

(PART-II)

Annexure-I

I. Valuation of Land & Building / Real Estate:

The educational qualifications for empanelment as valuers of Land & Building / Real Estate shall be as under:

Sl. No.	Graduate level	Post Graduate level	Experience in specific discipline
1	Graduate in Civil Engineering, Architecture or Town Planning of a recognised University established under State or Central Act or equivalent whether in India or Abroad	---	<p>5 years work experience in the field of valuation of Land & Building/ Real Estate after completion of the degree or equivalent.</p> <p>The Applicants with these qualifications should preferably possess an additional qualification</p> <p>(i) in the form of a certification examination of duration of one semester or above in the subjects which are vital for valuation of real estate and not covered in course curriculum of Civil Engineering, Architecture and Town Planning and which is conducted by recognized University/ Institution conducting the examination in valuation of Real Estate which are recognized by Govt. of India</p> <p>or</p> <p>(ii) valuer is registered with IBBI</p> <p>or</p> <p>(iii) valuer is registered under Section 34AB of Wealth Tax Act, 1957.</p>
2	Diploma in Civil Engineering/ Architecture.	--	<p>8 years' work experience in the field of valuation of Real Estate after completion of the Diploma.</p> <p>They should preferably complete the certification course in valuation of real estate as prescribed under Sr.no. 1 above.</p>

3	Pass in examination in Indian Banks' Association valuation of real estate recognized by the Govt. of India for recruitment to superior services or posts conducted by any institution	--	2 years' work experience in the field of valuation of real estate after completing the examination
4	Graduate in Civil Engineering, Architecture or Town Planning of a recognised University established under State or Central Act or equivalent whether in India or Abroad	Postgraduate in Civil Engineering, Architecture or Town Planning of a recognised University established under State or Central Act or equivalent whether in India or Abroad.	Three years of experience in the discipline after completing Post Graduation
5	Graduate from a recognized university established under State or Central Act or equivalent whether in India or Abroad in a discipline specified by IBA or IBBI and amended from time to time	Postgraduate in valuation of Land and building or Real Estate (a two-year full time Postgraduate course) from a recognized University established under State or Central Act or equivalent whether in India or Abroad	Five years of experience in the discipline after completing Post Graduation
6	Chartered/ Professional membership of the Royal Institution of Chartered Surveyors (RICS)/American Society of Appraisers (ASA)/Appraisal Institute (AI),USA/other Internationally reputed institutional players who fulfill the criteria - obtained by passing an examination equivalent to examinations mentioned under sr.no. (3) & (5) above.		Since the process of procurement of membership with these organizations includes training as an integral component, no further experience requirement is being prescribed

* The eligibility qualification means qualification obtained from a recognised Indian University established under State or Central Act or equivalent whether in India or Abroad

** "equivalent" shall mean professional and technical qualifications which are recognised by the Ministry of Human Resources and Development as equivalent to professional and technical degree.

- Valuers with educational qualifications of Graduation and above, who are neither registered with IBBI nor registered under Section 34AB of Wealth Tax Act, 1957, shall undertake the valuation of properties/ assets for loans upto Rs.2.00 Crore only.
- Diploma holders in Civil Engineering/Architecture will be eligible for empanelment to undertake valuation of Properties/ Assets for loans upto Rs.1.00 Crore only. However, such valuers may conduct valuation of properties/assets under Housing for Loans upto Rs.2.00 Crore.

II. Valuation of Plant and Machinery:

The educational qualifications for empanelment as valuers of plant & machinery shall be as under:

Sl. No.	Graduate level	Post Graduate level	Experience in specific discipline
1	Graduate in Mechanical, Electrical, Chemical, Production, Computer, Industrial Engineering and any other stream of Engineering as required by the Bank for conduct of valuation of Plant and Machinery and other equipment of a recognized university established under State or Central Act or equivalent whether in India or Abroad	---	Five years of experience in the field of valuation of Plant & Machinery after completing Graduation or equivalent The Applicants with these qualifications should preferably possess an additional qualification in the form of (i) a certification examination of duration of one semester or above in the subjects which are vital for valuation of Plant & Machinery and not covered in course curriculum of Mechanical, Electrical, Chemical, Production, Computer, Industrial Engineering and any other stream of Engineering as required by the Bank for conduct of valuation of Plant and Machinery and other equipment from recognized university/ Institution conducting the examination which are recognized by Govt. of India. or (ii) valuer is registered with IBBI or (iii) valuer is registered under Section 34AB of Wealth Tax Act, 1957.

2	Diploma in Mechanical, Electrical, Production, Chemical, Electronics, Computer, Industrial Engineering and any other stream of Engineering as required by the Banks awarded by a recognized institute by State/Central Government for conduct of valuation of Plant and Machinery and other equipment		8 years work experience in the field of valuation of Plant and Machinery after completion of the Diploma. They should preferably complete certification course in valuation of Plant and Machinery prescribed under Sr.no.1 above.
3	Graduate in Mechanical, Electrical, Chemical, Production, Computer, Industrial Engineering and any other stream of Engineering as required by the Bank for conduct of valuation of Plant and Machinery and other equipment of a recognized university established under State or Central Act or equivalent whether in India or Abroad	Postgraduate in Mechanical, Electrical, Chemical, Production, Computer, Industrial Engineering and any other stream of Engineering as required by the Bank for conduct of valuation of Plant and Machinery and other equipment of a recognized university or equivalent whether in India or Abroad	Three years of experience in the discipline after completing Post Graduation.
4	Graduate in valuation of Plant & Machinery from a recognised University established under State or Central Act or equivalent whether in India or Abroad	Postgraduate in valuation of Plant & Machinery (a two-year full time Post-Graduate course) from a recognized University established under State or Central Act or equivalent whether in India or Abroad	Three years of experience in the discipline after completing Post Graduation.

* The eligibility qualification means qualification obtained from a recognised Indian University established under State or Central Act or equivalent whether in India or Abroad.

** “equivalent” shall mean professional and technical qualifications which are recognised by the Ministry of Human Resources and Development as equivalent to professional and technical degree

- Valuers with educational qualifications of Graduation and above, who are neither registered with IBBI nor registered under Section 34AB of Wealth Tax Act, 1957, shall undertake the valuation of properties/ assets for loans upto Rs.2.00 Cr. only.
- Diploma holders in mechanical, electrical, production, chemical, electronics, computer, industrial engineering and any other stream of Engineering will be eligible for empanelment to undertake valuation of Properties/ Assets for loans upto Rs.1.00 Crore only. However, such valuers may conduct valuation of properties/assets under Housing Loans for loans upto Rs. 2.00 Crore.

III. (a) Securities or Financial Assets/ Stocks and Trade:

The educational qualifications for empanelment as valuers of Securities or Financial Assets (Including Enterprise Valuation) shall be as under:

Qualifications	Experience
(i) Member of Institute of Chartered Accountants of India, Member of Institute of Company Secretaries of India, Member of the Institute of Cost Accountants of India, Master of Business Administration or Post Graduate Diploma in Business Management (specialization in finance). (ii) Postgraduate in Finance	Three years

- Valuers with educational qualifications of Graduation and above, who are neither registered with IBBI nor registered under Section 34AB of Wealth Tax Act, 1957, shall undertake the valuation of properties/ assets for loans upto Rs.2.00 Crore only.

(b) Valuers of Stock (inventory). Shares (Under SARFAESI Act, 2002):

In the case of these assets criteria laid down under the Wealth Tax Rule 8A (7) to be adopted.

Rule 8A (7) a Valuer of stocks, shares, debentures, securities, shares in partnership firms and of business assets, including goodwill but excluding those referred to in sub-rules (2) to (6) and (8) to (11) i.e., valuation of immovable properties, agricultural lands, plantations, forests, mines & quarries, plant & machinery, jewellery, works of art, life interest, reversions and interest in expectancy, shall have the following qualifications, namely,

- (i) he must be a member of the Institute of Chartered Accountants of India or the Institute of Cost and Works Accountants of India or the Institute of Company Secretary of India; and
- (ii) (A) he must have been in practice as Chartered Accountant or a Cost and Works Accountants or a Company Secretary for a period of not less than ten years and his gross receipts from such practice should not be less than fifty thousand rupees in any three of the five preceding years or
(B) he must have a person formerly employed:
 - in a post under Government as a gazetted officer, or
 - in a post under any other employer carrying a remuneration of not less than Rs. 2000/- per month,and in either case, must have retired or resigned from such employment after having rendered service for a period of not less than ten years in the field of audit and accounts or taxation work, or
 - as a Company Secretary or a Deputy Company Secretary or an Assistant Company Secretary in a post carrying a remuneration of not less than Rs. 2000/- per month and must have retired or resigned from such employment after having rendered service for a period of not less than ten years.
- (iii) Evidence of previous experience needs to be provided to the Bank. In case of companies / partnership firms undertaking valuations, the qualification and experience shall apply to the lead valuers of the company / all partners of the partnership firm.

IV. (a) Valuers of Agricultural Land (other than Plantations):

Valuer of agricultural land ought to have knowledge of following principles of valuation:

1. Cost, price, value and worth
2. Various types of value
3. Value elements – ingredients – characteristics
4. Annuities – capitalization – rate of capitalization – redemption of capital
5. Three approaches to value viz. Income, Market and Cost
6. Laws applicable to agricultural land

(i) He must be a graduate in agricultural science of a recognised university and must have worked as a farm valuer for a period of not less than five years; and, or

(ii) He must be a person formerly employed in a post under Government as Collector, Deputy Collector, Settlement Officer, Land Valuation Officer, Superintendent of Land Records, Agricultural Officer, Registrar under the Registration Act, 1908, or any other officer of equivalent rank performing similar functions and must have retired or resigned from such employment after having rendered service in any one or more of the posts aforesaid for an aggregate period of not less than five years.

(b) Valuers of Agricultural Land (Plantations) :

A valuer of coffee plantation, tea plantation, rubber plantation, cardamom plantation or as the case may be, shall have the following qualifications, namely: -

1. He must have, for a period of not less than five years, owned, or acted as manager of a coffee, tea, rubber or, as the case may be, cardamom plantation having an area under plantation of not less than four hectares in the case of a cardamom plantation or forty hectares in the case of any other plantation; or
2. He must be a person formerly employed in a post under Government as a Collector, Deputy Collector, Settlement Officer, Land Valuation Officer, Superintendent of Land Records, Agricultural Officer, Registrar under the Registration Act, 1908, or any other officer of equivalent rank performing similar functions and must have retired or resigned from such employment after having rendered service in any one or more of the posts aforesaid for an aggregate period of not less than five years, out of which not less than three years must have been in areas, wherein coffee, tea, rubber or, as the case may be, cardamom is extensively grown.

V. Valuers of Jewellery:

In case of these assets criteria laid down under the Wealth Tax Rule 8A (9) to be adopted.

Rule 8A (9) provides that, a valuer of jewellery must have been, for a period of not less than five years, a sole proprietor or partner in a partnership firm carrying on jewellery business which has on an average an annual turnover of not less than rupees 15 lakhs or profit (including fees for valuation of not less than rupees fifty thousand) in the last three accounting years immediately preceding the year in which the application for registration as valuer is made by him.

In respect of Gold Loans, empanelment of Gold Appraiser/ Gold Smith is done at RBO level and PBBU department has issued separate SOP in respect of empanelment of Gold Appraiser/ Gold Smith, which needs to be followed by the Business Units.

VI. Valuers of Works of Art:

In case of these assets criteria laid down under the Wealth Tax Rule 8A (10) to be adopted.

Rule 8A (10) provides that, a valuer of Works of Art shall have the following qualifications, namely:

- he must have specialized by virtue of his academic and professional pursuits in the particular line of art, for the works of which he seeks to be registered as valuer, and
- he must have served in any one or more of the following capacities, namely:
 - Director General or Superintending Archaeologist of the Archaeological Survey of India;
 - Director of National Museum, New Delhi, Salar Jung Museum, Hyderabad, Prince Wales Museum, Mumbai, Indian Museum, Kolkata, Asutosh Museum, Kolkata, Madras Museum, Chennai or Bharat Kala Bhavan, Varanasi;
 - Principal of Government School of Art;
 - Member of the Art Purchase Committee of any of the museums or of the Lalit Kala Akademi.

While empanelling valuers under the category of Jewellery and Works of Art, BU should specially focus on professional experience of Valuer (minimum 10 years say) and other parameters like approved valuers with Customs Department, Insurance companies, Gold Appraiser/ Gold Smiths, Art Work appraiser, Curator, etc.
