



## Pravin Kulkarni & Associates

Government Registered Valuer

Chartered Engineer



Valuation Report of Immovable Property – Flat No A- 9, Second Floor, A- wing,  
Nav Neelima Co-Operative Housing Society Ltd., opposite Canossa High School,

Mahakali Caves Road, Andheri (East), Mumbai – 400 093

as on 03<sup>rd</sup> December 2018 for Bank Loan security purpose with

State Bank of India, SME, Ghatkopar

Owner Name: Mr. Sapinder Jeet Singh

Account Name: M/s. Omega Products Pvt. Ltd.

B-501, Sai Arcade, Shivaji Chowk, Kalyan (West) -421301.  
Tel. : 0251-2210051, :mail : pravin.prka@gmail.com

Date: 05<sup>th</sup> December 2018

To,  
The Manager,  
State Bank of India,  
SME, Ghatkopar

Subject: Summary of Valuation Report for Bank Loan security purpose

Owner Name: Mr. Sapinder Jeet Singh

Account Name: M/s. Omega Products Pvt. Ltd.

Dear Sir,

Please find enclosed here with the Valuation Report of below mentioned property:

Subject property	Flat No A- 9, Second Floor, A- wing, Nav Neelima Co-Operative Housing Society Ltd., opposite Canossa High School, Mahakali Caves Road, Andheri (East), Mumbai - 400 093
Market Value of subject property as on date of valuation	₹ 1,21,00,000/- (Rupees One Crores Twenty One Lakhs only)

For Pravin Kulkarni & Associates



Pravin Kulkarni  
Panel Valuer



For Pravin Kulkarni & Associates



Mr. Dipak Sohaliya  
Valuation Manager

To,  
The Manager,  
State Bank of India,  
SME, Ghatkopar

<b>1 Customer Details:</b>				
Customer(s)/Borrower Name		M/s. Omega Products Pvt.Ltd.		
Name of the Property Owner (with address & phone nos.)		As per copy of Agreement of Sale, subject property is owned by Mr. Sapinder Jeet Singh. Address: Unit No. 40, SDF - 2, Seepz, Andheri (East), Mumbai - 400 096 Phone No. Sapinder Singh: 9892324283		
Apl No.		--		
<b>2 Property Details:</b>				
Address		Flat No A- 9, Second Floor, A- wing, Nav Neelima Co-Operative Housing Society Ltd., opposite Canossa High School, Mahakali Caves Road, Andheri (East), Mumbai - 400 093		
Near Landmark		Opposite Cannosa High School		
Survey No. / Plot No.		C.T.S. No. 39, Survey No. 42, Hissa No. 7 of Village Mulegaon		
<b>3 Documents Details:</b>				
	Yes / No	Name of Approving Authority	Approval Number	
Layout plan	No	Municipal Corporation of Greater Mumbai	CE/ 5837/ BSII/A/K dated 29 <sup>th</sup> July 1976	
Building plan	No			
Construction Permission	No			
Legal Documents	Yes	A copy of Agreement of Sale dated 25 <sup>th</sup> November 2004 between M/s. M.F.R. Electronic Components Private Limited (The Transferor) and Mr. Sapinder Jeet Singh (The Transferee) bearing registration No. BDR9-6649-2004 at sub registrar office, Andheri 3. (Agreement Value: ₹ 9,75,000/-) A copy of Building Occupation Certificate CE/5837/BSII/AK dated 22/09/1979 issued by Municipal Corporation of Greater Bombay.		
<b>4 Physical Details:</b>				
Adjoining properties	East	Internal Road	West	Internal Road & C- wing
	North	Access road (Mahakali Caves road)	South	Gyan Ashram beyond B- wing
Matching of Boundaries	Boundaries are not mentioned in Agreement for sale		Plot Demarcated	Not applicable



*Signature*

Approved land use	Residential (As per our observation at site)	Type of Property Plotted/ Unit	Residential Flat
No. of Rooms	Living Room	Bedroom	Kitchen
	One	Two	One
Total No. of Floors	Ground plus Three upper floors	Floor on which the property is located	Second floor
Approx. age of property	42 years old	Residual Age	Approx. 15 to 20 years with proper repair and maintenance
Type of Structure	RCC framed structure		
<b>5</b>	<b>Tenure/ Occupancy Details:</b>		
Status of Tenure	Owned/ Rented	No. of years of occupancy	Relationship of Tenant to owner
	Rented	Details not available	Details not available
<b>6</b>	<b>Stage of Construction</b>	Complete	If under construction, extent of completion
<b>7</b>	<b>Violations, if any observed</b>	Copy of approved plan is not provided to us however, building occupancy certificate is available.	
	<b>Nature and extent of violations</b>		
<b>8</b>	<b>Area details of the Property</b>	Carpet area	483 SFT (Measured)
		Built up area	550 SFT (Documented)
		Saleable area	550 SFT (Documented built up area)
<b>9</b>	<b>Remarks</b>	Subject property was partly tenant occupied and partly vacant at the time of inspection.	
<b>10</b>	<b>Brief description</b>	<p>Subject property consists of 2 BHK residential flat situated at second floor in a ground plus three upper floors residential building approximately 42 years old.</p> <p>As per our observation at site, subject property was partly tenant occupied and partly vacant. One bedroom and kitchen were under the possession of tenant however another bedroom and living room were vacant and under renovation. Internal finishing work of living room and one bedroom were under progress.</p> <p>Name of owner Mr. Sapinder Singh was displayed on society name board of subject property building at the time of inspection.</p> <p>It is situated in a developing residential area having middle class locality at an approx. 2 to 2.5 kms away from Andheri railway station and approx. 2 kms away from J.B nagar metro station. Civic amenities are available near the subject property building.</p>	



**11 Valuation:**

**a) Basis of Valuation:**

The Market Value Definition, as per International Valuation Standards, which has been adopted in this Valuation Exercise, is as follows: "Market Value is the estimated amount for which an Asset or liability should exchange on the Valuation date between a willing buyer and willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

This valuation is based on Sales Comparison Method by comparing the prevalent market rate of comparable properties with property under Valuation. The factors which have been considered are size, location, internal condition, age of building, state of repairs, accumulated depreciation, demand & supply of similar properties etc.

**b) Valuation Analysis:**

**i) Area details:**

As per physical measurement at site, carpet area of subject property is 483 SFT.

As per Agreement for Sale, built up area of subject property is 550 SFT.

Documented built up area of 550 SFT is 14% more than the measured carpet area and the same considered as saleable area for this valuation exercise.

**ii) Guideline Value:**

Guideline rate of subject property as per Government Ready Reckoner for Stamp duty purpose for the year 2018-19 is ₹ 1,46,800/- per SMT. Considering age of subject property, Guideline rate is ₹ 1,05,250/- per SMT i.e. ₹ 9,778/- per SFT.

Hence, Guideline Value of subject property is

$$\begin{aligned}
 &= \text{Built up area} \quad \times \quad \text{Guideline Rate} \\
 &= 550 \text{ SFT} \quad \times \quad ₹ 9,778/- \\
 &= ₹ 53,77,900/-
 \end{aligned}$$

**iii) Market Value:**

**a) Market Rate Analysis:**

Some properties available (Refer Exhibit F) for sale near subject property are as follows:

Sr. No.	Particulars	Asking Price in ₹	Area in SFT	Asking Rate in ₹/SFT
A1	A 1BHK Residential flat situated at second floor in three storied building in subject property complex is available for sale	80.00 Lakhs	350 (Built up area)	₹ 22,857/-
A2	A 3BHK Residential flat situated at seventh floor in seven storied building near Canossa High School from the is available for sale. (Carpet area: 820 SFT)	2.30 Crore	1,100 (Saleable area)	₹ 20,909/-
A3	A 3BHK Residential flat situated at second floor in Archana apartment (3 storied building) within 400 meters from subject property is available for sale.	2.10 Crore	1,010 (Saleable area)	₹ 20,792/-



As per our market enquiry, market rate of similar premises near the property under Valuation is in the range of ₹ 18,000/- per SFT to ₹ 21,000/- per SFT (Saleable area basis) and in the range of ₹ 21,500/- per SFT to ₹ 25,000/- per SFT (Built up area basis).

Considering the location, size, shape, internal condition, age & grade of building, demand and supply of similar properties etc., we have adopted market rate of subject property at ₹ 22,000/- per SFT on built up area basis.

**b) Market Value:**

Hence, Market Value of subject property is estimated at

$$\begin{aligned}
 &= \text{Built up area} \quad \times \quad \text{Market Rate adopted} \\
 &= 550 \text{ SFT} \quad \times \quad ₹ 22,000/- \text{ per SFT} \\
 &= ₹ 1,21,00,000/-
 \end{aligned}$$

**Or Say ₹ 1.21 Crores**

**iv) Realizable Value:**

The estimated Market Value is normally realizable in a perfect market scenario. However, when Bank / Financial Institution wishes to recover its money by sale / auction of the property, it will have to bear expenses towards advertisement cost, legal and brokerage charges, auction expenses etc towards selling the property. Further, marketability may also be reduced as the complete consideration has to be paid through bank account and only limited buyers out of all prospective buyers participate in the sale/ auction. Hence, the Realizable Value would be lower than the Market Value.

Due to above mentioned factors, a discount of 10% on Market Value is considered and the Realizable Value of subject property is estimated at ₹ 1.09 Crores.

**v) Forced Sale Value:**

In forced sale condition, the bank/ financial institution is an unwilling seller compelled to sale the properties offered as securities to liquidate it in terms of money to clear the debt by auction within time constraints. Secondly, properties are not maintained properly, property tax, society maintenance charges etc are unpaid in most of the non-performing assets cases and stigma factor is also attached to such properties.

Hence, in addition to factors considered for Realizable value, an additional discount of 10% is considered on Realizable Value and the Forced Sale Value of subject property is estimated at ₹ 98.00 Lakhs.

**vi) Insurance value:**

Land is not a perishable commodity and does not need insurance. Hence built up/constructed part of subject property is only considered for insurance value of subject property.

(A) For Reinstatement Value basis policy, the insurable value is the estimated cost of replacing or reinstating similar kind or type of new property without deducting for depreciation i.e. ₹ 12,00,000/- as mentioned in table below.

(B) For Indemnity basis policy, the insurable value is the estimated cost of replacing or reinstating similar kind or type of property after deducting for depreciation due to age of the building i.e. ₹ 5,00,000/- as mentioned in table below.

Particulars	Built up area in SFT	Age of building in years	Replacement Rate in ₹/SFT	Replacement Cost in ₹	Depreciation in ₹	Depreciated Replacement cost in ₹
Flat No. A-9	550	42	2 200	12 10 000	7 01 800	5 08 200
			<b>Or Say</b>	<b>12 00 000</b>	<b>7 00 000</b>	<b>5 00 000</b>



<b>12</b>	<b>Summary of Valuation:</b>	
(i)	Guideline Value	₹ 78 22 270/-
(ii)	Fair Market value	₹ 1,21,00,000/-
(iii)	Realizable value	₹ 1,09,00,000/-
(iv)	Forced sale/ Distress Sale Value	₹ 98,00,000/-
(vi)	In case of variation of 20% or more in the valuation proposed by the valuer and the Guideline value provided in the State Govt. notification or Income Tax Gazette justification on variation has to be given	Guideline rate of property for a particular location/Survey No. is same irrespective of grade of building, internal condition of property, demand and supply for similar properties etc and is only for stamp duty purpose whereas market rate of subject property is adopted after considering all these factors for valuation.
(vii)	Details of last two transactions in the locality/area to be provided, if available.	Reliable sold instances are not available, however properties available for sale (Refer Exhibit F) near subject property are available
<b>13</b>	<b>Assumptions/ Remarks</b>	
(i)	Qualifications in TIR/Mitigation suggested: if any	Refer TIR
(ii)	Property is SARFAESI compliant: Yes/No	Yes
(iii)	Whether property belongs to social infrastructure like hospital, school, old age home etc.	No
(iv)	Whether entire piece of land on which the unit is set up / property is situated has been mortgaged or to be mortgaged.	Refer Title Report
(v)	Any other aspect which has relevance on the value or marketability of the property	Nothing specific
(vi)	Subject property was partly tenant occupied at the time of inspection. Copy of Leave & License agreement is not provided to us. As per verbal information provided to us, subject property is given on Leave & License basis for a short period and the owner will get possession of the subject property after completion of the Leave & License period. Any variation from this will affect the value reported.	
(vii)	Sanctioned plan, commencement certificate of subject property building is not provided to us.	
(viii)	Location and floor plan of subject property is not provided to us. Identification of subject property is based on verbal information provided to us by the client.	
(ix)	This Valuation exercise is based on verbal Market enquiry / Survey of the area.	
(x)	We have assumed the photocopies of documents received from the Bank/ client to be genuine without any alterations.	
(xi)	Latest legal report pertaining to title of the subject property is not provided to us.	
(xii)	Any matters related to legal title and ownership of the subject property are outside the scope of this Valuation exercise.	
(xiii)	Estimated Market Value of the subject property may be significantly influenced by adverse legal title or ownership issues.	
(xiv)	We reserve our right to alter our conclusions later, if it is found that the data provided to us was not - reliable, accurate or complete.	
(xv)	We have assumed that the subject property has a clear and marketable title	

(xvi)	We have assumed that the subject property has received necessary planning approvals and clearances from appropriate local authorities and complies with local development control regulations.
(xvii)	We have assumed the subject property to be free from all the litigation, encumbrances, encroachments, etc. and all the taxes related to the subject property have been paid in time for this valuation exercise.
(xviii)	Transaction cost like Stamp Duty, Registration Charges, Taxes, Brokerage etc. pertaining to sale / purchase of the property, unearned income payable in case of leasehold properties have not been considered in this valuation exercise.
(xix)	This report has been made for bank loan security purpose and it is not valid for any other purpose.
(xx)	This report or any part thereof shall not be used by third parties without our written consent.
14	<p><b>Declaration:</b></p> <p>(a) We have been appointed by the bank for this valuation exercise.</p> <p>(b) The property was physically inspected by our Engineer, Mr. Mayur Shevare on 03<sup>rd</sup> December 2018 in presence of Mr. Shombhunath Chaudhry, representative of owner the subject property.</p> <p>(c) The information furnished herein is true to the best of our knowledge.</p> <p>(d) The analysis and conclusions are limited by the reported assumptions and remarks.</p> <p>(e) I have submitted Valuation report directly to the Bank.</p>
14	<p><b>Conclusion:</b></p> <p>The Market Value of immovable property-Flat No A- 9, Second Floor, A- wing, Nav Neelima Co-Operative Housing Society Ltd., opposite Canossa High School, Mahakali Caves Road, Andheri (East), Mumbai – 400 093 as on 03<sup>rd</sup> December 2018 for bank loan security purpose is estimated at ₹ 1,21,00,000/- (Rupees One Crores Twenty One Lakhs only).</p>
15	<p><b>Enclosure documents &amp; photographs (Geo stamping with date etc.)</b></p> <p>Refer Exhibits attached</p>

For Pravin Kulkarni & Associates



**Pravin Kulkarni**

Panel Valuer

Place: Kalyan

Date: 05<sup>th</sup> December 2018



For Pravin Kulkarni & Associates



**Mr. Dipak Sohaliya**

Valuation Manager