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Ref No: PCA/OOL/Karnataka /2023-24/002

Date: 11th May 2023

The Office of Official Liquidator
High Court of Karnataka
Corporate Bhavan,
No 26-27, 12th Floor
Raheja Towers , M G Road
Bangalore 560 001

Sub: Valuation Report of Plant and Machinery of M/s Taurus Novelties Limited (In Liquidation) Located at Chokkarasanapalli Village, Hosur Taluk, Krishnagiri / Dharmapuri Dist, 635 124 Tamil Nadu (Google Coordinates 12° 50' 54" N 77° 50' 11" E) and Registered Office at No 9, Old No 402, 3rd Floor, 30th Main , 9th Cross, J P Nagar, 1st Phase Bangalore 560 078 (Google Coordinates 12° 54' 37" N 77° 34' 53" E)

Ref: Letter from the Office of the Official Liquidator Ref OLB/S-4 NKR)/Co.P.187/2011/Valuer /5786 /2023 dated 24th April 2023

Scope: To estimate the "Fair Value" and "Liquidation Value "of subject asset on the day of Order of Liquidation Dated 7th October 2022 from The Office of Official Liquidator.

With reference to the above we have visited and inspected the subject assets on the 2nd May 2023 between 11:30 AM 2:50 PM at the Premises of M/s. Taurus Novelties Limited. located at Chokkarasanapalli Village and at J P

Nagar as per the address above in the presence of Sri Krishna Reddy from the Office of the Official Liquidator, Raheja Towers, M G Road, Bangalore 560 001 (Mobile: 86185 98576)

The present Market Value prevailing for these types of Assets/ Fixtures, their Marketability, Age of the Assets, Depreciation, Present Working Condition / Status, Wear and Tear, Periodical Maintenance done, further useful life of the assets etc. are the aspects that are given due consideration while compiling this valuation report.

- As per International Valuation Standards, there are three approaches to valuation viz., a) Direct market comparison approach, b) Income approach and c) Cost approach, that are discussed under this report.
 - The definition of Fair value is as follows
 - "Fair Value means the estimated Realizable Value of the Assets of the Corporate debtor, if they were to be exchanged on the Insolvency commencement date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had acted knowledgeably, prudently and without compulsion". The definition of Fair Value as per Insolvency and Bankruptcy Code is by and large similar to the definition of Market Value as per the International Valuation Standards.
 - The definition of liquidation value as per Insolvency & Bankruptcy Code is as follows.
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"Liquidation value means the estimated realizable value of the assets of the Corporate Debtor, if the Corporate Debtor were to be liquidated on the Insolvency Commencement Date " .

- The unit was closed and not functioning during the time of our visit and present overall condition of the machines and allied assets are very poor as perceived. All the Machines /Equipment's have completely served and exceeded their economic life. During our discussions we understand that the Plant was commissioned in the year 1995 and shut down operations in the year 2002. This scenario coupled with current poor status / condition of equipment as well change in technological advancement of similar machines has turned the present plant into redundancy which could result in poor marketability in present condition.
- We have been made available the list of assets in the form of Plant and Machinery for the purpose of this Value estimate with basic names of each equipment without details as regards to specifications. The equipment's from the list were identified and verified by us to the best of our knowledge and ability. The number of items as per the list and those physically available in the unit during the time of our visit were verified and recorded in this report.
- In the absence of detailed specifications of machineries, cost and date of acquisition, Invoices, Fixed Asset Register, Balance sheet of the company this value estimated herein is based on the physical inventory and observation, along with analysis carried out by us during the course of inspection of assets to the best of our knowledge and ability. Hence this

value estimate does not confirm the ownership by present user / owner of the assets / Machinery under discussion.

- Most of the above machines are special purpose machines that include fixtures / attachments which are meant for specific / special applications of the present user and fetch the above value only in the hands of similar other users.
- The costs of the essential Electricals / Fixtures/ Attachments / Accessories to the machines wherever applicable have been taken into consideration while arriving at the above values.
- The valuation is done for the above machinery in present location taking into consideration current condition / status of the Machines on "As is where is Basis" for continued use from same location, as value in use "In Situ". Since the machines / equipment's are very poor in condition and the extent of repairs required are not known the Repair and reconditioning cost is factored accordingly in arriving at the fair value.
- The above Machine Fixtures / Attachments are meant for specific / special applications of the present user and will fetch the above rate only in the hands of similar other user as all the machines under discussion are industry specific.
- Rapid Technological Strides have been made in the machines used in the Subject Process and Obsolescence is a major contributor to the Value arrived and is factored accordingly. Obsolescence is one of the factors which will have a bearing on the market value for the subject assets. The

Obsolescence related with these machines are mainly Technological / Functional Obsolescence.

- Statutory permissions and licenses are required to be applied afresh and this is factored in the fair value estimate.
- It was also observed that Drives of most of the Machines were missing and if available are in a bad state.
- We have not examined details as regard to insurance over above assets, hence no comments made in this regard.
- The quantity of each of the above machine is One number / One unit / One Set wherever it is not indicated.
- Though individual values have been assigned to each set or group of items, being sub-groups or portions of equipment's they do not have market in isolation and can fetch estimated value in combination of all items in lump sum manner
- Teak Trees as per the list is not valued as it does not fall under the scope of Plant & Machinery Valuer.
- The valuation is done for above Machineries / Equipment's in present location taking into consideration current condition on the basis of Cost Approach. Market approach is not useful in the instant case as these types of assets, being specialised in nature, are not commonly bought and sold in the market and hence no data is available.

- The rates for equipment's for the purpose so recognized by us and cross verified from market sources that are for basic equipment's and are brought to the level of use thereafter appropriate treatment of age, their current condition and maintenance including balance economic life are estimated before identifying their salvage value.
 - Most of the machines installed in the unit are specialised machines and we have not examined any Patent, Technology, Copy Right/Trade Mark if any that are registered by the company for its process or products which have a bearing on the market value of the specialised machines are assumed to be Nil for the purpose of this Valuation exercise.
 - This valuation exercise does not confirm ownership of M/s. Taurus Novelties Ltd., over the assets valued as well as techno economic viability of the assets valued (being out of scope).
 - We have not examined the Fixed Assets Register, Company / Firms balance sheet etc. This value estimate does not confirm the ownership by present user / owner of assets over them. For the purpose of this value estimate, we have assumed that all assets under discussion are free from all encumbrances.
 - We have not verified the legal issues relating to the title of corporate debtor over the assets, litigation issues, court cases, if any, as they are outside the Scope of this valuation exercise, and it is assumed that all these issues are looked into separately (if required) and same are in order for the purpose of this valuation exercise.
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- Our verification of assets was on the spirit of assets statement made available to us by the Appointing Authority.
- The corporate debtor has its facility at Chokkarasanapalli Village, Hosur Taluk, Krishnagiri / Dharmapuri Dist, 635 124 Tamil Nadu and Registered Office at No 9, Old No 402, 3rd Floor, 30th Main, 9th Cross, J P Nagar, 1st Phase Bangalore 560 078.
- This valuation exercise is a pure asset valuation (Machinery and Equipment, supporting production equipment's only) and excludes Land, Building, Teak Trees, Inventory and Civil Works.
- All the data made available to us by the Appointing Authority are relied upon in good faith so also the market data collected by us including verbal information for analysis, and we shall not be held responsible for any inaccurate data
- In the absence of FAR, the list of assets made available to us by the Appointing Authority / Information made available by the Company representative are relied upon for this exercise.
- All assets belonging to the Corporate Debtor as discussed in this report are appended to this report as Annexure 1 along with few sample photos of assets under discussion as Annexure 2

The Nature and source of Information relied:

We have relied on information gathered by the representative of the Company during our visit to the site are used in this report and are relied

upon. We assume them to be true and accurate. We do not take any responsibility for inaccurate data furnished to us if any.

The Fair Value of the Plant & Machinery / Assets of M/s Taurus Novelties Ltd at Location Chokkarasanapalli Village Housr Taluk is estimated at Rs. 32.50 Lakhs (Rupees Thirty Two Lakhs and Fifty Thousand Only)

The Liquidation Value of the Plant & Machinery / Assets of M/s Taurus Novelties Ltd at Location Chokkarasanapalli Village Housr Taluk is estimated at Rs.24.37 Lakhs (Rupees Twenty Four Lakhs and Thirty Seven Thousand Only)

The Fair Value of the Plant & Machinery / Assets of M/s Taurus Novelties Ltd at Location J P Nagar 1st Phase Bangalore is estimated at Rs 7,470.00 (Rupees Seven Thousand Four Hundred and Seventy Only)

The Liquidation Value of the Plant & Machinery / Assets of M/s Taurus Novelties Ltd at Location J P Nagar 1st Phase Bangalore is estimated at Rs 5,229.00 (Rupees Five Thousand Two Hundred and Twenty Nine Only)

Declaration:

- The Plant and machineries at 2 Locations as mentioned above were inspected by the undersigned on 2nd May 2023 between 11.30 AM and 2:50 PM in the presence of Sri. Krishna Reddy from the Office of the Official Liquidator, Raheja Towers, M G Road, Bangalore 560 001 (Mobile: 86185 98576).

- The undersigned does not have any direct/indirect interest in the above property
- The information furnished herein is true and correct to the best of our knowledge.
- We owe responsibility to only to the authority/client that has appointed us under the terms of the engagement letters. 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.
- 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. We have relied upon the representations of the owners/clients, their management.
- We shall not be liable for any loss, damages, cost or expenses arising from acts, misrepresentations, or willful default on part of the companies, their directors, employee or agents.
- We have submitted Valuation report directly to the Appointing Authority
- We have not been guilty of misconduct in our professional capacity



- This report is confidential to the client for the specific purpose to which it refers. It may be disclosed to other professional advisers assisting the client in respect of that specific purpose, but the client shall not disclose the report to any other person.
- The valuation report is broadly in confirmation with the valuation standards of IVSC and definition of Fair Value as well Liquidation values in respect of assets owned by corporate debtor under different situations. However, there are certain small departures due to local practices prevailing which are suitably adjusted to reflect the realistic estimate of value.
- The opinion of value expressed in the report shall be used for the purpose of this report only. We are not responsible for any consequences arising from the valuation being quoted out of context.
- Neither the whole nor any part of the valuation report or certificate or any reference there to may be included in any published document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.
- The currency adopted is Indian Rupees (INR) and conclusion stated in Rupees / Rupees in Lakhs / Rupees in Crores.
- The instructions and the valuation assignment do not automatically bind me to appear before the Court of Law and for any enquiry before the Government or Statutory bodies in connection with the valuation unless otherwise agreed upon when the instructions were given.
- During the course of this exercise, we have relied upon the Hard Copy, Soft Copy, E mail, documentary and verbal information

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provided by the client without further verification and is relied upon in good faith. We assume them to be true and accurate as such no responsibility is taken for inaccurate data furnished to me if any.



P. C. Achaya

Reg. No: IBBI/RV/08/2019/13497



Annexure 1

Value of Assets @ Chokkarasanapalli Village, Hosur Taluk, Krishnagiri / Dharmapuri Dist

| Sl No | Description | Qty | OL Code | Fair Value in INR | Liquidation Value in INR |
|-------|-------------------------|-----|-----------------|-------------------|--------------------------|
| 1 | Ball Mill 7' x 7' | 1 | OL M 1 | 55,079 | 41,309 |
| 2 | Ball Mill 6' x 6' | 1 | OL M 2 | 44,063 | 33,047 |
| 3 | Ball Mill 4.5' x 4' | 1 | OL M 3 | 33,047 | 24,786 |
| 4 | Ball Mill 2' x 2' | 1 | OL M 4 | 11,016 | 8,262 |
| 5 | Filter Press 80 Chamber | 1 | OL M 5 | 43,457 | 32,593 |
| 6 | Filter Press 50 Chamber | 1 | OL M 6 | 34,766 | 26,074 |
| 7 | Magnetic Ferro Filter | 3 | OL M 7/1,2,3 | 52,148 | 39,111 |
| 8 | Vibration Sieve | 3 | OL M 8/1,2,3 | 26,312 | 19,734 |
| 9 | Anti Diaphragm Pump | 2 | OL M 9/1,2 | 4,795 | 3,596 |
| 10 | Low Speed Agitators | 9 | OL M 10/ 1 to 9 | 70,400 | 52,800 |
| 11 | High Speed Plunger | 2 | OL M 11/ 1,2 | 23,467 | 17,600 |



| | | | | | |
|----|---|----|---------------------|-----------|-----------|
| 12 | De Airing Pug Mill (1000 Kg/Hr) | 1 | OL M 12 | 39,111 | 29,333 |
| 13 | De Airing Pug Mill (2000 Kg/Hr) | 1 | OL M 13 | 39,111 | 29,333 |
| 14 | Automatic Roller Jigger | 1 | OL M 14 | 26,415 | 19,812 |
| 15 | Pallet Conveyor | 1 | OL M 15 | 12,771 | 9,578 |
| 16 | Pressure Casting Tables | 3 | OL M 16 / 1,2,3 | 22,881 | 17,161 |
| 17 | Vaccum Agitator | 3 | OL M 17 / 1,2,3 | 35,014 | 26,260 |
| 18 | Jigger Jolly | 1 | OL M 18 | 2,514 | 1,886 |
| 19 | Hot Air Generator | 1 | OL M 19 | 7,627 | 5,720 |
| 20 | SS Top Casting Tables | 10 | OL M 20 / 10 Nos | 11,441 | 8,581 |
| 21 | Plate Finishing Machines | 2 | OL M 21 / 1,2 | 2,794 | 2,095 |
| 22 | Micro Tunnel Kiln with 2 Tracks each outside | 1 | OL M 22 | 1,773,750 | 1,330,313 |
| 23 | Gas Kiln 2 M3 | 2 | OL M 23/ 1,2 | 443,438 | 332,578 |
| 24 | Gas Kiln 1 M3 | 1 | OL M 24 | 221,719 | 166,289 |
| 25 | Conveyors | 3 | OL M 25/ 1,2,3 | 11,441 | 8,581 |
| 26 | Glaze Tank | 2 | OL M 26 / 1,2 | 2,794 | 2,095 |
| 27 | Jigger Jolly | 1 | OL M 27 | 2,514 | 1,886 |
| 28 | Gypsum Vaccum Agitator | 1 | OL M 28 | 6,107 | 4,580 |
| 29 | Gypsum Spreader | 1 | OL M 29 | 1,299 | 975 |
| 30 | Lab Kiln | 1 | OL M 30 | 5,198 | 3,898 |
| 31 | Drying Oven | 1 | OL M 31 | 4,678 | 3,508 |
| 32 | Agitator | 1 | OL M 32 | 2,599 | 1,949 |
| 33 | Weighing Balance | 1 | OL M 33 | 520 | 390 |
| 34 | Pot Mill | 1 | OL M 34 | 4,418 | 3,313 |

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|----|---|-----|-----------------|------------------|------------------|
| 35 | Air Compressors | 2 | OL M 35 /1,2 | 5,842 | 4,382 |
| 36 | Electric Generator | 1 | OL M 36 | 53,035 | 39,776 |
| 37 | Transformer | 1 | OL M 37 | 19,157 | 14,367 |
| 38 | Electrical Panels | 8 | OL M 38/ 1 to 8 | 31,218 | 23,414 |
| 39 | Shrink Wrapping Machine | 1 | OL M 39 | 2,599 | 1,949 |
| 40 | Diesel Storage Tank (20 KL Underground) | 1 | OL M 40 | 19,975 | 14,981 |
| 41 | Electrical Main Panel | 1 | OL M 41 | 39,023 | 29,267 |
| 42 | Teak Trees | 150 | OL M 42 | NA | NA |
| | Total in INR | | | 3,249,551 | 2,437,163 |

Fair Value Rs 32.50 Lakhs

Liquidation Value Rs. 24.37 Lakhs

Value of Assets @ J P Nagar

| Sl No | Description | Qty | Fair Value in INR | Liquidation Value in INR |
|-------|---------------------|-----|-------------------|--------------------------|
| 1 | Steel Chairs | 3 | 1,440 | 1,008 |
| 2 | Computer Table | 1 | 720 | 504 |
| 3 | Cupboard | 1 | 480 | 336 |
| 4 | Type Writer | 1 | 1,800 | 1,260 |
| 5 | Dot Matrix Printer | 1 | 1,348 | 943 |
| 6 | File Rack | 1 | 416 | 291 |
| 7 | EPABX Phone | 1 | 550 | 385 |
| 8 | Desktop CRT | 1 | 606 | 424 |
| 9 | Keyboard | 1 | 110 | 77 |
| | Total in INR | | 7,470 | 5,229 |

Fair Value Rs 7,470/-

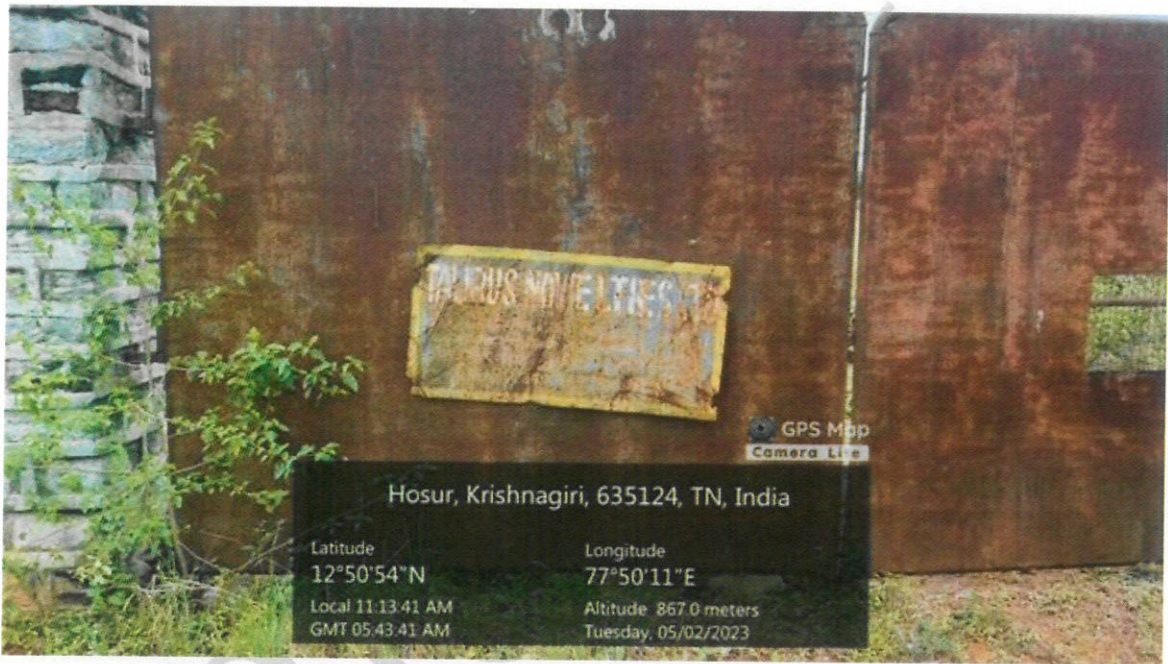
Liquidation Value Rs. 5,229/-



Annexure 2

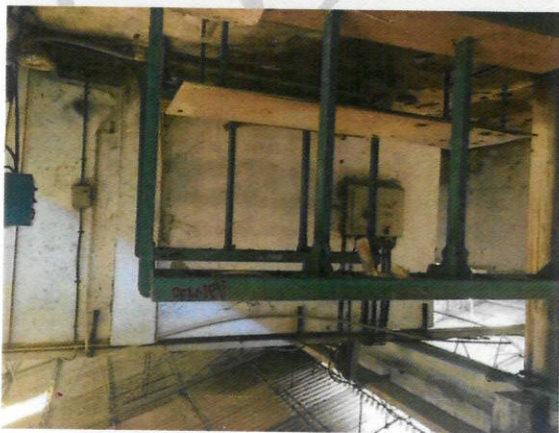
Some Pictures taken at the Inspection Site

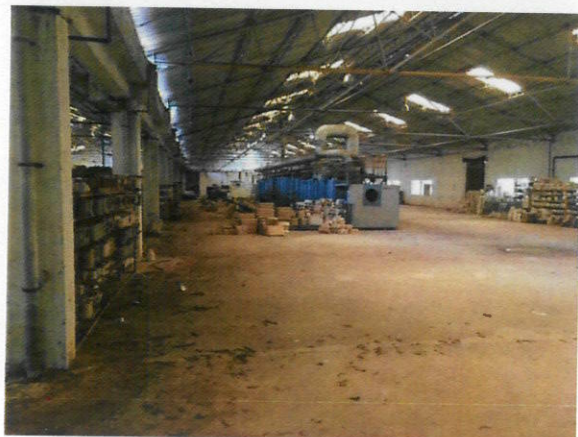
@ Chokkarasanapalli Village, Hosur Taluk, Krishnagiri / Dharmapuri Dist, 635 124



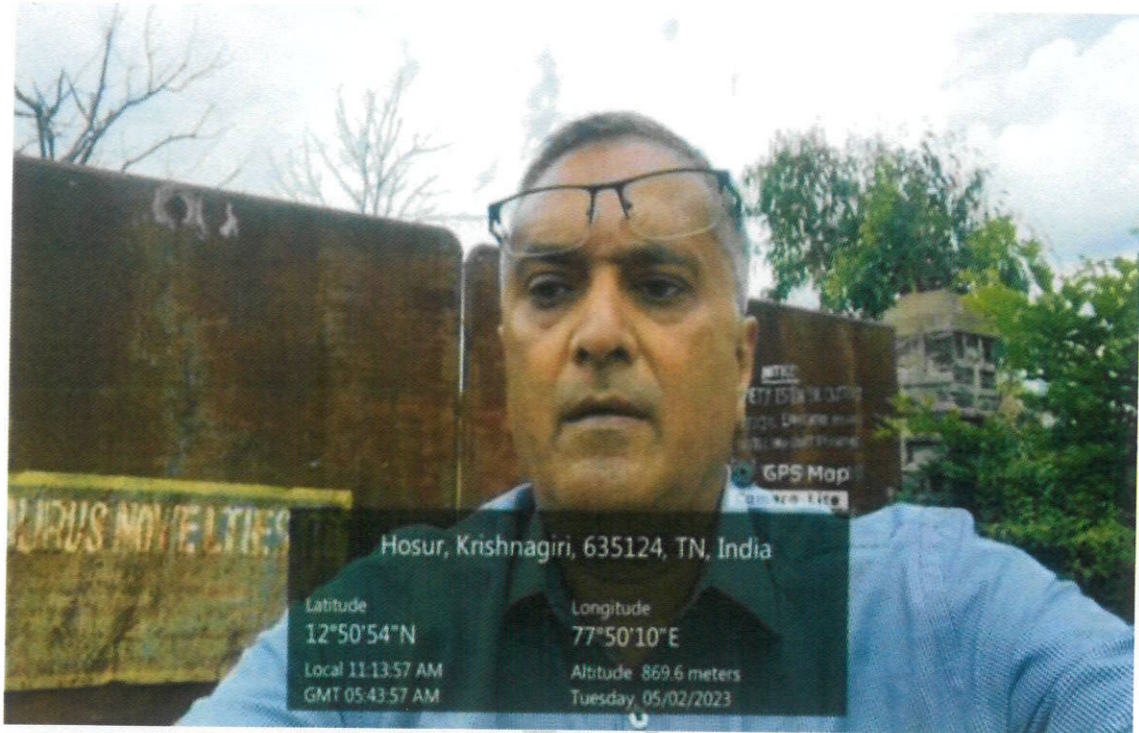












@ J P Nagar 1st Phase Bangalore 560 078

