latest Balance Sheet nor the detailed inventory data, whether in terms of monetary valuation or physical quantity, has been shared with us. This lack of information limits our ability to accurately assess the inventory's value and overall contribution to the company’s assets.

The quantification of inventory at the site was conducted virtually with the assistance of the on-site Security Guard, Mr. Neeraj Yadav (+91 96859 51100). During this process, observations were made based on Mr. Yadav's inputs and the photographs he provided. These inputs offered a visual and descriptive understanding of the inventory stored at the plant. From the observations and photographic evidence, it is apparent that the majority of the inventory comprises White Marble. The photographs clearly depict substantial stacks of White Marble stored at various locations within the premises, confirming its predominance in the overall inventory. Details of the same are as follows: -

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Location** | **Approx. Size**  **(sq. ft.)** | **No. of marble Slab in Each Stand** | **Total No. of Stand** | **Total Slabs** | **Total Marble Slab Area (sq. ft.)** |
| Shed 1 | 16 | 16 | 40 | 640 | 10,240 |
| 32 | 11 | 20 | 220 | 7,040 |
| 20 | 22 | 171 | 3,762 | 75,240 |
| Shed 2 | 24 | 30 | 50 | 1,500 | 36,000 |
| Shed 4 | 38.5 | 40 | 60 | 2,400 | 92,400 |
| **TOTAL** | | | **341** | **8,522** | **2,20,920** |

Valuation of Marble Slabs is as follows: -

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| --- | --- | --- | --- |
| **Particulars** | **Book Value (In Rs.)** | **Estimated Fair Market Value (In Rs.)** | **Remarks** |
| Inventory (Marble Slab) | *Not shared* | 2,20,92,000 | Based on our market research, the price of White Indian Marble in India typically ranges between Rs. 35 and Rs. 200 per square foot. This wide variation in pricing is influenced by multiple factors, including the availability of the marble, its thickness, the complexity and cost of the extraction process, and, most importantly, the overall quality of the material.  It is important to note that several key details specific to the marble inventory in question, such as its precise quality, trade name, and other technical specifications, have not been made available to us. These details are essential for determining a more accurate and definitive valuation of the marble slabs.  In light of the absence of this critical information, we have opted to adopt a conservative approach to valuation. After careful consideration of market trends and the average price range, we have deemed it fair and reasonable to apply a rate of Rs. 100 per square foot for the marble slabs. This rate represents a balanced estimation that accounts for the potential variations in quality and market conditions, ensuring a prudent yet equitable assessment of the inventory's value. |
| **TOTAL** | **---** | **2,20,92,000** |  |
| ***REMARKS & NOTES: -*** | | | |
| 1. *Basis of the assessment is mentioned against observation made during survey based on the information provided to us by the Liquidator.* 2. *During the virtual survey, it was observed that some of the marble slabs were stored in wooden racks. However, many of these racks were found to be damaged. As a result, the marbles stored in these damaged racks were excluded from the inventory calculation.* 3. *The dimensions of the marble slabs were determined by the security guard using a method of random sampling for measurement.* 4. *Each stand contained marble slabs of various sizes. For inventory purposes, the size of the slabs in each stand was determined based on the size that was most prevalent.* 5. *The site contained marble slabs of varying qualities within each stand. However, due to the large quantity of slabs, it was not possible to segregate them based on quality.* 6. *The number of marble slabs in each stand was estimated based on a count conducted by the security guard for a few selected stands. Using this data, a range was determined and applied for inventory calculation in the corresponding area.* 7. *A large number of marble blocks were stored in the open; however, they were not counted due to their sheer quantity.* 8. *No audit of any kind is performed by us for the books of account or ledger statements and all this data/ information/ input/ details provided to us by the Liquidator/ Corporate Debtor are taken as is it on good faith that these are factually correct information.* 9. *There is no fixed criteria, formula or norm for the Valuation of Securities or Financial Assets. It is purely based on the individual assessment and may differ from valuer to valuer based on the practicality he/she analyses in recoveries of outstanding dues. Ultimate recovery depends on efforts, extensive follow-ups, close scrutiny of individual case made by the Corporate Debtor. So, our values should not be regarded as any judgment in regard to the recoverability of Securities or Financial Assets.* 10. *Since the company is not operational for a long time and as per bank, the liquidation process of the Corporate Debtor is being carried out on the piecemeal basis. Thus, only Liquidation Value on Piece-meal basis is arrived.* | | | |
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1. **TRADE RECEIVABLES**

As per audited balance sheet dated 31.03.2011, Trade Receivables had a book value of INR 92,20,62,216. We have not received any details/ supporting documents regarding the legality, status of counterparty, any outstanding dues against the same or not and terms & conditions of these receivables, etc. In the absence of required documents/information, we cannot comment upon the Estimated Fair Market Value of the Receivables. Thus, we have not assigned any value to these trade receivables.

1. **CASH & BANK BALANCE**

As per audited balance sheet dated 31.03.2011, Cash & Bank Balance had a book value of INR 2,88,88,495. We have not received any details/ supporting documents regarding the cash certificate, FD Details, Bank Statement, etc. In the absence of required documents/information, we cannot comment upon the Estimated Fair Market Value of the Cash & Bank Balance.

1. **LOANS**

As per audited balance sheet dated 31.03.2011, Loans had a book value of INR 52,03,56,860. We have not received any details/ supporting documents regarding the legality, status of counterparty, any outstanding dues against the same or not and terms & conditions of these receivables, etc. In the absence of required documents/information, we cannot comment upon the Estimated Fair Market Value of the Loans.

1. **Thus, the Fair Market Value of Total Assets is being calculated as INR 42,25,78,932.00 as on valuation date.**
2. The fair market value of Total liabilities has been considered as 100% of the book value as on 31st March 2011.

**Thus, the fair market value of Total Liabilities is being calculated as INR 3,88,71,36,297.00 as on valuation date.**

1. As the fair value of the assets is less than the fair value of the liabilities. Hence, the Net Asset Value (NAV) of M/s SVIL Mines Limited is estimated to be Nil.

**Hence, after deducting the Total Liabilities from the fair market value of Total Assets, the Adjusted Net Asset Value (NAV) is being calculated as Nil, which is being considered as the proxy of Enterprise Value of “M/s SVIL Mines Limited” based on above assumptions, details provided by the company and considering the current operational status of the company.**

* *Enterprise Valuation of the subject company has been done by using Net Assets Value (NAV) Method.*
* *The Net Assets Value (NAV) of the project has been calculated after the deduction of Liabilities from the Total Assets Value of the company.*
* *This is just an opinion report on Valuation based on the copy of the documents/ information provided to us by the client which has been relied upon in good faith and the assessment and assumptions done by us.*
* *The NAV method has been adopted for the calculation of Enterprise Valuation of the subject project since the project is categorized as NPA and as per the information provided by the banker/company, the future operation of the is uncertain as company is under Liquidation.*
* *No employee or member of R.K Associates has any direct/ indirect interest in the Project.*
* *This is only a general assessment of the Enterprise Value of the company based on the data/ input Company officials could provide to us against our questions/ queries and information available in the public domain. In no manner this should be regarded as an audit activity/ report and NO micro analysis or detailed or forensic audit/ scrutiny of the financial transactions or accounts of any kind has been carried out at our end.*

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| **Declaration** | 1. *The undersigned does not have any direct/indirect interest in the above property.* 2. *The information furnished herein is true and correct to the best of our knowledge.* 3. *This valuation work is carried out by our Financial Analyst team on the request from* ***Punjab National Bank, Zonal Sastra Centre Delhi, 1st Floor, 7th Bhikaji Cama Place, New Delhi – 110066.*** 4. *We have submitted Valuation report to the Client.* |
| **Number of Pages in the Repost** | 28 |
| **Enclosed Documents** | Disclaimer & Remarks 23-28 |
| **Place** | Noida |
| **Date** | 20th December 2024 |

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| **FOR ON BEHALF OF**  **M/S. R.K. ASSOCIATES VALUER & TECHNO ENGINEERING CONSULTANTS PVT. LTD.** | | |
| **PREPARED BY** | | **REVIEWED BY** |
| **Mr. Rachit Gupta** | **Er. Abhinav Chaturvedi** | **Mr. Gaurav Kumar** |
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| **PART D** | **IMPORTANT DEFINITION** |

***Definitions:***

* ***Enterprise Value:*** *Enterprise value (EV) is the corporate valuation of a company, determined by using market capitalization and total debt. Market cap comprises preference stocks, common stocks, and minority interest; total debt comprises short-term and long-term liabilities of the company. Enterprise value (EV) refers to the overall valuation—equity, debt, cash, and cash equivalents. In other words, it is the cost of acquiring a firm. The EV/EBITDA is an enterprise multiple. It correlates EV with earnings before interest, taxes, depreciation, and amortization. The metric determines whether the firm is undervalued or overvalued.*

*EV is computed using the following formula: EV = (Market Capitalization + Market Value of Debt – Cash and Equivalents).*

* ***Fair Market Value****suggested by the competent Valuer is that prospective estimated amount in his expert & prudent opinion of the subject asset without any prejudice after he has carefully & exhaustively evaluated the facts & information came in front of him related to the subject asset at which the subject asset should be exchanged between a willing buyer and willing seller at an arm’s length transaction in an open & unrestricted market, after proper marketing, wherein the parties, each acted knowledgeably, prudently and without any compulsion on the date of the Valuation.*

*Forced, under compulsion & constraint, obligatory sales transactions data doesn’t indicate the Fair Market Value.*

* ***Realizable Value*** *is the minimum prospective estimated value of the Company which it may be able to realize at the time of actual transaction factoring in the potential prospects of deep negotiations carried out between the buyer & seller for ultimately finalizing the transaction across the table. Realizable value may be 10-20% less than the Fair Market Value depending on the various salability prospects of the subject asset and the needs of the buyer & the seller.*
* ***Forced/ Distress Sale Value*** *is the value when the company has to be sold due to any compulsion or constraint like financial encumbrances, dispute, as a part of a recovery process, legal issues or any such condition or situation. In this type of sale, minimum fetch value is assessed which can be 15-25% less than the estimated Fair Market Value. In this type of sale, negotiation power of the buyer is always more than the seller and eagerness & pressure of selling the asset is more than buying it. Therefore, the Forced/ Distress Sale Value will always fetch significantly less value compare to the estimated Fair Market Value.*
* ***Liquidation Value*** *is the amount that would be realized when an asset or group of assets are sold on a piecemeal basis that is without consideration of benefits (or detriments) associated with a going-concern business. Liquidation value can be either in an orderly transaction with a typical marketing period or in a forced transaction with a shortened marketing period.*
* ***Difference between Costs, Price & Value:*** *Generally, these words are used and understood synonymously. However, in reality each of these has a completely different meaning, premise and also have different definitions in the professional & legal terms. Therefore, to avoid confusion, 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 asset and depends to a great extent on combination of various factors such as demand and supply, market situation, purpose, situation & needs of the buyer & seller, salability outlook, usability factor, market perception & reputation. Needs of the buyer & seller, salability outlook, usability factor, market perception & reputation.*
* *Therefore, in actual for the same asset, cost, price & value remain different since these terms have different usage & meaning.*

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| **PART E** | **DISCLAIMER | REMARKS** |

* + - 1. No employee or member of R.K. Associates has any direct/ indirect interest in the Project.
      2. This is just an opinion report on Valuation based on the copy of the documents/ information provided to us by the client which has been relied upon in good faith and the assessment and assumptions done by us.
      3. This report is prepared based on the copies of the documents/ information which the Bank/ Company has provided to us out of the standard checklist of documents sought from them and further based on our assumptions and limiting conditions. The client/owner and its management/representatives warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. All such information provided to us has been relied upon in good faith and we have assumed that it is true and correct in all respect. I/We shall not be 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. Verification or cross checking of the documents provided to us from the originals or from any Govt. departments/ Record of Registrar has not been done at our end since this is beyond the scope of our work. If at any time in future, it is found or came to our knowledge that misrepresentation of facts or incomplete or distorted information has been provided to us then this report shall automatically become null & void.
      4. This Valuation is prepared based on the current financial status of the company, financial data, other facts & information provided by the client in writing & during verbal discussion during the course of the assignment and based on certain assumptions which are specifically mentioned in the Valuation section of the Report.
      5. Key assumptions in the report are taken based on data, information, inputs, financial statements etc. provided by the client to us during the course of the assessment and on the basis of the assessment done by us and we have assumed that all such information is true & factual to the best of the knowledge of the promoter company.
      6. Sale transaction method of the asset is assumed as free market transaction while assessing Prospective Fair Market Value of the asset.
      7. Legal aspects for e.g., investigation of title, ownership rights, lien, charge, mortgage, lease, sanctioned maps, verification of documents, etc. have not been done at our end and same has to be taken care by legal expert/ Advocate. It is assumed that the concerned Lender/ Financial Institution has satisfied them with the authenticity of the documents, information given to us and for which the legal verification has been already taken and cleared by the competent Advocate before requesting for this report. I/ We assume no responsibility for the legal matters including, but not limited to, legal or title concerns.
      8. All observations mentioned in the report is only based on the visual observation and the documents/ data/ information provided by the client. No mechanical/ technical tests, measurements or any design review have been performed or carried out from our side during Project assessment.
      9. Bank/FII should ONLY take this report as an Advisory document from the Financial/ Chartered Engineering firm and its specifically advised to the creditor to cross verify the original documents for the facts mentioned in the report which can be availed from the borrowing company directly.
      10. In case of any default in loans or the credit facility extended to the borrowing company, R.K Associates shall not be held responsible for whatsoever reason may be and any request for seeking any explanation from the employee/s of R.K Associates will not be entertained at any instance or situation.
      11. We have relied on data from third party, external sources & information available on public domain also to conclude this report. 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 data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context, however still we can’t vouch its authenticity, correctness or accuracy.
      12. This Report is prepared by our competent technical team which includes financial experts & analysts. This report is a general analysis of the project based on the scope mentioned in the report. This is not an Audit report, Design document, DPR or Techno feasibility study. All the information gathered is based on the facts seen on the site during survey, verbal discussion & documentary evidence provided by the client and is believed that information given by the company is true best of their knowledge.
      13. Value varies with the Purpose/ Date/ Condition of the market. This report should not to be referred if any of these points are different from the one mentioned aforesaid in the Report.
      14. 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.
      15. This report is having limited scope as per its fields to provide only the general indication of the Value of Enterprise of the companies prevailing in the market based on the documents/ data/ information/ financial statements provided by the client and the assessment and assumption taken by us. The suggested value should be considered only if transaction is happened as free market transaction.
      16. Secondary/ Tertiary costs related to transaction like Stamp Duty, Registration charges, Brokerage, etc. pertaining to the sale/ purchase of the company are not considered while assessing the Market Value.
      17. Appropriate methodology & assumptions are rationally adopted based on the facts of the case came to our knowledge during the course of the assignment considering many factors like nature of Industry, current market situation and trends.
      18. 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 factors/ basis considered during the course of assessment before reaching to any conclusion.
      19. At the outset, it is to be noted that Value analysis 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 different factors, which have to be made. Therefore, there can be no standard formulae 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 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 make them informed and wise decision about the Value of the asset and can help in facilitating the arm’s length transaction.
      20. This report is prepared on the Enterprise Valuation format as per the client requirement. This report is having limited scope as per its fields to provide only the indicative Fair value of the company based on the current financial position, future prospects & current Industry trends. The Valuation assessed in this Valuation Report should hold well only if transaction is happened as per free market transaction. No detailed analysis or verification of the information is carried upon pertaining to the value of the shares of the subject companies. No claim for any extra information will be entertained whatsoever be the reason. For any extra work over and above the fields mentioned in the report will have an extra cost which has to be borne by the customer.
      21. As per the scope of the report no site survey has been carried out by us and no thorough vetting of the documents/ information provided to us has been done at our end.
      22. This is just an opinion report and doesn’t hold any binding on anyone. It is requested from the concerned stakeholder which is using this report that they should consider all the different associated relevant & related factors also before taking any business decision based on the content of this report.
      23. 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 up to their satisfaction & use and further to which R.K Associates shall not be held responsible in any manner.
      24. This Valuation report is prepared based on the facts of the companies provided to us during the course of the assignment. However, in future the assumptions taken may change or may go worse due to impact of Govt. policies or effect of World economy, Industry/ market scenario may change, etc. Hence before taking any business decision the user of this report should take into consideration all such future risk.
      25. The documents, information, data provided to us during the course of this assessment by the client is reviewed only up to the extent required in relation to the scope of the work. No document has been reviewed beyond the scope of the work.
      26. In case of any default in repayment of credit facility extended to the borrowing company, as estimated by us, R.K Associates shall not be held responsible for whatsoever reason may be and any request for seeking any explanation from the employee/s of R.K Associates will not be entertained at any instance or situation.
      27. This report only contains general assessment & opinion as per the scope of work evaluated and based on technical & market information which came to knowledge during course of the assignment as per the information given in the copy of documents, information, data provided to us and/ and 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 including but not limited to express of any opinion on the suitability or otherwise of entering into any transaction with the borrower.
      28. This Valuation is conducted based on the macro analysis of the asset/ property and operations of the companies and not based on the micro, component or item wise analysis. Analysis done is a general assessment and is not investigative in nature.
      29. This report is prepared following our Standard Operating Procedures & Best Practices, Limitations, Conditions, Remarks, Important Notes, Valuation TOR.
      30. Valuation is done based on the industry wide general accepted norms and based on the international standards & best practices for enterprise valuation.
      31. Any kind of unpaid statutory, utilities, lease, interest or any other pecuniary dues on the asset has not been factored in the Valuation.
      32. 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.
      33. Defect Liability Period is 15 DAYS. We request the concerned authorized reader of this report to check the contents, data and calculations in the report within this period and intimate us in writing if any corrections are required or in case of any other concern with the contents or opinion mentioned in the report. Corrections only related to typographical, calculation, spelling mistakes, incorrect data/ figures/ statement will be entertained within the defect liability period. Any new changes for any additional information in already approved report will be regarded as additional work for which additional fees may be charged. No request for any illegitimate change in regard to any facts & figures will be entertained.
      34. R.K Associates encourages its customers to give feedback or inform concerns over its services through proper channel at valuers@rkassociates.org in writing within 15 days of report delivery. After this period no concern/ complaint/ proceedings in connection with the Financial Feasibility Study Services will be entertained due to possible change in situation and condition of the subject Project.
      35. 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.
      36. This Enterprise 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 it is the responsibility of the user of this report to immediately or at least within the defect liability period bring all such act into notice of R.K Associates management so that corrective measures can be taken instantly.
      37. R.K Associates never releases any report doing alterations or modifications from pen. In case any information/ figure of this report is found altered with pen then this report will automatically become null & void.
      38. If this report is prepared for the matter under litigation in any Indian court, no official or employee of R.K Associates will be under any obligation to give in person appearance in the court as a testimony. For any explanation or clarification, only written reply can be submitted on the additional payment of charges.