

## **EMPANELMENT OF VALUERS IN STATE BANK OF INDIA, LUCKNOW CIRCLE**

State Bank of India, Local Head Office, Lucknow Circle for its area covering Prayagraj, Bareilly, Lucknow, Gorakhpur, Kanpur and Varanasi Module invites applications in the prescribed format from competent, qualified professionals/ firms, for empanelment as Valuer for conducting valuation assignments for the Bank for a period of three years. The format along with the details regarding eligibility criteria and other terms and conditions are given below

**The intending applicants shall submit their applications in the prescribed formats along with relevant enclosures/documents etc., to the SME intensive/ District Headquarter branches etc. by 25.09.2024 till 04:00 p.m. for further scrutiny.** After getting the documents & KYC duly verified by the officials of the said branches, the said application will be forwarded by the concerned branch to The Dy General Manager & CCO, State Bank of India, Local Head Office, Lucknow. The valuers are requested to clearly mentioning on the envelope "APPLICATION FOR EMPANELMENT AS VALUER FOR \_\_\_\_\_ (Class of Asset for which application is being submitted)". Further, already empaneled Valuers should note that they have not to apply afresh.

Annexure No.	Particulars
Annexure - I	Application Form
Annexure – II	List of documents to be submitted by Valuer
Annexure – III	Educational Qualifications and Work Experience
Annexure – IV	Model Code of Conduct
Annexure – V	Declaration cum Undertaking
Annexure - VI	Certificate of Membership
Annexure - VII	Reference Letter
Annexure - VIII	Checklist
Annexure – IX	To be filled by Recommending Branch

**Only fresh applicants need to apply. Applicants whose registered office is under SBI LHO Lucknow area of operation will only be entertained.**

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As per uniform guidelines issued by our Corporate Centre, Mumbai, State Bank of India, Lucknow Circle invites applications for Empanelment of Valuers with guidelines as given below:

**1. Purpose of Valuation and Appointment of Valuers:** Valuers are engaged for:

- the purpose of ascertaining the value of the property/ assets etc. offered as security
- the purpose of periodically ascertaining the value of the property that has been mortgaged, whether it is increasing or decreasing over the mortgage period
- for the purpose of realizing the value of non-performing assets (NPAs) and
- the purpose of resumption of properties in cases of default.

**Criteria for Empanelment of Valuers:**

In order to ascertain the value of properties for any of the above purposes, Bank shall appoint external independent valuers for undertaking valuations. The empanelled valuers shall carry out valuation of different types of assets as under:

- i) Land and Building
- ii) Plant & Machinery
- iii) Securities or Financial Assets/ Stocks and Trade
- iv) Agricultural Land and Plantations
- v) Jewellery
- vi) Works of Art

**Minimum/ Maximum Age requirement:** The minimum age for empanelment shall be 25 years and no upper age limit for continuing as a valuer on the Bank's Panel.

**2. Eligibility Criteria for valuers:**

**(a) A person shall be eligible to be empanelled as valuer if he/she:**

Sl. No.	Criteria
(i)	possesses the qualifications and experience as detailed in <b>Annexure-III</b>
(ii)	is not a minor
(iii)	has not been declared to be of unsound mind
(iv)	is not an undischarged bankrupt, or has not applied to be adjudicated as a bankrupt
(v)	is a person resident in India in case of individual
(vi)	has not been convicted by any competent court for an offence punishable with imprisonment or for an offence involving moral turpitude, irrespective of the term of imprisonment
(vii)	has not been levied a penalty under Section 271J of Income-tax Act, 1961 (43 of 1961) and time limit for filing appeal before Commissioner of Income-tax (Appeals) or Income-tax Appellate Tribunal, as the case may be has expired, or such penalty has been confirmed by Income-tax Appellate Tribunal, and five years have not elapsed after levy of such penalty; and
(viii)	is a fit and proper person:  Explanation– For determining whether an individual is a fit and proper person the empanelment authorities may take account of any relevant consideration, including but not limited to the following criteria-  a) integrity, reputation and character  b) absence of convictions and restraint orders, and  c) competence and financial solvency

(ix)	has a satisfactory credit background as per <b>at least one</b> credit information report provided by any of the Credit Information Companies (CICs) viz. CIBIL, Experian, Equifax, CRIF, etc., acceptable to the Bank, as per Bank's guidelines and adverse reports, if any, to be clarified by the applicant valuers for the satisfaction of the Bank.
(x)	is a member in good standing of any one of the valuer organizations.

**(b)** Partnership entity or Company shall not be eligible for empanelment as valuer in the following conditions **at S.No. (i) to (vii)** :

(i)	it has been set up for objects other than for rendering professional or financial services, including valuation services and that in the case of a company, it is a subsidiary, joint venture or associate of another company or body corporate.
(ii)	it is undergoing an insolvency resolution or is an undischarged bankrupt
(iii)	all the partners or directors, as the case may be are not ineligible under sub-clauses (ii) to (ix) of clause 2.2.2 above
(iv)	Lead valuers in case of companies and all the partners in case of partnership firms undertaking valuations do not fulfil the criteria of qualification and experience
(v)	none of its partners or directors fulfills the criteria of qualification and experience in the asset class for the valuation
(vi)	The partnership entity or company not having three or all the partners or directors, whichever is fewer, registered as valuers.
(vii)	Any partnership or company seeking empanelment as a valuer is not a member of a Registered Valuers Organization. (R.V.O.)

**(c) Other criteria:**

**i) Registration with Insolvency and Bankruptcy Board of India (IBBI):**

For valuation of properties/ assets pertaining to Companies, in terms of Companies (Registered Valuers and Valuation) Rules, 2017, issued as per the MCA notification dated 18.10.2017, a valuer registered as a valuer member with IBBI for relevant class of assets shall be eligible for conducting the valuation. Such valuers shall also be eligible for valuation of properties/ assets pertaining to other than Companies. As regards, all the valuation work related to the Company Assets would be undertaken only by the valuers registered with IBBI. Further, to undertake the valuation of Properties/ Assets of the Companies under SARFAESI Act, 2002, the valuer must be registered under Section 34AB of Wealth Tax Act, 1957.

**ii) Registration under Wealth Tax Act: Valuation under SARFAESI Act, 2002:**

When the Bank classifies the loan account as 'NPA', ascertaining and establishing the 'value of asset' is critical for the entire process for recovery, especially when the Bank proceeds with its

monetization action under SARFAESI Act, 2002. Therefore, in such cases, the valuer undertaking and ascertaining the valuation of asset, must be registered under Sec. 34AB of Wealth Tax Act, 1957.

iii) 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 the loans upto Rs.2.00 Cr. only.

iv) Valuers with Educational Qualifications of Diploma and other than Graduation or Post Graduation in respective fields, shall be eligible for empanelment to undertake valuation of Properties/Assets for the loans upto Rs.1.00 Crore only. However, such valuers may conduct valuation of properties/assets under Housing Loans upto Rs.2.00 Cr.

v) Completed at least 5 (five) assignments successfully as valuer during immediately preceding 12 months.

vi) Possess thorough knowledge of extant RBI guidelines as also instructions/ circulars issued by RBI/IBBI/IIBF/IBA or any other statutory authority from time to time in addition to the instructions/ circulars issued by SBI in this regard.

**In view of the above, a valuer shall be eligible to conduct the valuation as hereunder:**

<b>Educational Qualifications of a valuer as per</b>	<b>Type of valuer</b>	<b>Eligibility to conduct valuation of property/ asset</b>
Graduation & above	Valuers registered with IBBI	As per category of the valuer
Graduation & above	Valuers registered under Section 34AB of Wealth Tax Act, 1957	As per category of the valuer
Graduation and above	who are neither registered with IBBI nor registered under Section 34AB of Wealth Tax Act, 1957	Loan amount up-to Rs.2.00 Cr.
Diploma and other than Graduation or Post Graduation	who are neither registered with IBBI nor registered under Section 34AB of Wealth Tax Act, 1957	Loan amount up-to Rs.1.00 Cr. However, such valuers may conduct valuation of properties/ assets under Housing Loans up-to Rs.2.00 Cr.

### **3. Qualifications and Experience:**

It is necessary that a valuer possesses proper educational qualifications which make him competent to carry out the task of valuation of securities. In addition, relevant work

experience is also important. Educational Qualifications and Work Experience required for persons eligible for empanelment as valuers is detailed in **Annexure –III**.

#### **4. Membership of Valuers Association:**

Valuer shall be a member of any one of the authorized/ accredited Institutions viz ., Institution of Valuers (IOV), Institution of Estate Managers & Appraisers (IESMA), Practicing Valuers Association (India) (PVAI), The Institute of Company Secretaries of India (ICSI), The Indian Institution of Valuers (IIV), The Institute of Cost Accountants of India (ICMAI), The Institute of Chartered Accountants of India (ICAI), Association of Certified Valuers and Analysts (ACVA), Centre For Valuation Studies, Research And Training Association (CVSRTA), Council of Engineers and Valuers, Divya Jyoti Foundation or any other association registered as RVO with IBBI and submit a certificate to this effect. The certificate is provided in the SOP on 'Valuation and Empanelment of Valuers'.

**References:** Valuers need to submit at least 3 reference letters in prescribed format and the committees constituted for appointment of valuers need to verify the quality of services provided by the valuer in the previous instances before empanelling the valuers on Bank's panel. Reference letter format is provided in SOP on 'Valuation and Empanelment of Valuers'. The referees shall be either:

- (i) bank managers where previously the valuer had done valuations or
- (ii) companies for whom the valuer had previously done valuations, other than Wilful defaulters or declared fraud companies.

**The reference letter shall be on the letter head of the bank/ financial company/ any other company where valuations have been done and shall be duly signed by a senior level manager/ officer.**

#### **Proof of Experience:**

1. Registration Certificate under Wealth Tax Act,1957, if applicable.
2. Registration Certificate issued by IBBI, if applicable.
3. Letter of empanelment by any Bank / FI
4. Letter of empanelment by any Court of India
5. Letter of appointment as valuation consultant by Government of India/ any State Government/ any Municipality/ any Municipal Corporation
6. Letter of appointment as valuer employee by Government of India/ any State Government/ any Municipality/ any Municipal Corporation
7. Letter of appointment as a valuer employee by any Limited Company (Public or Private Ltd. Co. engaged in the business of valuation for the last 5 years)

8. Letter of appointment as a valuer employee by any LLP/ private limited Company engaged in the business of valuation for the last five years.

The Experience of the Valuer shall be calculated from the date of his first empanelment with any Bank / Financial Institution / High Court or registration under Wealth Tax Act,1957.

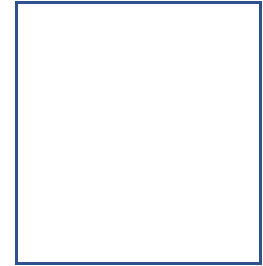
- **Duration of Empanelment:** The duration of empanelment shall be for a period of three (3) years from the date of approval of Empanelment by the Committee. (e.g., if approval is accorded for Empanelment of a Valuer by the Committee on 15<sup>th</sup> June 2023, his empanelment shall be valid upto 14<sup>th</sup> June 2026).
- However, the performance of the Valuer shall be reviewed annually by the bank. If the performance is found to be not satisfactory, the valuer can be de-panelled at the discretion of the bank.
- In respect of Valuer who has completed 3 years of empanelment and wish to continue, the entity has to approach the bank at least three months before expiry of the term of empanelment.
- For Renewal of Empanelment of the entity, Bank and the empanelled Entity shall follow the same process as applicable to the fresh empanelment.
- If any empanelled Valuer wants to discontinue as a valuer in Bank's panel, it may do so by giving one month's notice.

**(Annexure-I)**

**Application for Empanelment as a Valuer**

To

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**Subject: Application for empanelment as a valuer IBBI Registration No.(if applicable); Registered under Sec 34AB of Wealth Tax Act 1957, if yes, Wealth Tax Registration No:**

**Sir/ Madam,**

I, being an individual/ proprietor/ partner/ director (strike off whichever is not applicable), hereby apply for empanelment as a valuer for the following class(es) of assets

:-

- (a) .....
- (b) .....
- (c) .....
- (d) .....

The details are as under:

**A. DETAILS OF THE FIRM/ PARTNERSHIP ENTITY/ COMPANY (if applicable)**

- 1. Name:
- 2. Registration Number/ LLP Number/CIN Number:
- 3. PAN No.:
- 4. GST No.
- 5. Address for Correspondence or registered office:
- 6. Permanent Address:
- 7. E-Mail Address 8. Telephone No.: Others:

**B. PERSONAL DETAILS OF INDIVIDUAL/ PROPRIETOR/ EACH PARTNER/DIRECTOR**

- 1. Name: (Mr/Mrs/Ms)
- 2. Father's Name:
- 3. Mother's Name:
- 4. Date of Birth:

5. Registration with CBDT under Wealth Tax Act, 1957 – YES / No. If yes, (Registration No. & Date, of Individual/ all the Partners (in case of Partnership Firm)

6. PAN No.:

7. AADHAAR No.:

8. Passport No.:

9. GST No.

10. Address for Correspondence:

11. Permanent Address:

12. E-Mail Address:

13. Mobile No.

14. Others

### **C. EDUCATIONAL, PROFESSIONAL AND VALUATION EXAMINATION QUALIFICATIONS**

#### **1. Educational Qualifications**

[Please provide educational qualifications from Bachelor's degree onwards for Individual/ proprietor/ each partner/director]

Educational Qualification	Year of Passing	Marks (percent.)	Grade/ Class	University/ College	Remarks, any

#### **2. Professional Qualifications for Individual/ proprietor/ each partner/director**

Professional Qualification	Institute/ Professional Body/ registered valuers organisation	Membership No.	Date of enrolment	Remarks, if any

#### **3 (a) Details of valuation examination passed (for Individual/ proprietor/ all partners/directors who are registered valuers with RVO )**

Date examination of	Asset class, if any	Marks secured	Percentage



**3 (b) Valuation Qualifications (for Individual/ proprietor/ all partners/directors who are registered valuers with RVO)**

Valuation specific qualification/course	Recognised Registered Valuers Organisation		Asset class	Membership No. in Registered Valuers Organisation	Remarks, if any.
	Name	Recognition No			

**D. WORK EXPERIENCE (if applicable)**

1. Are you presently in practice / employment? (Yes or No)
2. Number of years in practice or of work experience in the relevant profession or in valuation (attach evidence in the form of reference letters/copies of valuation reports/any other evidence):
3. If in practice, address for professional correspondence:
4. Number of years in employment (in years and months):
5. Experience Details

Sl. No.	From Date	To Date	Employment / Practice	If employed, Name of Employer and Designation	If in practice, experience in the relevant profession/ valuation	Area of work

**E. REGISTERED VALUERS ORGANISATION/ MEMBERSHIP OF PROFESSIONAL BODIES**

1. Please give details of the registered valuers organisation/ Professional bodies of which you are a member. Please state your membership number.

**F. ADDITIONAL INFORMATION**

1. Have you ever /or any of your partners/directors ever been convicted for an offence? (Yes or No). If yes, please give details.
2. Are any criminal proceedings pending against you /or your partners/directors? (Yes or No) If yes, please give details.
3. Are you or any of your/ your partners/directors undischarged bankrupt, or have applied to be adjudged as a bankrupt? (Yes or No) If yes, please give details.
4. Please provide any additional information that may be relevant for your application.

## **G. ATTACHMENTS**

1. Copy of Certificate of Registration with IBBI
2. Copy of Certificate of Registration under Sec 34AB of Wealth Tax Act, 1957 (if applicable)
3. Copy of proof of membership with a registered valuers organization.
4. Copy of membership with Professional bodies
5. Reference Letter(s) as prescribed in Annexure-XI
6. KYC documents for Individual/ Firm/ Partnership Firm/ Company and its proprietor/ partners/directors.
7. Copies of documents in support of educational qualifications, professional qualifications and valuation qualifications of Individual/ proprietor/ partners/directors.
8. Copies of documents demonstrating practice or work experience for relevant period, if applicable
9. Copies of certificate of employment by the relevant employer(s), specifying the period of such employment, if applicable.
10. Financial statements/ Income Tax Returns for the last three years.
11. Passport-size photograph(s) of Individual/ proprietor/ partners/directors.

## **H. AFFIRMATIONS**

1. Copies of documents, as listed in section G of this application form have been attached/ uploaded. The documents attached/ uploaded are .....
2. I undertake to furnish any additional information as and when called for.
3. I am not disqualified from being registered as a valuer under the Companies (Registered Valuers and Valuation) Rules, 2017, (Please strike off if not applicable).
4. This application and the information furnished by me along with this application is true and complete. If found false, misleading or incorrect I will be fully responsible for the consequences.

Place :

Signature & Name of applicant Date:

**List of documents to be submitted by Valuer**

<b>Sl. No.</b>	<b>Name of documents</b>
1	Copy of Certificate of Registration with IBBI (if applicable)
2	Copy of Certificate of Registration under Sec 34AB of Wealth Tax Act, 1957 (if applicable)
3	Copy of proof of membership with a registered valuers organization. (if applicable)
4	Copy of membership with Professional bodies
5	Reference Letter(s) as prescribed in Annexure-VII
6	KYC documents for Individual/ Firm/ Partnership Firm/ Company and its proprietor/ partners/directors.
7	Copies of documents in support of educational qualifications, professional qualifications and valuation qualifications of Individual/ proprietor/ partners/directors.
8	Copies of documents demonstrating practice or work experience for relevant period, if applicable
9	Copies of certificate of employment by the relevant employer(s), specifying the period of such employment, if applicable.
10	Financial statements/ Income Tax Returns for the last three years.
11	Passport-size photograph(s) of Individual/ proprietor/ partners/directors.

The above list is illustrative and not exhaustive. The Bank may call for such other evidence as may be considered necessary for verifying the eligibility or competence of the Valuer.

### Annexure-III (Education Qualifications and Experience)

#### 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	---	5 years work experience in the field of valuation of Land & Building/ Real Estate after completion of the degree or equivalent. The Applicants with these qualifications should preferably possess an additional qualification (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 or (ii) valuer is registered with IBBI or (iii) valuer is registered under Section 34AB of Wealth Tax Act, 1957.
2	Diploma in Civil Engineering/ Architecture.	--	8 years' work experience in the field of valuation of Real Estate after completion of the Diploma.

			They should preferably complete the certification course in valuation of real estate as prescribed under Sr.no. 1 above.
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		Since the process of procurement of membership with these organizations

	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.		includes training as an integral component, no further experience requirement is being prescribed
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\* 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:

<b>Sl. No.</b>	<b>Graduate level</b>	<b>Post Graduate level</b>	<b>Experience in specific discipline</b>
1	Graduate in Mechanical, Electrical, Chemical, Production, Computer, Industrial Engineering and any other stream of Engineering as required by the Bank for conduct	---	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

	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		<p>(i) a certification examination of duration of one semester or above in the subjects which are vital for valuation of Plant &amp; 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.</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 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		<p>8 years work experience in the field of valuation of Plant and Machinery after completion of the Diploma.</p> <p>They should preferably complete certification course in valuation of Plant and Machinery prescribed under Sr.no.1 above.</p>

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 Mechanical, Electrical, Chemical, Production, Computer, Industrial Engineering other stream Engineering required by Bank for conduct valuation of Plant In and as the 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 twoyear 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 Wealth Tax Act):

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: -

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

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.

**Model Code of Conduct for Valuers**

**Integrity and Fairness:**

1. A valuer shall, in the conduct of his/its business, follow high standards of integrity and fairness in all his/its dealings with his/its clients and other valuers.
2. A valuer shall maintain integrity by being honest, straightforward, and forthright in all professional relationships.
3. A valuer shall endeavour to ensure that he/it provides true and adequate information and shall not misrepresent any facts or situations.
4. A valuer shall refrain from being involved in any action that would bring disrepute to the profession.
5. A valuer shall keep public interest foremost while delivering his services.

**Professional Competence and Due Care:**

6. A valuer shall render at all times high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment.
7. A valuer shall carry out professional services in accordance with the relevant technical and professional standards that may be specified from time to time.
8. A valuer shall continuously maintain professional knowledge and skill to provide competent professional service based on up-to-date developments in practice, prevailing regulations/guidelines and techniques.
9. In the preparation of a valuation report, the valuer shall not disclaim liability for his/its expertise or deny his/its duty of care, except to the extent that the assumptions are based on statements of fact provided by the company or its auditors or consultants or information available in public domain and not generated by the valuer.
10. A valuer shall not carry out any instruction of the client insofar as they are incompatible with the requirements of integrity, objectivity and independence.
11. A valuer shall clearly state to his client the services that he would be competent to provide and the services for which he would be relying on other valuers or professionals or for which the client can have a separate arrangement with other valuers.

**Independence and Disclosure of Interest:**

12. A valuer shall act with objectivity in his/its professional dealings by ensuring that his/its decisions are made without the presence of any bias, conflict of interest, coercion, or undue influence of any party, whether directly connected to the valuation assignment or not.

13.A valuer shall not take up an assignment if he/it or any of his/its relatives or associates is not independent in terms of association to the company.

14.A valuer shall maintain complete independence in his/its professional relationships and shall conduct the valuation independent of external influences.

15.A valuer shall wherever necessary disclose to the clients, possible sources of conflicts of duties and interests, while providing unbiased services.

16.A valuer shall not deal in securities of any subject company after any time when he/it first becomes aware of the possibility of his/its association with the valuation, and in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 or till the time the valuation report becomes public, whichever is earlier.

17.A valuer shall not indulge in “mandate snatching” or offering “convenience valuations” in order to cater to a company or client’s needs.

18.As an independent valuer, the valuer shall not charge success fee.

19.In any fairness opinion or independent expert opinion submitted by a valuer, if there has been a prior engagement in an unconnected transaction, the valuer shall declare the association with the company during the last five years.

**Confidentiality:**

20.A valuer shall not use or divulge to other clients or any other party any confidential information about the subject company, which has come to his/its knowledge without proper and specific authority or unless there is a legal or professional right or duty to disclose.

**Information Management:**

21.A valuer shall ensure that he/ it maintains written contemporaneous records for any decision taken, the reasons for taking the decision, and the information and evidence in support of such decision. This shall be maintained so as to sufficiently enable a reasonable person to take a view on the appropriateness of his/its decisions and actions.

22.A valuer shall appear, co-operate and be available for inspections and investigations carried out by the authority, any person authorised by the authority, the registered valuers organisation with which he/it is registered or any other statutory regulatory body.

23.A valuer shall provide all information and records as may be required by the authority, the Tribunal, Appellate Tribunal, the registered valuers organisation with which he/it is registered, or any other statutory regulatory body.

24.A valuer while respecting the confidentiality of information acquired during the course of performing professional services, shall maintain proper working papers for a period of three years or such longer period as required in its contract for a specific valuation, for production before a regulatory authority or for a peer review. In the event of a pending case before the Tribunal or Appellate Tribunal, the record shall be maintained till the disposal of the case.

**Gifts and hospitality:**

25.A valuer or his/its relative shall not accept gifts or hospitality which undermines or affects his independence as a valuer.

Explanation.— For the purposes of this code the term ‘relative’ shall have the same meaning as defined in clause (77) of Section 2 of the Companies Act, 2013 (18 of 2013).

26.A valuer shall not offer gifts or hospitality or a financial or any other advantage to a public servant or any other person with a view to obtain or retain work for himself/ itself, or to obtain or retain an advantage in the conduct of profession for himself/ itself.

**Remuneration and Costs:**

27.A valuer shall provide services for remuneration which is charged in a transparent manner, is a reasonable reflection of the work necessarily and properly undertaken, and is not inconsistent with the applicable rules.

28.A valuer shall not accept any fees or charges other than those which are disclosed in a written contract with the person to whom he would be rendering service.

**Occupation, employability and restrictions:**

29.A valuer shall refrain from accepting too many assignments, if he/it is unlikely to be able to devote adequate time to each of his/ its assignments.

30.A valuer shall not conduct business which in the opinion of the authority or the registered valuer organisation discredits the profession.

**Miscellaneous:**

31.A valuer shall refrain from undertaking to review the work of another valuer of the same client except under written orders from the bank or housing finance institutions and with knowledge of the concerned valuer.

32.A valuer shall follow this code as amended or revised from time to time.

33.The valuer under no circumstances, should use any legend containing the Bank’s name/ symbol/ logo on their letter heads, signboards, name plates, visiting cards, etc. while canvassing business of valuation.

Signature of the valuer.....

Name of the Valuer .....

Address of the valuer .....

.....

Date: .....

Place: .....

**Format of undertaking to be submitted by Individuals/ proprietor/ partners/ directors**

**DECLARATION- CUM- UNDERTAKING**

- I, .....son/ daughter  
of..... do hereby solemnly affirm and state that
- a. I am a citizen of India
  - b. I will not undertake valuation of any assets in which I have a direct or indirect interest or becomes so interested at any time during a period of three years prior to my appointment as valuer or three years after the valuation of assets was conducted by me
  - c. The information furnished in my valuation report dated DD-MM-YYYY is true and correct to the best of my knowledge and belief and I have made an impartial and true valuation of the property.
  - d. I have personally inspected the property on DD-MM-YYYY The work is not sub-contracted to any other valuer and carried out by myself.
  - e. Valuation report is submitted in the format as prescribed by the Bank.
  - f. I have not been depanelled/ delisted by any other bank and in case any such depanelment by other banks during my empanelment with you, I will inform you within 3 days of such depanelment.
  - g. I have not been removed/dismissed from service/employment earlier
  - h. I have not been convicted of any offence and sentenced to a term of imprisonment
  - i. I have not been found guilty of misconduct in professional capacity
  - j. I have not been declared to be unsound mind
  - k. I am not an undischarged bankrupt, or has not applied to be adjudicated as a bankrupt; k. I am not an undischarged insolvent
  - l. I have not been levied a penalty under section 271J of Income-tax Act, 1961 (43 of 1961) and time limit for filing appeal before Commissioner of Income-tax (Appeals) or Income tax Appellate Tribunal, as the case may be has expired, or such penalty has been confirmed by Income-tax Appellate Tribunal, and five years have not elapsed after levy of such penalty
  - m. I have not been convicted of an offence connected with any proceeding under the Income Tax Act 1961, Wealth Tax Act 1957 or Gift Tax Act 1958 and
  - n. My PAN Card number/Service Tax number as applicable is .....

- o. I undertake to keep you informed of any events or happenings which would make me ineligible for empanelment as a valuer
- p. I have not concealed or suppressed any material information, facts and records and I have made a complete and full disclosure
- q. I have read the Handbook on Policy, Standards and procedure for Real Estate Valuation, 2011 of the IBA and this report is in conformity to the “Standards” enshrined for valuation in the Part-B of the above handbook to the best of my ability
- r. I have read the International Valuation Standards (IVS) and the report submitted to the Bank for the respective asset class is in conformity to the “Standards” as enshrined for valuation in the IVS in “General Standards” and “Asset Standards” as applicable
- s. I abide by the Model Code of Conduct for empanelment of valuer in the Bank. (Annexure V- A signed copy of same to be taken and kept along with this declaration)
- t. I am registered under Section 34 AB of the Wealth Tax Act, 1957. (Strike off, if not applicable)
- u. I am valuer registered with Insolvency & Bankruptcy Board of India (IBBI) (Strike off, if not applicable)
- v. My CIBIL Score and credit worthiness is as per Bank’s guidelines.
- w. I am the proprietor / partner / authorized official of the firm / company, who is competent to sign this valuation report.
- x. I will undertake the valuation work on receipt of Letter of Engagement generated from the system (i.e. LLMS/LOS) only.
- y. Further, I hereby provide the following information.

SI No.	Particulars	Valuer comment
1	background information of the asset being valued;	
2	purpose of valuation and appointing authority	
3	identity of the valuer and any other experts involved in the valuation;	
4	disclosure of valuer interest or conflict, if any;	
5	date of appointment, valuation date and date of report;	



6	inspections and/or investigations undertaken;	
7	nature and sources of the information used or relied upon;	
8	procedures adopted in carrying out the valuation and valuation standards followed;	
9	restrictions on use of the report, if any;	
10	major factors that were taken into account during the valuation;	
11	major factors that were not taken into account during the valuation;	
12	Caveats, limitations and disclaimers to the extent they explain or elucidate the limitations faced by valuer, which shall not be for the purpose of limiting his responsibility for the valuation report.	

**Date:**

**Place:**

**Signature**

**(Name of the Approved Valuer and Seal of the Firm / Company)**

**Certificate of Membership**

This is to certify that Mr./Ms..... Proprietor/ Partner/  
Director of M/s..... Registered Office at  
..... is registered valuer member with this  
Association. His/ her Membership No. is.....

2. It is also certified that he/ She holds a good standing/reputation in the Association and there are no complaints, disciplinary actions pending or in progress against the above valuer member.

Authorised Signatory

Date:

Place:

\*Certificate to be issued on a letter head

**Annexure-VII: Reference Letter**

(To be issued on a letter Head)  
**To Whomsoever It May Concern**

This reference letter is issued to certify that Mr./Ms..... is an Individual / Proprietor/Partner/ Director of M/s ..... valuer/ Proprietorship Firm / Partnership Firm / Company, its registered office at .....  
..... is empanelled/ was empanelled with this office as a valuer for a period from ..... to ..... for conducting the valuation in the following Asset Class(es):

(please choose applicable field by ticking it)

1. Land & Building
2. Plant & Machinery
3. Securities or Financial Assets/ Stocks and Trade
4. Agriculture Land

2. The above valuer entity had approximately conducted following number of valuations with us during the period of empanelment:

Period of valuation conducted	Approximate nos. of Valuation conducted		Approximate amount of valuation		
	Overall nos. of valuation (A)	Nos. of Non-retail valuations Out of (A)	Overall amount of valuation	Amount of individual Nonretail valuation	
				Nos. of valuation with Market Value Above Rs.100 crore	Nos. of valuation with Market Value of Rs.50 lacs to below Rs.100 crore
From the date of empanelment or since last 24 months whichever is earlier					
Since last 12 months					

\*Non-retail = Corporate Loans

3. The valuation entity is capable, honest and professional and has completed its assignments successfully and satisfactorily during the period of empanelment.

Authorised Signatory

Date:

Place:

**Annexure- VIII: Checklist**

**CHECKLIST TO BE SUBMITTED FOR EACH APPLICANT SEPARATELY**

S.No	Criteria	Particulars	Tick Appropriate Box	Documentary Evidence Submitted (YES/NO)
1.	Experience in valuation of relevant class(s) of Asset(s) as per Annexure-I.	More than 10 years		
		More than 5 years but upto 10 years		
		More than 3 years but upto 5 years		
		Below 3 years		
2.	Educational Qualifications as specified in Annexure-I.	Master's Degree and above in relevant field of valuation		
		Bachelor's degree in relevant field of valuation		
		Diploma or any other qualification in relevant field of valuation		
		Qualifications other than above		
3.	Registration with Insolvency and Bankruptcy Board of India (IBBI) or Membership with Registered Valuer Organisation (RVO).	Registered valuer with IBBI		
		Membership with Registered Valuer Organisation (RVO)		
		Not registered with IBBI Nor registered with RVO		
4.	Registered under	Registered under the Wealth Tax Act		

	Section 34AB of Wealth Tax Act, 2002.	Not registered under the wealth Tax Act		
5.	Present Empanelment/ Appointment with PSBs/ Govt. Organisations/ Companies (Ltd. Co. engaged in business of valuation/LLP/Pvt. Ltd. Co. engaged in business of valuation for last 5 years).	Present Empanelment/ appointment with 5 and above PSBs/ Govt. Organisations excluding Companies		
		Present Empanelment/ Appointment with 1 to 4 PSBs/ Govt. Organisations/ including Companies		
		Presently No Empanelment/ Appointment with PSBs/ Govt. Organisations/ Companies		
6.	Reference Letter from PSBs/ Government Organisations/ Companies where previously valuer had done valuations.	5 and above reference letters from PSBs/ Govt. Organisations excluding Companies		
		8 and above reference letters from PSBs/ Govt. Organisations/ including Companies		
		Upto 2 reference letters from PSBs/ Govt. Organisations/ including Companies		
7.	Number of relevant Valuation assignments undertaken and successfully completed in last 24 months.	40 assignments and above with minimum 18 NonRetail assignments		
		20-39 assignments with minimum 12 Non-Retail assignments		
		10-19 assignments with minimum 6 Non-Retail assignments		
		Below 10 assignments		
8.	Amount of valuation	12 or more number of cases with Market Value above Rs.100 crore each		

executed during last 12 months.	12 or more number of cases with Market Value above Rs.50.00 lacs each	
	Any no. of assignment of Market Value below Rs.50.00 lacs	

( )

Signature of the valuer

Name of the Valuer -

Address of the valuer-

Date-

Place-

**Annexure- IX: TO BE FILLED BY RECOMMENDING BRANCH**

	<b><u>NAME OF VALUER (in capitals) :</u></b>	
	<b><u>CATEGORY - SARFAESI /NON SARFAESI A/B/C</u></b>	
	<b><u>CHECKLIST FOR EMPANELMENT OF VALUERS</u></b>	<b><u>REMARKS</u></b>
1	SHOULD BE A MEMBER OF ANY ONE OF THE VALUER ASSOCIATION - ( IOV, IESMA, PVAI, ICSI, IIV, ICMAI, ICAI, ACVA, CVSTRA, COPUNCIL OF ENGNRS AND VALUERS, DIVYA JYOTHI FOUNDATION OR ANY OTHER ASSOCIATION REGD AS RVO WITH IBBI )	
2	COMPLETED ATLEAST 5 ASSIGNMENTS SUCCESFULLY DURING IMMEDIATE PRECEDING 12 MONTHS	
3	Minimum age for empanelment shall be 25 years	
4	3 REFERENCE LETTERS – REFEREE – BANK, COMPANY	
5	PROOF OF EXPERIENCE	
6	PAN CARD/GST NUMBER	
7	APPLICATION AS PER ANNEX 1,	
8	DOCS AS PER ANEX 2	
9	EDCNL QLFCN AS PER ANNX 3	
10	VERIFIED KYC DOCUMENTS FOR INDIVIDUAL/ FIRM/ PARTNERSHIP FIRM/ COMPANY AND ITS PROPRIETOR/ PARTNERS/DIRECTORS.	
1	COPIES OF DOCUMENTS IN SUPPORT OF EDUCATIONAL QUALIFICATIONS, PROFESSIONAL QUALIFICATIONS AND VALUATION QUALIFICATIONS OF INDIVIDUAL/ PROPRIETOR/ PARTNERS/DIRECTORS	
12	COPY OF CERTIFICATE OF REGISTRATION WITH IBBI (IF APPLICABLE)	
13	COPY OF CERTIFICATE OF REGISTRATION UNDER SEC 34AB OF WEALTH TAX ACT, 1957 (IF APPLICABLE)	
14	COPY OF PROOF OF MEMBERSHIP WITH A REGISTERED VALUERS ORGANIZATION. (IF APPLICABLE) AS PER ANNEXURE 6	
15	COPY OF MEMBERSHIP WITH PROFESSIONAL BODIES	
16	VISIT REPORT DULY SIGNED BY AUTHORISED SIGNATORY	
17	CIBIL REPORT DULY VERIFIED	



18	REFERENCE LETTER(S) – MINIMUM 3 - AS PRESCRIBED IN ANNEXURE-7	
19	COPIES OF DOCUMENTS DEMONSTRATING PRACTICE OR WORK EXPERIENCE FOR RELEVANT PERIOD, IF APPLICABLE	
20	COPIES OF CERTIFICATE OF EMPLOYMENT BY THE RELEVANT EMPLOYER(S), SPECIFYING THE PERIOD OF SUCH EMPLOYMENT, IF APPLICABLE.	
21	DULY FILLED UNDERTAKING AS PERV ANNEXURE 5	
22	DULY SIGNED MODEL CODE OF CONDUCT AS PER ANNEXURE 4	
23	FINANCIAL STATEMENTS/ INCOME TAX RETURNS FOR THE LAST THREE YEARS.	
24	PASSPORT-SIZE PHOTOGRAPH(S) OF INDIVIDUAL/ PROPRIETOR/ PARTNERS/DIRECTORS.	
25	APPLICATION TO BE RECOMMENDED BY BRANCH/ BUSINESS UNIT/ RBO/B&O	

**IBBI**

**> REGD AS A VALUER MEMBER WITH IBBI**

**SARFAESI**

**> REGD UNDER SEC 34 B OF WEALTH TAX ,1957**

**Signature of Branch Official**

Branch Name:

Date:

Recommended for Empanelment

Deputy General Manager (B&O)

AO Name:

Place: