



TRIPURA GRAMIN BANK

(A Government Undertaking)

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EMPANELMENT OF VALUERS

[LAST DATE FOR SUBMISSION OF APPLICATION IS- 31.08.2022]

Tripura Gramin Bank invites application from Valuers for empanelment in banks panel.

I. Purpose of Valuers:-

In order to ascertain the value of properties, 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/ Real Estate
- ii. Plant & Machinery
- iii. Stocks and Trade
- iv. Agricultural Land
- v. Agricultural Land (Plantation)

A) Educational Qualifications and Previous Work 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. As such, persons possessing the following Educational Qualifications and Work Experience shall be eligible to apply for empanelment as valuers:

I. Valuation of Land & Building / Real Estate

For fresh empanelment, preferably, only academically qualified valuers possessing following qualifications in valuation of Land & Building / Real Estate may be empanelled.

Sr. No	Educational Qualification	Work Experience
1.	Bachelor's degree in Civil Engineering / Architecture/ Town Planning or equivalent	5 years" work experience in the field of valuation of Land and Building after completion of the degree or equivalent Or 5 years" work experience in the field of valuation of Real Estate after completion of the degree or equivalent



2.	*Diploma in Civil Engineering / Architecture.	8 years" work experience in the field of valuation of Land and Building after completion of the diploma. Or 8 years" work experience in the field of valuation of Real Estate after completion of the diploma
3.	Pass in examination in 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.	Master's degree in Valuation of Land and Building and Real Estate awarded by a recognized University in India i.e. University established under State or Central Acts	2 years" work experience in the field of valuation of Land and Building after completing the examination Or 2 years" work experience in the field of valuation of Real Estate after completing the examination

*Ceiling of Rs.5 cr. on value of property has been imposed for valuation of property by diploma holders in Civil Engineering /Architecture in case of both retail loan as well as corporate loan.

II. Valuation of Plant and Machinery

Educational qualifications and experience for Empanelment as Valuers of Plant & Machinery: Only academically qualified valuers possessing following qualifications in valuation of plant & machinery shall be empanelled.

S. No	Educational Qualification	Work Experience
1.	Bachelor's degree in mechanical, electrical, chemical, production, electronics, computer, industrial engineering and any other stream of Engineering as required by the Banks for conduct of valuation of Plant and Machinery and other equipment's.	Work Experience of 5 years in the field of valuation of Plant & Machinery after completion of the degree or equivalent.
2.	Diploma in mechanical, electrical, production, chemical, electronics, computer, industrial engineering and any other stream of Engineering as required by the Banks for conduct of valuation of	Work experience of 8 years in the field of valuation of Plant & Machinery after completion of the



	Plant and Machinery and other equipment's	diploma.
3.	Master's degree in Valuation of Plant & Machinery awarded by a recognized University in India i.e. University established under State or Central Acts	Work Experience of 2 years in the field of valuation of Plant & Machinery after completing the examination.

III. Valuers of Stock (inventory), Shares

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), 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. He must have been a practice as chartered accountant or a cost and works accountant 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.

Evidence of previous experience needs to be provided to the Banks / Fls. 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.

- A) Minimum Age Requirement: Age is an important criteria while empanelling valuers. The minimum age for empanelment shall be 25 years and there is no maximum age limit for a valuer to remain on the panel
- B) Membership of Professional Bodies: It is important that a valuer actively participates in professional activities in various professional bodies. It shall be necessary that every valuer empanelled by Bank in India be a member in good standing of any one of the valuer associations.
- C) Categories of Valuers: The objective of categorization of valuers is to ensure that whilst lesser value assignments are handled by relatively junior valuers, the senior valuers can handle higher order valuations. The empanelment of valuers therefore shall be in the following categories:

Sl. No.	Category of Valuers	Work Experience in Undertaking Valuation	Value of property for assignment of Valuation Work
1.	A	More than 10 years	No limit
2.	B	More than 5 years and less than 10 years	Upto Rs.50 crores
3.	C	Upto 5 years*	Upto Rs.5 crore



* In case of Diploma holders in Civil Engineering /Architecture eligible for empanelment to undertake valuations, work experience of 8 years in the field of valuation of real estate after completing the diploma is required and they can undertake valuation of property upto maximum value of Rs.5 cr.

Valuers need to furnish proof of experience. Any one of the following may be accepted as proof of experience:

1. Letter of empanelment by any Bank / FI
 2. Letter of empanelment by any Court of India
 3. Registration Certificate under Wealth Tax Act, 1957
 4. Letter of assignment as valuation consultant by Government of India / any State Government / any Municipality / any Municipal Corporation
 5. Letter of assignment as valuer employee by Government of India / any State Government / any Municipality / any Municipal Corporation
 6. Letter of assignment as a valuer employee by any Limited Company engaged in the business of valuation
 7. Letter of assignment as a valuation consultant by any Limited Company.
 8. Letter of assignment as a valuer employee by any partnership / proprietorship / 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

D) Registration with Government

Registration with the central / state governments is desirable but not compulsory. However, it may be noted that for undertaking valuations under the SARFAESI Act, valuation has to be obtained from Registered Valuer under the Wealth Tax Act (Sections 34 AA to 34 AE). While assigning / outsourcing valuation work to valuers, it is necessary that branches take the provisions of the SARFAESI Act into account and comply accordingly

E) References

Carrying out a reference check is extremely important in order to verify the competence of a valuer. Valuers need to submit at least 3 reference letters and banks need to verify the quality of services provided by the valuer in the previous instances before empanelling the valuers on their panel. 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. 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

F) Other Conditions

In addition to the above, the other conditions to be fulfilled by the valuers for empanelment are as under: -

- The valuer is a citizen of India –
- The valuer has not been removed / dismissed from valuation related service (previous employment) earlier –



- The valuer has not been convicted of any offence and sentenced to a term of imprisonment –
- The valuer has not been found guilty of misconduct in professional capacity –
- The valuer is not an undischarged insolvent –
- The valuer has 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. –
- The valuer possesses a PAN Card number / Service Tax number as applicable (Service Tax No. is a must for Category “A” Valuer).
- At the time of empanelment, the valuer shall give an undertaking to this effect as per **(Appendix-VII)**

IV. Valuers of Agricultural land

Educational qualifications and experience for Empanelment as Valuers of Agricultural Land:

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

- Cost, price, value and worth
- Various types of value
- Value elements – ingredients – characteristics
- Annuities – capitalization – rate of capitalization – redemption of capital
- Three approaches to value viz. Income, Market and cost
- Laws applicable to agricultural land

Till the courses are available the empanelment may be carried out as per criteria laid down under the Wealth Tax Rule 8A (3) and same is reproduced below: Rule 8A (3) A Valuer of agricultural lands (Other than plantations referred to in sub rule (4) shall have the following qualifications, namely :-

- a) He must be a graduate in agricultural science of a recognized university and must have worked as a farm valuer for a period of not less than five years; and
- b) 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 (16 of 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.

V. Valuers of Agricultural Land (Plantations) under Wealth Tax Rule 8A(4)

Educational qualifications and experience for Empanelment

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



- (i) 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
- (ii) 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 (16 of 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.

Apart from above, following criteria shall also be applicable to form a new empaneled valuers.

1. It is desirable that the Valuer should be empanelled with other bank or financial institution and should be willing to undertake that they shall not appear/ advise or represent interest adverse to the Bank's interests.
2. Modification in Request for Application document: Tripura Gramin Bank reserves its rights to modify any part of this document at any time prior to the deadline for submission of applications. Such change(s)/modification(s), if any, may be in the form of an addendum/corrigendum and will be uploaded in Bank's website -<http://www.tripuragraminbank.org>. All such change(s) will automatically become part of this Request for Application and binding on all applicants. Interested applicants are advised to regularly refer our website.
3. Mere submission of application and fulfilling of eligibility criteria does not entitle the Valuer for empanelment.
4. The applications received shall be evaluated based on the evaluation criteria. Valuer having more experience/resources/ logistics/panels will earn more weightage as indicated in the evaluation criteria. The number of relevant assignments undertaken by the Valuer for various organizations in the last and current financial year may be indicated with supporting documents.
5. Bank reserves its rights to modify/relax the eligibility criteria in case sufficient number of eligible applications is not received.
6. Bank reserves the right to summarily reject the application for any reason without assigning the reason thereof.
7. Engagement of the Valuer shall be at the sole discretion of the Bank.
8. Empanelment of Valuer will be done district wise as per Bank's requirement.



9. The Valuer earlier empanelled with the Bank for above purpose prior to this notification are also need to submit their applications, as our new valuers empanelment automatically supersede the entire previous empanelment.
10. Minimum Age Requirement: Age is an important criteria while empanelling valuers. **The minimum age for empanelment shall be 25 years** and there is no maximum age limit for a valuer to remain on the panel.
11. Membership of Professional Bodies: It is important that a valuer actively participates in professional activities in various professional bodies. It shall be necessary that every valuer empanelled by Bank in India be a member in good standing of any one of the valuer associations.

II. PROCEDURE FOR EMPANELMENT:

1. The interested Valuers shall submit the duly filled in applications to the concerned Regional Offices of the District/Sub-Division where they resided on or before **31.08.2022** along with the self-attested copies of the documents as stipulated in the application as per **Appendix-VIII**. **The address of Regional Offices of the bank is available in banks website www.tripuragraminbank.org.**
2. The applications so received shall be scrutinized and the applications which are completed in all aspects and in conformity with the requirements and after conducting due diligence exercise shall be considered for empanelment.
3. Incomplete applications/applications not supported with copies of documents, and **applications submitted after the last date i.e. 31.08.2022 shall not be considered for empanelment.**

III. OTHER TERMS AND CONDITIONS FOR EMPANELMENT.

- Applications from the intending Valuers for empanelment will be invited as per Bank's requirement basis.
- The application format shall also be available on the bank's website - <http://www.tripuragraminbank.org>. for easy download.
- **The panel will remain valid for Five Years (subject to review) or till next empanelment process is concluded,** whichever is later on continuous basis for the purpose of continuity of the briefs with the empanelled advocate(s).
- Tripura Gramin Bank is not responsible for non-receipt of applications within the specified date and time due to any reason including postal delays or holidays in between.
- The applicants shall bear all costs associated with submission of application desired by Tripura Gramin Bank. Tripura Gramin Bank will not be responsible or liable for any cost thereof, regardless of the conduct or outcome of the process.



- Tripura Gramin Bank shall have the right to cancel the empanelment process itself at any time, without thereby incurring any liabilities to the affected applicants.
- The intending Valuers shall submit the duly filled in applications to the concerned Regional Offices along with the self-attested copies of the documents as stipulated in the application as per **Appendix-VIII**.
- All applications need to be accompanied by relevant documents to substantiate— the educational qualifications, experience, etc. The applications so received shall be scrutinized by the Regional Office and after scrutiny the applications which are complete in all aspects and in conformity with the requirements shall be forwarded by the concerned Regional Office to Inspection Department, H.O along with their recommendation and also after conducting a due diligence exercise at their end in respect of the intending Valuers.
- Upon receiving the duly filled in and complete applications along with due diligence certificate and recommendation of Regional Office, the said applications shall be placed before the committee as indicated in paragraph below.
- The Valuer is to execute an agreement with the bank.
- Terms of engagement for empanelment of valuers are as per- **Appendix-X**
- Letter of Indemnity to be obtained at the time of empanelment.
- As and when the requirement arises, the number of valuers required shall be empanelled and once empanelled; the Valuer shall be on the bank's panel for a period of five years unless and until removed from the panel.
 - While considering the eligibility criteria, preference will be given to the Valuers having registered with IBBI and valuers under SARFAESI Act, 2002 (valuers registered u/s 34AB of Wealth Tax Act, 1957). There is no adverse report against the listed valuers and their names are not appearing in the list of valuers for depanelment, circulated by RBI/IBA from time to time.
 - There are sufficient number of valuers as per geographical area; otherwise list be extended further.
- After short listing the names of the eligible Valuers as indicated herein above, **HOD (Inspection), H.O shall place the applications before the Chairman through a Committee constituting of General Manager, HOD(Development), HOD (Recovery and Monitoring), HOD (Credit and Refinance), HOD (Inspection) and Law Section for approval.**
- Empanelled Valuer must not be related to staff in the division dealing with— valuation work.
- Any effort on the part of applicant to influence evaluation process may result in rejection of the application. **From the time the proposals are opened to the time of appointment, respondents should not contact the Bank or any of its employees or representatives on any matter related to the proposal with a view to influence the examination, evaluation, ranking and appointment. Such an effort shall result in rejection of the proposals.**



- I. **Duration of Empanelment:** The duration of empanelment shall be for a period of Five years. However, the quality of service provided/performance of the valuers shall be reviewed annually by the bank. An annual performance review shall be carried out by a committee comprising of senior officers of the bank. Accordingly, performance of the existing valuers is reviewed every year.
- II. **Removal of Valuers from Bank's Panel**
- If the performance of the Valuer is not satisfactory, the Valuer can be removed— from the Panel at the discretion of the Bank. Branches shall forward the names of such valuers to Inspection Department, Head Office for delisting their names from the bank's approved panel.
 - If a Valuer is prima facie, found to have involved in some fraudulent activities /conspiracy with the borrowers in over valuation of property the name of Valuer should be reported to IBA for placing it on the IBA's caution list of Third Party Entities (TPEs) involved in Fraud. Before reporting the name of TPEs the bank shall ensure that procedure laid down by IBA in its procedural guidelines are scrupulously followed.
 - In case of misconduct by any Valuer, the bank shall have the prerogative to recommend the removal of the Valuer from the panel. The steps involved in this process are given hereunder:
 - i. **Issue of show cause notice:** The Valuer shall be given due opportunity to explain why action should not be initiated against him or her.
 - ii. **Hearing:** The Valuer shall be given an opportunity to make his/her point of view known and heard.
 - iii. **Deliberation by the committee:** The matter shall be deliberated by the concerned Conflict Resolution Committee. If the charges are found to be serious against the Valuer he/she may be removed from the panel.
- III. **Re-Empanelment:** Depending on the seriousness of the case, the Valuer can be re-empanelled after a gap of 5 years based on the recommendations of the bank's Conflict committee. The names of valuers removed shall be reported to IBA which in turn shall place the names on its caution list.
- IV. **Compliance of Standards and Procedures:** All valuers empanelled with the bank shall comply and abide by the standards and procedures laid down in this document and code of conduct specified in this document (**Appendix-XII**).
- V. **Independence and Objectivity:** All valuers empanelled by the bank shall act with independence, integrity and objectivity. They shall undertake all valuation works with an independent mind and shall not come under any influence of anybody. The empanelled **valuer** shall also not be related to any of the personnel in the bank in the department/division dealing with valuation work directly.



VI. Obligations of the Banks

This document casts the following obligations on the appointing agencies viz. the Banks /Financial institutions as follows:

- All appointments /empanelment of valuers shall be done in accordance with the provisions of this document and its amendments from time to time. –
- All instructions to the Valuer are to be given by the bank in writing. –
- Supportive documents, wherever possible, shall be provided to the Valuer before the valuation work begins. Any other document will have to be procured by the Valuer and sufficient time for the same will be provided and cost of procurement of such documents shall be reimbursed by the Bank. –
- A maximum of 10 days time shall normally be given to the Valuer to carry out the valuation. Maximum time for valuation will be mutually decided by the Valuer and Bank depending upon the nature of the valuation job and circumstances on a case to case basis.
- In case of outstation properties or in case of large property valuations, more time shall be given, depending on the circumstances, on a case to case basis. –
- No security deposits or any other indemnity money should be taken from the valuers as security for the professional services that they provide. –
- Professional fees / payments to the valuers shall be paid by the bank within 45 days of the submission of the valuation –
- In case the valuation report submitted by the Valuer is not in order, the bank shall bring the same to the notice of the Valuer within 15 days of submission for rectification and resubmission. In case no such communication is received, it shall be presumed that the valuation report has been accepted.
- All procedures as outlined in this document have to be followed by the bank. –
- In case of valuations under SARFAESI Act, provisions under the Act have to be followed. –
- Where the value of immovable property to be mortgaged/ charged is more than Rs. 5crore, branches shall get valuation of such IPs done from minimum two valuers of category A or B on the Bank's approved panel.
- In case the difference in the valuation arrived at by both the valuers is not more than 15 percent, the average value may be considered. In case the difference in valuations is more than 15%, 3rd valuation may be got done from a senior Valuer in A category and the average of the two valuation reports having difference of not more than 15% be taken.

VII. Continuing Education: All valuers shall constantly update their knowledge base by actively participating in various continuing education programmes including seminars, conferences, workshops, training programmes, capacity building programmes, etc.

Bank shall maintain a Register of Valuation Work Outsourcing. Work shall be offered to valuers based on their performance. If a Valuer does not take up the



work for some reason, the same should be recorded and then allotted to another Valuer.

2.5 PROCEDURE FOR DEALING WITH VALUATION OF PROPERTIES THOSE REQUIRED UNDER COMPANIES ACT, 2013:

The Ministry of Corporate Affairs (MCA) has notified the provisions governing valuation by registered valuers [section 247 of the Companies Act, 2013 (the Act)] and the Companies (Registered Valuers and Valuation) Rules, 2017 (the Rules). In addition, to administer and perform functions under the said rules, the MCA by way of notification on 23 October, 2017, has specified the Insolvency and Bankruptcy Board of India (IBBI) as the responsible authority. Section 247 of the Act requires that where a valuation is to be made of any property, stocks, shares, debentures, securities or goodwill or any assets or net worth of a company or its liabilities under the provisions of the Act, the same shall be valued by a person having the requisite qualifications, experience, registered as a Valuer and member of a registered valuers organization, in the manner prescribed in the Rules.

2.6. ENGAGEMENT OF VALUERS FOR VALUATION OF SECURITY IN CASES REFERRED TO NCLT AS PER PROVISIONS OF INSOLVENCY AND BANKRUPTCY CODE 2016 (IBC) – For cases referred to NCLT under IBC, IRP/RP shall appoint valuers for valuation of assets of the corporate debtor by engaging valuers who are registered with IBBI/organizations recognized by IBBI. The scope and fees payable to such valuers shall be fixed by the IRP / RP with approval of Committee of Creditors (CoC).

2.7 Process for effective asset valuation and monitoring:

Standardization of valuation methodology Valuation methodologies can be broadly classified into two categories:

- Market based valuation and approaches—
- Bases other than market based valuation—

Most professional valuations involve the market value basis. However, circumstances could require bases other than the market value. It is essential that the Valuer and the user clearly understand the distinction between these. The processes to standardize asset valuation for market based valuation and other bases are outlined as under:

1. Market based valuation of assets:

Market value is defined as the estimated amount on the date of valuation for which an asset should be exchanged between a willing buyer and a willing seller. The transaction should be at arm's-length and after proper marketing. Each party should act knowledgeably, prudently and without compulsion. Estimating market value should assume the highest and best use of the subject asset. In estimating this use, one needs to analyse other uses – possible, permissible, feasible and finally the highest and best use. The following four conditions need to be met to estimate the highest and best use:

- The use must be legal—
- The use must be probable and not speculative or conjectural—
- There must be a profitable demand for such use—
- It must bring the asset the highest net return for the longest period of time.



a) **Valuation of land:** To estimate and report the market value of land the Valuer should:

- Set forth the valuation in a clear and non-misleading manner.
- Ensure that the estimate is based on appropriate market data. The market comparables considered should be plots of similar size and use as the land being valued. The Valuer should conduct adequate and relevant research for market comparables and analyze it to draw well informed and supportable judgements.
- Apply higher judgement in case of agricultural land to select the comparables. The Valuer should preferably have a graduate degree in agricultural science and/or had been formerly employed as a collector, deputy collector, settlement officer, land valuation officer, superintendent of land records, agricultural officer or registrar under the Registration Act 1908.
- In case of valuation of agricultural lands, if the valuation is more than Rs.10crore, Valuer should be a body corporate and should have a Pan India presence and/or in case of a firm being Valuer, all partners should be members of Institution of Valuers.
- Ensure that the estimate is reached using the appropriate, widely accepted methods and techniques.
- Provide sufficient information to permit those who read and reply on the report to fully understand its data, reasoning, analyses and conclusions. Comply with the requirements of the standards and reporting.
- Define the value being estimated, state the purpose and intended use of the valuation, the effective date of valuation and the date of the report.
- Clearly identify and describe the land and ownership rights or interests being valued.
- Physically inspect the land and describe the scope and extent of the work undertaken.
- State clearly the assumptions and limiting conditions upon which the valuation is based. Do not unquestioningly accept the data collected in an „as is where is“ form but also consider all pertinent market evidence, trends, recent transactions, etc.
- Explain completely the valuation basis and approaches applied and the reasons for the applications and conclusions.
- Include a signed compliance certificate attesting the Valuer objectivity, professional contribution, unbiased opinion, non-contingency of professional fee and other compensation as well as applicability of standards and disclosures.

b) **Valuation of Buildings:**

To estimate and report the market value of a building, the Valuer should:

- Set forth the valuation in a clear and non-misleading manner.
- Ensure that the estimate is based on market derived data. Market valuations are generally based on comparable buildings. The Valuer should conduct adequate and relevant research for market comparables and analyze it to draw well informed and supportable judgements.
- Ensure that the estimate is reached using the appropriate, widely accepted methods and techniques



- Provide sufficient information to permit those who read and reply on the report to fully understand its data, reasoning, analyses and conclusions. Comply with the requirements of the standards and reporting.
 - Define the value being estimated, state the purpose and intended use of the valuation, the effective date of valuation and the date of the report.
 - Clearly identify and describe the land and ownership rights or interests being valued.
 - Physically inspect the building, describe the scope and extent of the work undertaken and the extent to which the building was inspected.
 - State clearly the assumptions and limiting conditions upon which the valuation is based. Do not unquestioningly accept the data collected in an „as is where is“ form but also consider all pertinent market evidence, trends, recent transactions, etc.
 - Explain completely the valuation basis and approaches applied and the reasons for the applications and conclusions.
 - Include a signed compliance certificate attesting the Valuer objectivity, professional contribution, unbiased opinion, non-contingency of professional fee and other compensation as well as applicability of standards and disclosures.
- c) **Valuation of Plant & Machinery:** To estimate and report the market value of plant and machinery, the Valuer should:
- Set forth the valuation in a clear and non-misleading manner.
 - Ensure that the estimate is reached using the appropriate, widely accepted methods and techniques
 - Provide sufficient information to permit those who read and reply on the report to fully understand its data, reasoning, analyses and conclusions. Comply with the requirements of the standards and reporting.
 - Define the value being estimated, state the purpose and intended use of the valuation, the effective date of valuation and the date of the report.
 - Identify clearly and describe the plant and machinery and ownership rights or interests being valued.
 - Physically inspect the building, describe the scope and extent of the work undertaken and the extent to which the plant was inspected.
 - State clearly the assumptions and limiting conditions upon which the valuation is based. Do not unquestioningly accept the data collected in an „as is where is“ form but also consider all pertinent market evidence, trends, recent transactions, etc.
 - Explain completely the valuation basis and approaches applied and the reasons for the applications and conclusions.
 - Include a signed compliance certificate attesting the Valuer objectivity, professional contribution, unbiased opinion, non-contingency of professional fee and other compensation as well as applicability of standards and disclosures.

Additionally, the Valuer should clearly and unambiguously make the following disclosures as applicable:



- Make a proper disclosure where market data is limited or essentially non-existent and state whether the estimate is in any way limited by the inadequacy of data.
- State clearly whether the market value estimate is based on market evidence or upon the Valuer judgement because of the nature of the building and lack of comparable market data.
- Include specific references on how the land has been viewed in terms of its utility or its highest and best use and a statement of all substantive assumptions.

Any departure from this standard should be clearly stated in the valuation report along with the reasons and justification for the same. The special circumstances which warranted departure from the established norms need to be adequately explained.

2. Bases other than market based valuation: Valuation on bases other than the market requires valuers to make additional assumptions. These are often more specific than those required to establish market value as they may relate to the circumstances of a particular party. This section defines and discusses other valuation bases which fall into three categories:

- First Category includes the benefit that an entity enjoys from the ownership of an asset. The value is specific to that entity. Although under some circumstances the same amount could be realized from the sale of the asset, this value essentially reflects the benefits received from the holding of the asset. It, therefore, does not necessarily involve a hypothetical exchange investment value falls in this category.
- Second Category reflects the price that two specific parties would agree upon to exchange an asset. Although the parties may be unconnected and negotiate at an arm's length, the asset is not necessarily exposed in the wider market, and the price agreed upon may reflect the specific advantage or disadvantage of ownership to the parties involved rather than market at large. This category includes fair value special value and synergistic value.
- Third Category is the value determined in accordance with a definition set out in a statute or a contract.

The definitions of bases other than market based valuation:

Fair value – The amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Investment value – The value of a property to a particular investor, a class of investors or an entity with specific investment and/or operational objectives/criteria. This value is thus a subjective concept.

Special value – An amount above the market value that reflects the particular attributes of an asset that are of value only to a special purchaser.

Synergistic value – An additional element of value created by the combination of two or more interests where the Valuer of the combined interest is worth more than the sum of the original interests.

In addition to these standards, the Valuer should ensure the following:



- Distinguish clearly and unambiguously that the reported value is not a market value estimate.
- Explain fully the valuation basis approaches applied, the reasons for the applications and the conclusions.
- Include all data used for valuation and disclose whether the estimate is in any way limited by the inadequacy of data.
- Any departure from this standard should be clearly stated in the valuation report along with the reasons and justification for the same. The special circumstances which warranted departure from the established norms need to be adequately explained.

Resolving differences in valuation by independent valuers: The standardization of the valuation methodology will empower banks to resolve differences in valuations by different valuers. It will also help banks to understand the methodology in a more systematic manner. In case of differences in valuation, banks should examine in preferably the same order the following four dimensions which primarily bring about the differences to identify the cause of variation: Basis of valuation: It is a practice in banks to appoint more than one valuers in respect of valuation of assets having high value e.g. valuation of assets of a borrower which is more than Rs.5crore. In the case of differences in valuation of assets done by two independent valuers, the average of the two valuations may be taken as the notional valuation of the property. Banks should also test whether the two reports have used the same basis for valuation or not. In case the bases are different, reports using bases other than market value should clearly lay out the rationale for doing so. Banks should examine the justification provided to establish whether the right basis has been used.

Methods/techniques used: Valuers are expected to use methods and techniques that are widely accepted and used. The use of different methods by valuers can lead to variation in their findings. Given the situation, banks should assess the appropriateness of methods used and thus identify which valuation is more accurate.

Data: Even if the valuation procedure is aligned with respect to basis and methods, variation can result from the use of different data sets. Banks should examine the date and establish which is more appropriate in terms of similarity with the asset being valued, recency of data, etc.

Underlying assumptions: The difference in value can also be a function of large variation in underlying assumptions (or minor variation in assumptions which have high sensitivity). Following a systematic and structured approach will enable banks to identify the key assumptions behind the variation in value. The bank can then conduct a detailed study of the specific assumptions instead of reporting a full valuation effort.



- 2.8. Fee Structure (including SARFAESI):**
a. The fee structure for valuation of property and plant & machinery shall be as under:

VALUE OF ASSET*	VALUATION FEE (In Rs.)
Up to Rs.20 Lacs	Rs.2000/-
Above Rs.20 Lacs and up to Rs.50 Lacs	Rs.3000/-
Above Rs.50 Lacs and up to Rs.1 crore	Rs.4000/-
Above Rs.1 crore and up to Rs.5 crore	Rs.8000/-
Above Rs.5 crore and up to Rs.10 crore	Rs.12000/-
Above Rs.10 crore	Rs.15000/-

* Includes Property/Fixed Assets/Plant and Machinery

**The fees are inclusive of out of pocket expenses.



Format of undertaking to be submitted by the Valuer for Empanelment

UNDERTAKING

I,son/daughter of
..... do hereby solemnly affirm and state that,

- I am a citizen of India,
- I have not been removed / dismissed from service/ employment earlier,
- I have not been convicted of any offence and sentenced to a term of imprisonment,
- I have not been found guilty of misconduct in professional capacity,
- I am not an undischarged insolvent,
- 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
- My PAN Card number / Service Tax number as applicable is
- I have read and understood the „Handbook on Policy, Standards and Procedures for real Estate Valuation by Banks and HFI in India 2010“ of the IBA and fulfil all the conditions of criteria for Empanelment as listed therein.
- I undertake to keep you informed of any events or happenings which would make me ineligible for empanelment as a valuer.
- I have not concealed or suppressed any material information, facts and record and I have made a complete and full disclosure.
- I have not been found guilty of misconduct in professional capacity. In case I am found guilty of misconduct/adoption of unethical practices/submission of under or overvalued valuation reports, in professional capacity, in Tripura Gramin Bank OR in some other Bank/Institution and brought to the notice of Tripura Gramin Bank, by IBA/Central Bureau of Investigation (CBI)/ Reserve Bank of India (RBI)/Any other Govt. Agency/Body, my empanelment will stand cancelled with Tripura Gramin Bank, without referring to Grievances Redressal System of the Bank. TGB will be free to report to the IBA, Institute of Valuers etc. about the misconduct/adoption of unethical practices and may take appropriate legal action for deficiency in services.

Dated:

Signature.....

Name.....

Address.....



Application for Empanelment as a Valuer

To

.....
.....
.....
.....

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

Title (Mr/Mrs/Ms):

1. Name:

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, if 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)

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

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-IV
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

I undertake to furnish any additional information as and when called for.

2. 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).

3. 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:



TERMS OF ENGAGEMENT FOR EMPANELMENT OF VALUERS

Appendix-X

Empanelled valuers shall be engaged by the banks on the following terms:

- Commencement of work – the Valuer shall commence the valuation work after a letter of appointment is issued to the Valuer by the bank.
- Duties of the Valuer – the Valuer shall perform his duties as described in the above Handbook.
- Assistance by Bank officials – the Valuer shall be provided support as described in the above Handbook.
- Confidentiality and Non-Disclosure- the Valuer shall maintain confidentiality of the work being undertaken and shall not disclose information to any other person other than the person who has issued the appointment letter to the Valuer.
- The Valuer shall ensure that the employees of his organization also follow the policy of the confidentiality and non disclosure.
- The Valuer shall complete the assignment within the stipulated time period as agreed to in the appointment letter. In case the Valuer takes up the assignment but does not deliver the valuation report in a reasonable time even after three reminders, the bank shall take necessary steps to recommend the case for adjudication by the conflict resolution committee and in the meanwhile, appoint another Valuer to undertake the assignment.
- In case the Valuer takes up the assignment but is not in a position to deliver due to any genuine reason, hardship or contingency, the Valuer shall inform the bank of the same and some extension of the time may be given to the Valuer to complete the assignment.
- The Valuer shall not –contract the work to any other Valuer but Valuer shall carry out the work himself.
- All communications between the bank and the Valuer shall be in writing/e-mail.
- Any disagreement/dispute which cannot be resolved amicably between the bank and the Valuer shall be referred to the conflict resolution committee of the bank. Such a referral can be made either by the Bank or the Valuer.

