



CIN: L65190MH2004GOI148838

आईडीबीआई बैंक लिमिटेड

पंजीकृत कार्यालय : आईडीबीआई टॉवर,

डब्ल्यूटीसी कॉम्प्लेक्स, कफ़े पारेड,

मुंबई - 400 005.

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वेबसाइट : www.idbi.com

IDBI Bank Limited

Regd. Office : IDBI Tower,

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Mumbai - 400 005.

TEL: (+91 22) 6655 3355, 2218 9111

FAX: (+91 22) 2218 0411

Website : www.idbi.com

In Duplicate

Ref.No. IDBI/NMG/NFCL/2022-23/ 114

May 4, 2022

R. K Associates Valuers & Techno Engineering Consultants Private Limited  
DBS Heritage House,  
Prescott Street, Fort,  
Mumbai - 400 001.

Dear Sirs,

**Nagarjuna Fertilisers & Chemicals Ltd (NFCL)**  
**Appointment of Valuer**

Nagarjuna Fertilizer and Chemicals Limited (NFCL), engaged in manufacture and trading of fertilisers & urea, nutrients, micro-irrigation and agri-informatics with Registered Office at Hyderabad, is an assisted client of IDBI Bank. The Lenders Consortium wishes to appoint a valuer to carry out valuation exercise of all the assets of NFCL ("Assignment").

In this regard, in response to our quotation dated. April 27, 2022, you had evinced interest in taking up the assignment and submitted quotations dated April 29, 2022. We, based on the quotation submitted by you vide your above referred communication, are pleased to engage services of R. K Associates Valuers & Techno Engineering Consultants Pvt. Ltd. as Valuer ("Appointment") for carrying out the Assignment. This appointment shall be governed by the following terms and conditions.

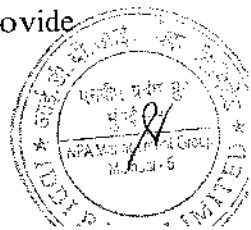
**I. Indicative Scope of Work**

The broad scope of work covering the Assignment is as per **Annexure I**, hereto. The aforesaid Assignment and / or scope of work could be modified / expanded if so desired by IDBI Bank / Lenders, by mutual agreement between IDBI Bank and yourselves. Format for valuation report has been furnished in **Annexure II**.

Further, you shall submit a Declaration-cum-Undertaking on your letter head as per format furnished at **Annexure III**, if the terms contained herein this letter as acceptable to you.

**II. Fees**

A professional fee of Rs.13.00 lakhs (Rupees Thirteen Lakh only) plus applicable taxes shall be paid for the Assignment. Payment of entire fee would be made after submission of final valuation report to the satisfaction of IDBI Bank. You would be required to provide





any other clarification/information on the report as may be required without payment of any additional charges. Other terms and conditions will be as per the offer of Empanelment letter.

### **III. Confidential Information**

In this Agreement, "Confidential Information" means all technical and commercial information relating to the Company that is disclosed to Advisor either orally or in writing in the course of carrying out the Assignment, except for the following: -

- i. any information which is generally available to the public other than as a result of a breach of the Valuer's obligations in the Agreement.
- ii. any information that IDBI Bank and NFCL consent to be distributed or disclosed.
- iii. any information that is required by law or the rules of any applicable regulatory organization, to be disclosed.

The Valuer understands and acknowledges that the Confidential Information has been developed or obtained by the aforesaid companies by the investment of significant time, effort and expense, and that the Confidential Information is a valuable, special and unique asset of the said companies, which provides these companies with a significant competitive advantage, and needs to be protected from improper disclosure.

In consideration for the provision of the Confidential Information, Valuer agrees not to disclose or communicate any of the Confidential Information to any person, except for disclosure to employees or affiliates of Valuer who need to receive Confidential Information for the purposes of executing the Assignment.

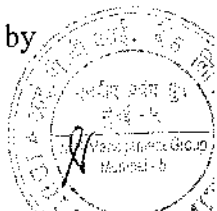
If Valuer has disclosed (or has threatened to disclose) Confidential Information in violation of this Agreement, NFCL, independently and collectively, shall be entitled for an injunction to restrain Valuer from disclosing, in whole or in part, the Confidential Information. NFCL shall not be prohibited by this provision from pursuing other remedies.

### **IV. Conflict of Interest**

The Valuer has not been appointed by any other party for the purpose of the Assignment and has no conflict of interest as at the date of this letter in respect of this Appointment. The Valuer will notify IDBI Bank and NFCL as soon as possible of any instructions it receives from third parties, which may in its reasonable opinion conflict with the interests of IDBI Bank and NFCL with regard to the Assignment provided under the terms of this Appointment.

### **V. Termination**

IDBI Bank may terminate this Appointment by giving 7 days' written notice. In the event of termination by IDBI Bank, all Fees due and payable for the Assignment completed by



Valuer till the date of termination shall be paid to Valuer within 7 days of the date of termination.

**VI. Liability**

The Valuer will exercise reasonable skill, care and diligence in relation to the Assignment, and IDBI Bank shall be entitled to rely on the exercise of Valuer's reasonable skill and care in respect of those matters relating to the Assignment or arise out of carrying out such Assignment.

**VII. Governing Law**

The Appointment shall be governed by and construed in accordance with the laws of the Republic of India.

**VIII. Disputes**

Any dispute in relation to the matters set out in this letter shall be resolved by mutual discussions.

**IX. Assignment**

Valuer shall not assign this Appointment or any portion of it without the prior written consent of IDBI Bank.

**X. Communication**

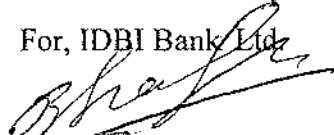
Any communication under this Appointment shall be made in writing to the address specified hereinafter:

The Deputy General Manager, IDBI Bank, World Trade Center Complex, 7 <sup>th</sup> Floor, LCG, D – Wing, IDBI Tower, Cuffe Parade, <b>Mumbai – 400 005.</b>	The Managing Director Nagarjuna Fertilisers and Chemicals Limited Nagarjuna Hills, <b><u>Hyderabad – 500 082.</u></b>
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IDBI Bank reserves the right to amend any of the above terms and conditions with prior notice.

We request you to confirm your acceptance of the above mentioned terms and conditions at the earliest and in any case, within three days from the date of receipt of this letter.



Yours faithfully  
For, IDBI Bank Ltd.  
  
(Bhavik Shastri)  
(Deputy General Manager)

CC: Nagarjuna Fertilisers & Chemicals Ltd.

I acknowledge that I have read this letter (Ref.No. IDBI/NMG/NFCL/2022-23/114 dated May 4, 2022) on behalf of **R. K Associates Valuers & Techno Engineering Consultants Pvt Ltd** and accept the appointment to act as Valuer for the Assignment on the terms and conditions as set out in this letter.

**SIGNED FOR AND ON BEHALF OF R. K Associates Valuers & Techno Engineering Consultants Pvt. Ltd.**

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Position: \_\_\_\_\_

We hereby confirm, in terms of this letter (Ref.No. IDBI/NMG/NFCL/2022-23/114 dated May 4, 2022), Nagarjuna Fertilisers & Chemicals Ltd would be responsible for providing all relevant documents and sharing of information sought by **R. K Associates Valuers & Techno Engineering Consultants Pvt. Ltd.** We agree to the terms contained in this letter.

**SIGNED FOR AND ON BEHALF OF NAGARJUNA FERTILISERS & CHEMICALS LTD**

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Position: \_\_\_\_\_



**Annexure I**  
**Indicative Scope of Work**

**Scenario:**

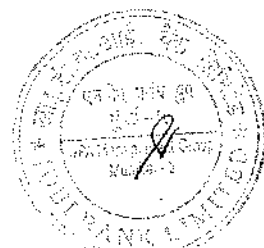
- I. Fair Market Value, Realizable Sale Value & Distress Sale Value of all the assets of the company (Balance Sheet Line Item-wise with Asset-wise Break-up)
- II. Liquidation Value (As per RBI circular dt. Jun 07, 2019)
- III. Enterprise Value.

**Additional Terms**

1. The valuer shall scrutinize the property and examine/ascertain all requisite sanctions/ approvals from the local authorities /statutory bodies as applicable to the class of asset being valued and offer its comments.
2. The valuation shall take into consideration any encumbrances like unpaid statutory dues, power dues, tenants living in the premises, encroachments etc.
3. In case of immovable property circle rate to be indicated.
4. Information on any location/environmental deficiency to be highlighted in the report.
5. Photographs of property/assets should form part of the valuation report.
6. The assignment for carrying out valuation of land parcels should be completed within a period of 2 weeks.
7. The Professional Fee is inclusive of expenses incurred by the valuer and/or its representative/s, for visits to the Bank's administrative offices and/or attending any of the meetings at Bank's Office as and when required/ requested.
8. You may submit the report covering above aspects which are not exhaustive but an illustrative one and you can include other aspects in your report as deemed necessary to protect the interests of our bank.
9. Before finalizing your report, you may circulate a draft report for discussion purpose.
10. The report should be objective based on facts and figures and supported by necessary evidence/ papers, wherever applicable. If you are unable to submit any detailed workings etc. on account of your code of conduct, please note that all the records (including the detailed workings) should be preserved for at least 5 years.
11. Please note that after receipt of report, the Bank may need clarification / additional information from you, if it is felt necessary. Before carrying out the above assignment, you will have to sign a "Declaration of Fidelity and Secrecy" and also to submit a letter of undertaking as per the prescribed format given in Annexure III. Please accept the valuation assignment as per the terms and



- conditions stated above and return back a copy of the assignment offer letter duly signed and accepted by you as a token of your acceptance.
12. The valuer will carry out Physical identification and listing of fixed assets/ immovable properties and confirmation of the inventory of fixed assets.
  13. The valuer will carry out identification of security interest created against particular assets in favour of lenders/banks.
  14. The valuer will carry out classification of fixed assets into core assets and surplus assets.
  15. In case of core & surplus fixed assets, the valuer will separately determine:
    - a) Book value of the fixed assets
    - b) Market value of the fixed assets
    - c) Realizable value of fixed assets
    - d) Distress value of the fixed assets
  16. The valuer will review depreciation records and methodologies for the assets and comment on its adequacy.
  17. The valuer will carry out identification of additional assets offered by Promoters, subsidiaries and charged to lenders along with
    - a) Identification of security interest created against assets already charged to lenders
    - b) In case of assets already created/envisaged to be charged to lenders under the restructuring scheme, if applicable, determine
      - i. Book value of the fixed assets
      - ii. Market value of the fixed assets
      - iii. Realizable value of the fixed assets
      - iv. Distress value of the fixed assets
  18. Valuer to reconcile Book Value of Assets with the latest Audited results.
  19. Physical inspection of all assets being valued for taking measurements and details thereof, ascertaining their condition and assess their valuation on the following basis indicating appropriate methodology adopted for the purpose:
    1. Book value
    2. Fair market value
    3. Realisable value – as a going concern
    4. Distress sale value.
    5. Enterprise value
  20. The Valuation report shall be accompanied with photographs of the relevant assets/documents and are to be duly certified by the authorized person of the valuation firm.
  21. The report shall cover details of the unit such as address, ownership, lease hold or free hold, actual extent of area, variation in area, in any, to be indicated.



22. The report shall cover the market price of the area as compared to prices considered in similar transactions in the recent past and also as per the norms fixed by the Revenue Authorities of the area.
23. Conflict of interest, if any, in the assets being valued, to be disclosed by the valuer in the valuation report.
24. The firm should maintain utmost secrecy of the assignment and not to use IDBI Bank's name, Symbol in their letterheads, sign boards, nameplates etc.
25. The firm should scrutinize the property technically and examine all technical sanctions required from the local authorities, permissions of building plan, town planning department clearance, environmental certificate to be ascertained and also to be obtained if necessary. In case of plant and machinery, the invoices, Certificate of inspection from the respective government authorities, log book etc. to be verified at the time of taking stock of inventory.

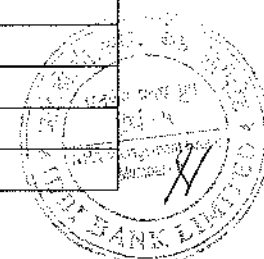




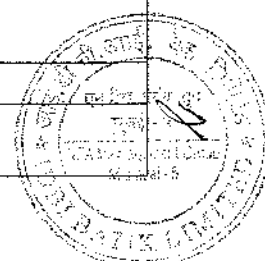
### **Annexure II**

**(Indicative Valuation Report-as per format dated Dec 29, 2020)**

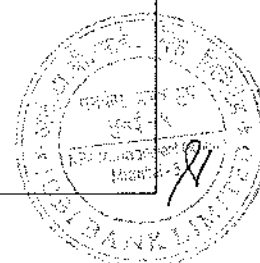
	Name of empanelled Valuer	
	Background of the company:	
	Identity of valuer and any other experts involved in the valuation	
<b>I</b>	<b>General</b>	
1.	Purpose for which the Valuation	
2.	Name of the Branch	
3.	Date of Visit	
4.	Name & Designation of the Bank official accompanied the valuer on the date of the visit	
5.	Date as on which valuation is made	
6.	List of documents produced for perusal	
7.	Name of the owner/ owners of the property and address	
8.	Is the property is under single/ joint or Co-ownership	
9.	If the property is under joint ownership/Co-ownership, share of each such owner	
10.	Brief description of the property	
11.	Location of the property	
a)	Survey/Plot No.	
b)	Door No.	
c)	TS No./ Ward No.	
d)	Street Name	
e)	Place, Taluka, District	
f)	Location coordinated	
12.	Boundaries of the property	As per Sale Deed
a)	North	
b)	South	
c)	East	
d)	West	
13	Dimensions of the site	



14	Extent of the site	
	North	
	South	
	East	
	West	
15.	Extent of the site considered for valuation	
16.	Whether occupied by the owner/ tenant? If tenant since how long and rent received per month/ annum	
II.	<b>CHARACTERISTIC OF THE PROPERTY</b>	
1.	Is the property situated in residential/ commercial/ mixed area/ industrial area/ Agricultural area?	
2.	Type of property – whether	
a)	Agriculture	
b)	Industrial	
c)	Residential	
d)	Commercial	
e)	Others specify	
3.	If the property is agricultural Land	
a)	Whether the land is dry or wet	
b)	Availability of Irrigation facility	
c)	Type of crops grown	
4.	If the property is other than agricultural usage/ classification, furnish the notification/ proof for classifying the property as residential/ industrial/ commercial property (Enclose copies of the proof/ Notifications etc.)	
5.	If the property is residential classification of the area	
a)	High/Middle/Poor	
b)	Metro/urban/Semi urban/Rural	



6.	Road facility	
7.	Type of road available at present	
8.	Present width of the road	
9.	Is it a corner plot/ intermitant plot	
10.	Is it a land-locked land	
11.	Possibility of frequent flooding	
12.	Level of Land with topographical conditions	
13.	Shape of the land	
14.	Whether coming under Corporation limit/ Municipality/Village	
15.	Proximity to civic amenities, like schools, hospitals, offices, markets, cinemas, etc.	
16.	Means and Proximity to surface communication by which the locality is serve Land:	
17.	Roads, streets o lanes on which the land is abutting.	
18.	Is the land is freehold or lease hold	
19.	Is it leasehold, the name of lessor/lessee, nature of lease, dates of commencement and termination of lease and terms of renewal of lease:	
20.	Is there any restrictive covenant in regard to use of land? If so, attach a copy of the covenant	
21.	Are there any agreements of easements? If so attach copies	
22.	Does the land fall in an area included in any Town planning Scheme or any Development Plan of Government or any statutory body? If	



	so, give particulars	
23.	Has any contribution been made towards development or is any contribution been made towards development or is any demand for such contribution still outstanding?	
24.	Has the whole or part of the land been notified for acquisition by Government or any statutory body? Give date of the notification	
25.	Any restriction of the usage of the property	
26.	Source of water and water potentiality	
27.	Type of Sewerage system	
28.	Availability of power supply	
29.	Advantages of the property	
30.	Disadvantages of the property (including unpaid statutory dues, power dues, tenants living in the premises, encroachments etc.)	



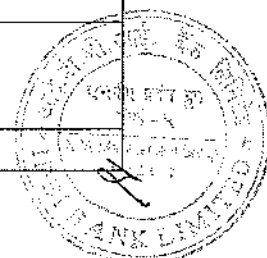
**Valuation of the Property**  
**PART-A-LAND**

1.	Dimensions of the property/ site	
2.	Total extent of the area / plot	
3.	Year of acquisition/ purchase of the property	
4.	Acquisition/ purchase price of the property	
5.	Guideline/ card rate obtained from the registrar Office (enclose copy)	
6.	Give instances of sales of immovable property in the locality on a separated sheet, indicating t the name and address of the property, registration No., sale price and area of land sold	
7.	Prevailing market rate/value	
8.	Assessed/ Adopted rate for valuation (if the assessed/ adopted rate is more than 50% of the guideline rate, justification for considering higher value to be explained)	
9.	Estimated value of the land	
10.	Conservative/ forced dale value of the land	



### PART-B-VALUATION OF BUILDING

1.	Type of Building (Residential/Industrial/Commercial)	
2.	Type of Construction (Load Bearing/RCC/ steel framed/ AC Sheet etc.)	
3.	Year of construction	
4.	Number of floors and height of each floor including basement if any	
5.	Plinth area floor wise	
6.	Condition of the Building	
	a. Exterior	
	b. Interior	
9.	Estimated value of the land	
7.	Whether building approval is available?	
8.	Any major deviation from approved plan?	
9.	Is the building insured? If so, give the policy No. amount for which it is insured and the annual premium.	
10.	Furnish technical details of the building on a separate sheet (The Annexure to this form may be used)	
11.	What was the method of construction (by contract/ by employing labour directly/ both?	
12.	For item of work done on contract, procedure copies of agreements.	
13.	For items of work done by engaging labour directly, give basic rates of materials and labour supported by documentary proof.	
14.	Valuation of the building (Detail may be attach as annexure)	
15.	(i) is the building owner- occupied/tenanted/both? (II) If party owner-occupied, specify portion and extent of area under owner-occupation	
16.	What is the Floor space Index permissible and percentage actually utilized	
17.	Are any of the occupants related to, or close business associates of the owner	
18.	Is any dispute between landlord and tenant regarding rent pending in a court of law	
19.	Ha any standard rent been fixed for	



	the premises under any law relating to the control of rent?	
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### PART C: VALUATION OF EXTRA ITEMS

1.	Portico	
2.	Ornamental front door	
3.	Sit-Out/ verandah	
4.	Overhead water tank	
5.	Gates etc	

### PART D: VALUATION OF AMENITIES

1.	Wardrobes	
2.	Interior decoration	
3.	False ceiling	
4.	Architectural elevation work	
5.	Swimming pool etc	

### PART E: VALUATION OF SERVICE PROVIDED

1.	Water supply arrangement	
2.	Drainage arrangement	
3.	Compound wall	
4.	Caution deposit etc	

### Details of Valuation

Item	Area	Unit	Rate	Reinstatement value	Age	Depreciation	Value after depreciation
Land/plot(ac.0-24gts)							
Building value (RCC Framed structure value)							
GF							
FF							
Amenities, like compound wall, UG tank, bore well, site Development etc							
Total							



### SUMMARY OF VALUATION

Item	Land Value			Building Value in Rs.	Total Value in Rs.
	Area	Rate per unit	Land Value in Rs.		
SRO/DLC (Govt) Value					
Fair market Value					
Realizable Market Value					
Forced/Distress sale value					

- The fair Market value of the Property (FMV):
- The Realizable Sale Value of the Property (RSV):
- The Distress Sale value of the Property (DSV):

#### **Method of Valuation:**

Here, the procedure adopted for arriving at the valuation has to be highlighted. The valuer may consider various approaches of property valuation and state explicitly the reasons for adoption of a particular approach and the basis on which the final valuation judgment is arrived at. A detailed analysis and descriptive account of the approaches, assumptions made, basis adopted, supporting data (in terms of comparable sales), reconciliation of various factors, departures, final valuation arrived at has to be presented here.

#### **Declaration:**

I hereby declare that:

- a) The information provided is true and correct to the best of my knowledge and belief.
- b) The analysis and conclusions are limited by the reported assumptions and conditions.
- c) I have read the Handbook on Policy, Standards and Procedures for Real Estate Valuation, 2011 of the IBA, fully understood the provisions of the same and followed the provisions of the same to the best of my ability and this report is in conformity to the Standards of Reporting enshrined in the above Handbook.
- d) I have no direct or indirect interest in the property valued.
- e) I / my authorized representative by the name of .....who is also a 'valuer', has inspected the subject property on .....
- f) I am a 'valuer' as per the provisions of the above referred Handbook in Category ..... and fulfill the education, experience and other criteria laid out therein.
- g) I abide by the Code of Conduct as provided by the above referred Handbook.
- h) Restrictions on use of the report, if any;
- i) Caveats, limitations and disclaimers to the extent they explain or elucidate the limitation faced by the valuer.





Name and address of the Valuer

.....  
.....

Name of Valuer Association of which I am a bonafide member  
in good standing .....

Membership Number .....

Signature of the Valuer .....

Date .....Tel.No.....

Mobile no.....

e-MAIL .....

**ENCLOSURES:**

Layout plan of the area in which the property is located

-Building plan

-Floor plan

-Photographs of the property being valued

-Any other relevant documents/extracts



**Annexure-III**  
**Declaration cum Undertaking**  
**[On the Valuer's Letter Head]**

We, \_\_\_\_\_, the independent Valuer, hereby declare that we will faithfully, truly and to the best of our skill and ability execute and perform the duties required of us as consultants of IDBI Bank Ltd and which properly relate to the office or position in the said IDBI Bank Ltd held by us.

We further declare that, we have no direct or indirect interest in the Borrowing arrangements made/ being made available to the Borrower company.

We further declare and undertake, that we will not, except under legal compulsion or as a statutory obligation, communicate or allow to be communicated to any person not legally entitled thereto any information relating to the affairs of our client \_\_\_\_\_ (name of the Company), including its associates/subsidiaries or to the affairs of any person having any dealing with the IDBI Bank nor will we allow any such person/s to inspect or have access to any books or documents belonging to or in the possession of \_\_\_\_\_ (name of the Company), its associates/subsidiaries, including hardware, software, data communication network and information / data held on systems, and relating to the business of \_\_\_\_\_ (name of the Company) including its associates/subsidiaries or to the business of any person having any dealing with IDBI Bank and \_\_\_\_\_ (name of the Company) including its associates/subsidiaries.

We also undertake that the assignment of conducting valuation allotted to us will be done only by appropriately professionally qualified persons employed by our firm/company and under any circumstances, we shall not, except with the express written consent of IDBI Bank Ltd., entrust the work to any other firm/s on contract or on any other basis.

We also undertake that, in case of erroneous / misrepresentation of valuation, IDBI Bank Ltd. reserves the right to report the matter to the Institute of Valuers and to initiate such action as deemed necessary for recovery of compensation / penalty for such erroneous / misrepresentation of valuation.

Place :

Date :

**Signature & Seal**

