

**Eligibility Criteria for valuers:****(a) A person shall be eligible to be empanelled as valuer if he:**

<b>Sl. No.</b>	<b>Criteria</b>
(i)	possesses the qualifications and experience as detailed in <b>Annexure-I</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)	<p>is a fit and proper person:</p> <p>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-</p> <p>a) integrity, reputation and character</p> <p>b) absence of convictions and restraint orders, and</p> <p>c) competence and financial solvency</p>
(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.

**(b) No Partnership entity or Company shall be eligible to be empanelled as valuer if:**

(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 (x) of clause 2.2 (a) 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

**(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 w.e.f. 1<sup>st</sup> February 2019 as notified by the Ministry of Corporate Affairs.
  - ii) **Valuer under SARFAESI Act, 2002:**  
For valuation of properties under SARFAESI Act, 2002 applicant has to 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.
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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 Annexure-I</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.

- **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 – I**.

- **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.

- **Minimum/ Maximum Age requirement:**

Age is an important criterion while empanelling valuers. The minimum age for empanelment with us shall be 25 years and maximum age limit for a valuer to remain on the panel shall be 70 years.

- **Evaluation Matrix:**

Valuers shall be evaluated as per the rating matrix in **Annexure-X** and categorisation of valuers shall be as per the score obtained.

- **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 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 will be 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.

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