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TMB Tamilnad Mercantile Bank Ltd

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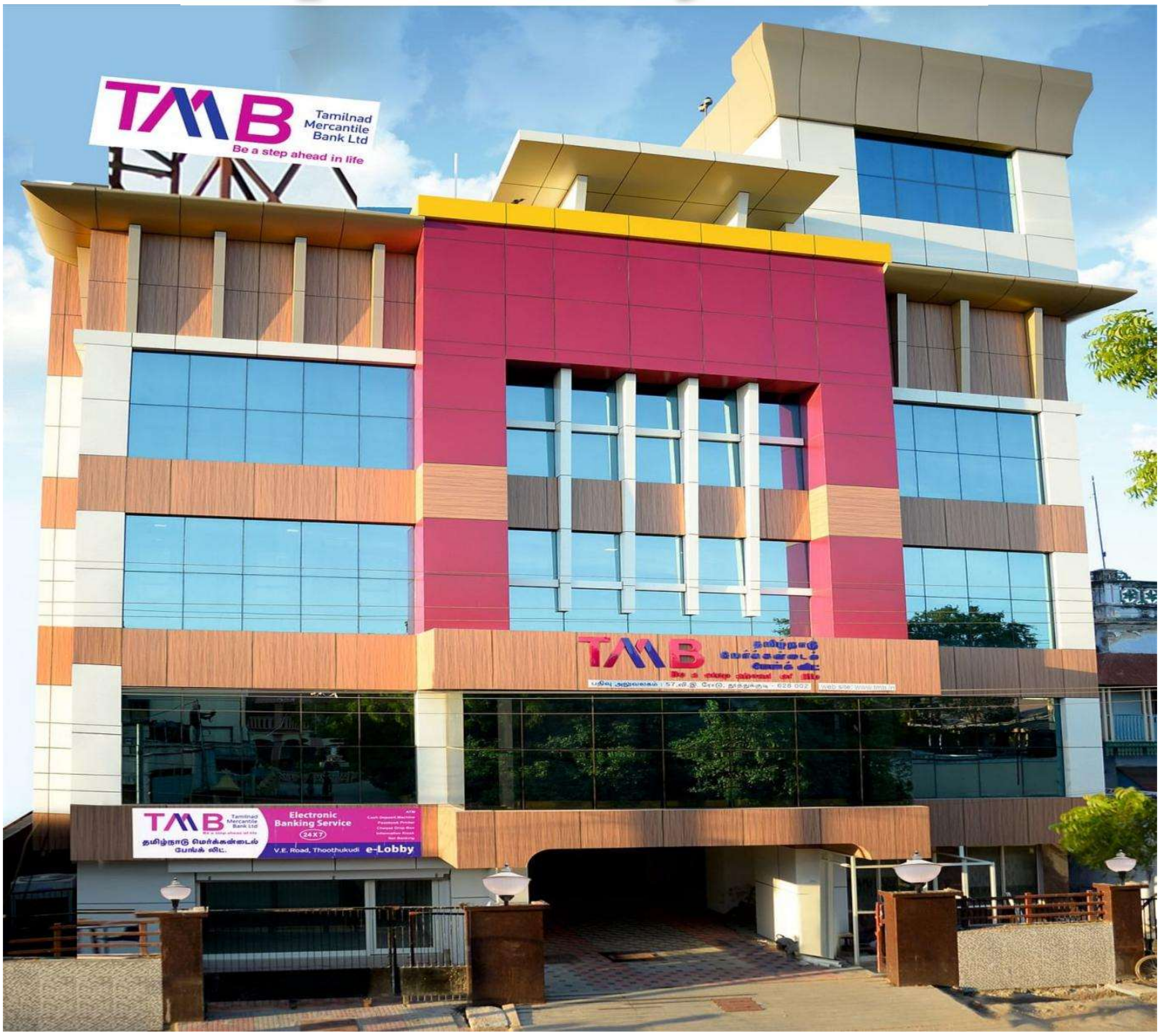
CREDIT MONITORING DEPARTMENT

HEAD OFFICE

Policy on valuation of properties and Empanelment of valuers



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DOCUMENT VERSION CONTROL

Document Title	**Policy on Valuation of Properties and Empanelment of Valuers**
Prepared By	**Credit Monitoring Department**
Placed before, Recommended by	**a) Credit Risk Management Committee of Executives in their meeting held on 25.09.2025** **b) Risk Management Committee of the Board in their meeting held on 29.12.2025**
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Valid up to	**Until further review by our Board**

Document History

Version	**Date of Effect**	**Brief Description**
1.0	26.12.2008	A new policy has been prepared in line with RBI guidelines on the valuation of properties and the empanelment of valuers approved by the Board of Directors
2.0	29.10.2010	Reviewed and approved by the Board of Directors for the essential modification made in the policy.
3.0	03.07.2012	Reviewed and approved by the Board of Directors for the essential modification made in the policy.
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6.0	24.04.2017	Reviewed and approved by the Board of Directors for the essential modification made in the policy.
7.0	02.03.2018	Reviewed and approved by the Board of Directors for the essential modification made in the policy.
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12	03.08.2023	Reviewed and approved by the Board of Directors for the essential modification made in the policy.
13	17.01.2025	Reviewed and approved by the Board of Directors for the essential modification made in the policy.
14	12.01.2026	Reviewed and approved by the Board of Directors for the essential modification made in the policy.

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Review of Policy on Valuation of Properties and Empanelment of Valuers

PREAMBLE

An immovable property is offered as primary or collateral security for a loan. The value of the mortgaged property is an essential factor in determining the secured characteristics of the advance. The value of the mortgaged land and superstructure/building is typically determined by considering factors such as the purchase price, fair market value, ongoing rate, the guideline value maintained by the Registrar's Office, and the distressed/forced sale value.

If the property is not serving its purpose of fetching a fair value when put up for sale, the objective of having kept it as security is lost. Hence, it is necessary to have it valued by an approved Bank engineer before granting the advance. The valuation must be conservative and realistic, giving due weight to the prevailing conditions. It can be based on a forced sale basis, considering the intended or potential use of the building.

In this regard, we are empanelling engineers/Valuers in branches for the valuation of mortgaged properties. This policy outlines the minimum requirements for a valuer to be empanelled on our panel, as well as the valuation procedure. **If the valuer's concern is a partnership firm or company, the Lead valuer must meet the minimum requirements, qualifications, and experience criteria.**

I – EMPANELMENT OF VALUERS:

a) **Age requirements** -The age of the applicant should be a minimum of 27 years and a maximum of **60 years.**

b) **Educational qualification and Experience:**
The minimum qualification for empanelment of valuers for different classes of assets, viz. land & building, plant & machinery, agricultural land and stocks, shares & debentures, is as under:

(i) **For valuation of immovable property (other than agricultural land)-**

Qualification	A graduate in Civil Engineering from a recognised University. (Basic eligibility norms for UG should be adhered to)	A postgraduate in Civil Engineering from a recognised University
Course	Civil Engineering / Architecture / Town Planning	
Marks	Regular Stream at least 50% mark and should have completed the degree within the course period	
Membership	A Fellow Member of the Institution of Valuers, India	
Experience	5 years of work experience in the field of valuation in a reputed bank/s after completion of the degree	3 years of work experience in the field of valuation in a reputed bank/s / **financial institution** after completion of the master's degree.

(ii) For valuation of agricultural land – A Graduate in Agriculture Science from a recognised University, and must have worked as a farm valuer for not less than five years**.**

Regarding the valuation of agricultural land, we may also utilise the services of retired revenue officers with at least 10 years of service, as the Reserve Bank of India does not prohibit this. Furthermore, valuers for agricultural land may be empanelled only if they are already on the panel of other banks.

(iii) For valuation of plant & machinery – A Graduate in Mechanical, Electrical or Chemical Engineering from a recognised University.

- Minimum 5 years of work experience in the field of valuation if he holds a bachelor's degree.
- Minimum 3 years of work experience in the field of valuation if he holds a Master's degree or equivalent.
- **If the valuer's concern is a partnership firm or company, the Lead Valuer must meet the minimum requirements, qualifications, and experience criteria.**

(iv) For valuation of stocks, shares, debenture securities, shares in partnership firms and of business assets, including goodwill – The valuer must be a member of the Institute of Chartered Accountants of India or the Institute of Cost Accountants of India. He must have been in practice as a chartered accountant or a cost and works accountant for at least ten years.

c) **<u>Membership of professional bodies</u>**:

Every valuer empanelled by banks in India must be a member in good standing of one of the associations listed below, in addition to meeting the eligibility criteria set out above.

(i) Institution of Valuers (IOV)
(ii) Institution of Surveyors (Valuation branch) (IOS)
(iii) Institute of Government Approved valuers (IGAV)
(iv) Practising Valuers Association of India (PVAI)
(v) The Indian Institution of Valuers (IIOV) [other than Fellow Member]
(vi) Centre for Valuation Studies, Research and Training (CVSRT)
(vii) Royal Institution of Chartered Surveyors, India Chapter (RICS)
(viii) American Society of Appraisers, USA (ASA)
(ix) Appraisal Institute, USA (AI)
(x) or any other association registered as a Registered Valuer Organisation (RVO) with IBBI

d) **<u>Other requirements:</u>**

(1) Satisfactory report from other Banks / Financial Institutions, in which the valuers are presently empanelled. Valuers must submit at least three reference letters, with a minimum of 2 from commercial banks. The referees shall be either (i) bank managers where previously the valuer had done valuations or (ii) <u>financial institutions</u> for whom the valuer had previously done valuations.

(2) The applicant should be a taxpayer diligently filing income tax returns for the past three years.

(3) The valuers should not have been de-listed by our Bank / IBA for unfair practices in the past.

(4) The valuers should have registered under section 34AB of the Wealth Tax Act 1957. However, it is worth noting that for undertaking valuation under the SARFAESI Act, the valuer must register themselves under the Wealth Tax Act (Sections 34AA to 34AE).

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

   a. **It has been set up for objectives other than for rendering professional or financial services, including valuation services and in the case of a company, it is a subsidiary, joint venture or associate of another company or body corporate**

   b. **It is undergoing an insolvency resolution or is an undischarged bankrupt**

c. **Any of the partners or directors, as the case may be, is ineligible as per the criteria mentioned above**

d. **Lead valuers in companies and all partners in partnership firms undertaking valuations do not meet the qualification and experience criteria.**

(6) **For valuation of properties/ assets about 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 the relevant class of assets shall be eligible for conducting the valuation. Such valuers shall also be eligible to value properties and assets of entities other than Companies. All valuation work related to the Company Assets will be conducted only by valuers registered with IBBI, effective [date]. 1st February, 2019, as notified by the Ministry of Corporate Affairs**

(7) **In case of a partnership / Company, all KYC documents related to the entity / Company must be submitted along with the individual documents of all the partners / Directors**

e) <u>Other Conditions:</u>

The valuers for Empanelment shall fulfil the following conditions:

(i) Be a Citizen of India
(ii) The valuer has not been dismissed from service (previous employment) earlier.
(iii) The valuer has not been convicted of any offence and sentenced to a term of imprisonment.
(iv) The valuer has not been found guilty of misconduct in a professional capacity
(v) The valuer is not an undischarged insolvent.
(vi) The valuer has not been convicted of an offence connected with any proceeding under the Income Tax Act 1961, the Wealth Tax Act 1957.
(vii) The valuer possesses a PAN card Number / GST number as applicable.
(viii) The valuer should have a clear <u>CIBIL report with a score of 650+</u>
(ix) **In case of a partnership / Company, if each partner/director has individual specialisation in the valuation of Properties, Vehicles and Plant & Machinery, then the valuation must be allotted based on their specialisation only. (Branch head / DDO must ensure the same)**

Note: At the time of empanelment, the valuer shall give an application as per **Annexure VII and an** undertaking letter as per **Annexure I.**

f) Empanelment Procedure

I. Existing Valuer empanelment Procedure:

(1) **Branch Head / DDO (Due diligence officer in CMC)** shall accept the request from new valuers and forward the same with a recommendation for favourable consideration.
(2) Regional offices **/ Credit Management Centre**, based on the geographical spread and other relevant factors, shall decide the number of valuers required for a particular branch.
(3) Regional Offices / **Credit Management Centre** shall scrutinise the Bio-Data received from the eligible applicants strictly in terms of the above-referred criteria and if found suitable, shall forward their recommendations to the Credit Monitoring Department (CMD) Head Office for sanction.
(4) The Competent Authority for approval of the empanelment shall be the Committee of Executives (COE) with a minimum quorum of the Managing Director & CEO, **Executive Director**, a minimum of 2 Nos. of Executive Vice Presidents and the Credit Monitoring Department Head. However, the details of the approved list of panel valuers as permitted by COE during the completed F.Y shall be placed as an information note to the Audit Committee of the Board (ACB) before June of the subsequent financial year.
(5) On empanelment of new valuers, the respective Regional Offices / **Credit Management Centre** shall circulate to all the branches under its jurisdiction the particulars of valuers, like their names, address, telephone numbers, etc., along with photographs and specimen signatures.
(6) Credit Monitoring Department must necessarily maintain and regularly update the “Approved List of Valuers” based on Empanelment / De-listing from time to time in the MIS Portal.
(7) Regional Offices / **Credit Management Centre** should inform the valuer that their empanelment does not guarantee regular valuation assignment and that it does not tantamount to a contract of employment with our bank.

II. For empanelment of Valuers registered under IBBI:

For the empanelment of valuers to value immovable property (excluding agricultural land), relaxation in age requirements, marks, experience and other requirements detailed in p.no.3 under para (d), except points no.3,5,6 & 7, shall be considered for valuers registered under the IBBI. However, the valuers must submit the application form and a copy of the IBBI certificate, duly certified by the bank officials, to the branches' respective regional offices for onward submission to the Credit Monitoring Department for approval of their empanelment.

g) Duration of Empanelment:

The duration of empanelment shall be for five years. **However, this shall be extended based on the valuers' performance and the annual review report prepared by the Regional Head/CMC Head.** During the annual review, if the CMR score is less than 5 (for partnership firms and Companies) and the CIBIL score of individuals is less than 650, COE may consider the case on a case-by-case basis, provided valuers have a clear CIBIL report and receive a recommendation from Regional Heads or **CMC Heads**.

If the performance is unsatisfactory and the CIBIL score is below 650, the valuer may be depanelled at the bank's discretion, with proper notice given.

The process flow for the annual review of panel engineers is now enabled in the MIS Dashboard → Branch Infrastructure → Panel Engineer • Review of Panel Valuer, effective 27.03.2024. Regional Offices/**Credit Management Centre** must complete the annual review of panel engineers by May of each year.

h) Payment of professional Fees:

The existing fee structure shall continue. As the fee structure is operational in nature, approval of any future modifications shall rest with the Committee of Executives (COE), and the same shall be issued separately through an SOP/circular, without forming part of this policy.

i) Procedures for Delisting the Panel Valuers :

The Regional Offices were empowered to seek an explanation from the panel valuer in case of any of the following deviations noted:

i) Under/ overvaluation of assets
ii) Not complying with the Banks' instructions or contrary to specific instructions;
iii) Giving any false or misleading information to the bank at the time of empanelment or obtaining empanelment by fraudulent means;
iv) Action to the detriment of the interest of the Bank;
v) Compiling the valuation report with malicious intentions;
vi) Committing an act amounting to professional misconduct;
vii) Indulging in fraudulent activities, including raising of fake bills;
viii) Delay in submission of reports beyond the time agreed upon;
ix) Convicted of an offence connected with any proceedings under the Income Tax Act, 1961, Wealth Tax Act, 1957 or Gift Tax Act, 1958.
x) Threatening, intimidating or abusing any of the employees, officers/ or Representatives / Constituents of the Bank;
xi) Deficiency in Service;
xii) Blacklisted by any Bank or any complaint has been filed against the valuer/ firm before CBI/ Serious Fraud Investigation Office (SFIO)/ or any other Courts.

The above instances are only illustrative and not exhaustive, and the competent authority may amend/modify any of the above conditions or may add one or more such instances that may be considered as a reason for de-panelment of the valuer.

The matter of de-panelment shall be intimated to the IBBI, IBA and such other authority/body as may be considered necessary/appropriate.

(1) Regional Office / **CMC** shall seek an explanation from the panel valuer if any deviation is found in their valuation report. If the reason is not satisfactory, the Regional Office/CMC shall recommend delisting the panel valuer to the Head Office, Credit Monitoring Department. The concerned panel valuer shall be delisted from our panel by obtaining permission from our COE.

(2) If our panel valuers are listed in the third-party caution list of IBA, they should be delisted immediately, deactivated in the MIS Dashboard, and an information note should be placed before COE. If his name is withdrawn from the IBA's third-party caution list, a note should be placed before the COE for reactivation.

(3) The Regional Head / **CMC Head** shall carry out a yearly performance review. If the performance of the valuer is not satisfactory, the valuer may be depanelled at the discretion of the bank, immediately with proper notice to that effect.

(4) The list of delisted valuers should be placed as an information note to the Audit Committee of the Board (ACB) before June of the subsequent financial year.

II.VALUATION PROCEDURE

A. Operational Guidelines:

1) A declaration should necessarily be obtained from valuers with every valuation report as per the format enclosed **(**given in **Annexure –I)**

2) The valuation report must contain certain specific views/ comments on the impending threat, if any, like:
   a) Road widening
   b) Takeover of property for public service purposes
   c) Submerging
   d) Attracting provisions of the Coastal Regulatory Zone (CRZ), etc.

3) It is the duty of the branches/**DDO** / Regional office/**CMC** to bring to the notice of the Head Office immediately, the fact of unfair practice like overvaluation, willful concealment of material facts, etc., if any, adopted by any of the empanelled valuers to enable immediate de-listing of such valuer.

4) All the necessary/relevant papers/documents should flow directly from the Branch / **DDO** to the valuer & vice versa without routing the same through the borrower/guarantor concerned.

5) In case the property is situated in the locality of the branch or nearby areas, the valuation should be carried out by the local valuers only.

6) In the case of properties situated in upcountry centres, the valuation should be carried out by the nearest Branch Head / **DDO** and branch Panel Valuers only, after obtaining

prior permission from the respective Regional Head / **CMC Head** who is handling the proposal.

7) In case of construction loans, the Panel Engineer of the Bank must also certify at various stages of construction of the building that the construction of the building is strictly as per the sanctioned plan.

8) For the valuation purpose, the forced sale value should only be reckoned, so that the Bank may not find trouble at the time of selling the properties when an adverse situation arises. In the case of an outright purchase of a building (either a house or a commercial building), the valuation should be based on the Market Value, Registration Cost, or Purchase Cost, whichever is lower.

B. Salient feature of Policy for Valuation of Properties:

i. The Bank should do the valuation by the approved panel of engineers, and the report should be as per the prescribed format, duly incorporating all the details (given in **Annexure II & III**).

ii. In case of revaluation, the revaluation details should be prepared/submitted as per the specified revaluation format (given in **Annexure IV**)

iii. **In the case of a standalone, home loan property, the existing revaluation procedures are not mandatory if the status of the loan is a standard asset. However, the modified guideline in the loan policy version 13.0 regarding the collateral visit must be carried out by the branch official/ DDO.**

iv. **In case the branch official / DDO has entered unsatisfactory information in the housing loan collateral verification report, the same must be brought to the review of the Branch Head / Head Compliance (in CMC) and for further follow-up procedures.**

v. Where either the loan amount or the total value of all collateral securities put together does not exceed ₹ 5.00 lakhs, respectively, the branch head / **DDO** should give **their** independent valuation report as per the specified format, duly incorporating all the details **(**given in **Annexure V)**.

vi. In case of scheme loans, namely Loan against Properties, the Bank shall obtain two independent valuation reports from 2 Bank-approved panel engineers for the property value of more than ₹1.00 Crore**. (Market Value)**

vii. Minimum two Independent Valuation Reports from 2 Bank-approved Panel Engineers should be obtained for the properties valued at ₹ 5.00 crore and above (Market Value) in addition to the Branch Head's /**DDO's** Spot verification and Market Enquiry Report. **For valuation purposes, the lower of the two forced-sale values should be considered.**

Note: The above norms (vi & vii) may apply only to the acquisition of fresh property as security. In the event of revaluation of existing properties, the standards may be relaxed to get an Independent Valuation Report from a Bank-approved Panel Engineer, in addition to the Branch Head/DDO's Spot Verification and Market Enquiry Report. During revaluation, if the security value is increased by more than 100% (compared to the previous valuation), then the obtention of one more Valuation Report from Bank-approved Panel Engineers may be insisted upon

viii. The Revaluation report should be furnished with the boundaries as mentioned in the earlier engineer valuation report, along with the boundaries as per the title deed and the present site visit.

ix. Photograph with Geo tag capturing, Latitude and Longitude details are to be included in the valuation report, Manager Spot Verification and Market Enquiry Report.

x. In the Manager's Spot Verification and Market Enquiry Report on Properties obtained as securities, the necessary columns should be included (a) for marking the four boundaries of the property, Latitude and Longitude, (b)Geo Tag Capturing of the property visited as annexure to the Certificate.

xi. If the market value of the single property is more than ₹20.00 crore, the officials, not below scale IV officers from the Regional office/CMC/ Credit department, Head office, should inspect the proposed property to be mortgaged and should certify as per the format given in **Annexure IX.**

xii. In terms of RBI guidelines, the valuation of assets charged for NPA accounts shall not be more than 3 years old, whereas, as per our Bank Policy, the Valuation Report relied upon should generally be not more than 12 months old for NPA accounts. In cases where the value of the property exceeds ₹100.00 lakhs, the valuation report is to be obtained from two different panel valuers of the Bank.

xiii. Forced sale value or market value, whichever is least, should be taken for valuation purposes.

xiv. The valuation should be done by our Bank Approved Panel Valuer, whose office is situated near the property to be valued.

xv. When valuing vacant land with a large extent **(5 acres and above),** an FMB and a Topo sketch should be obtained.

xvi. Valuation based on potential value after development, when the development is yet to take place, shall be avoided.

xvii. If there is more than one valuer, the work shall be distributed and favouring one valuer over another should not be permitted unless the quality of work is not up to the standard. In which case, the delisting process may be initiated.

xviii. Properties offered as securities are to be revalued not later than every three years from the date of the bank-approved Panel Engineer's Independent valuation report, as per the extant guidelines, subject to the following conditions and other norms, to assess the correct and realistic valuation (format given below).

Place where the existing securities are located	Norms for valuation of existing properties secured for the credit limits sanctioned to the borrowers, where no other additional construction/ expansion/ modification is made.	Norms for New/Fresh value of existing property as per revised valuation in case where no addition is made, but necessary developments are made in and around the place where existing security is located, subject to compliance with condition no.2 as per page No.9.	Norms for acceptance of New/Fresh value of existing property as per revised valuation in case where additional construction/expansion/modification is made to the existing security, subject to compliance with condition No.3 as per pages No.9 & 10
Metropolitan Cosmopolitan centre	3 years from the date of the earlier valuation	No such Minimum period	No such minimum period. Valuation shall be considered to the
Urban / Semi urban			

Rural			extent of the value of additional construction currently made by the borrower.

<u>Note:</u> *If Plan approval is not available for the building property and the age of the building is old age, the value of the building should not be reckoned in the total valuation of that land and building property, and the value of the land alone should be considered for valuation.*

xvii) The revaluation due date should be reckoned from the date of the Bank-approved Panel Engineer's Independent Valuation report. The valuation of the existing property may be reassessed within 3 years, provided that the following conditions are met.

Condition No. 1:

There should have been an upward revision in the Government's guideline value. A certificate from the approved engineer is required, stating that the Government has upwardly revised the guideline value in respect of the properties offered as collateral security. This certificate must be kept in the borrower's file.

Condition No. 2:

Any one of the following additional developments must have been made in and around the place where the existing security is situated:
a. Shifting of market.
b. Shifting of the bus stand.
c. Shifting of Collector's office, Court, Schools, Colleges.
d. Identification of a new project by the Government near the location of the existing security.
e. Any other similar development substantiating the justification for revising the value.
f. There should have been an upward revision in the Government's guideline value.

Condition No. 3:

a. Additional construction is made in the existing building, which must have been supported with an approved plan.
b. No dilution in the existing building by way of destruction/demolition by the Government on account of non-availability of approved plan/encroachment, etc.
c. Expansion/modification made in the existing security by providing a compound wall, reconstruction, etc.

<u>C. Other Common norms :</u>

(i) However, to disburse the sanctioned limit quickly, Branch Heads / **Officials (in CMC)** are permitted to release the sanctioned loan without insisting on an approved engineer's valuation certificate, where either the loan amount or the total value of all collateral securities put together does not exceed ₹ 5.00 lakhs, respectively. In this case, the Manager's/**DDO's** independent valuation must be obtained compulsorily and made available along with the document/borrower's file. It is also to be noted that the valuation certificate issued by the Branch Head / **DDO** must invariably contain all the pertinent information, namely, date of visit, quality of construction of the building that is offered as security, its location, name of the owner, size and extent of the land, and survey number. Door No., Block No., and the name of the street. The value of the land and the building is to be given separately while issuing a valuation certificate.

(ii) If the value of security and limit sanctioned/ to be sanctioned exceeds ₹ 5.00 lakhs, a valuation certificate should be obtained from the bank's approved panel engineer, and the branch head / **DDO** should give the spot verification and market enquiry report before disbursal **(**given in **Annexure-VI)**. Suppose the official who visited the property finds that the value provided by the panel valuer does not align with the property's market value / forced sale value. In that case, the discrepancy should be reported, along with reasons for disagreement, in the spot verification report itself. The lower value should be considered when calculating the value and determining discretionary powers to sanction credit limits and R.O.I.

(iii) While revaluing any property, the revaluation assignment should be given to an approved valuer other than the valuer who has initially valued the property.

(iv) Similarly, there are occasions where the value of security, especially land and residential/commercial buildings, would have been dropped/reduced consequent upon shifting of market, bus stand, Government offices from the place where our existing security was available, to another place, and any other natural calamity namely earthquake, riots etc., and instances of bomb blast. If there is any reduction in the value of collateral on account of any such reasons, the branch head / **DDO's** should immediately review those cases by obtaining a fresh approved engineer's valuation to ascertain the present value and correspondingly revise the rate of interest, in case concession if any availed by the concerned borrowers by submitting a review note to the concerned sanctioning authority. For those cases, the prescribed "Period Norms" need not be considered.

(v) Existing properties, except properties exclusively offered as primary security for the Housing Loans under the standard asset category, with valuation/s before 3 years, should be invariably revalued at the time of review/renewal of credit limits. **For a standalone home loan property, the existing revaluation procedures are not mandatory if the loan is a standard asset. However, the modified guideline given in the loan policy version 13.0 regarding collateral visit must be carried out by the branch official / DDO**

In the event of an extension of primary security for Housing Loans with valuations conducted within the last 3 years, for any additional exposure, branch officials shall conduct a revaluation, Spot Verification, and a Market Enquiry Report.

vi) Even if the property is not due for revaluation, "Whenever a property is extended for another credit limit, the branch head/**officials (in CMC)** should ensure a spot visit to confirm the four boundaries and the present position of the property, if such property is not valued earlier during his tenure."

(vii)The panel valuer, before giving the valuation report, should ensure that the property being valued is the same as the property for which the panel advocate gives legal clearance

(viii)Windmill can be taken as collateral, and its value for arriving at collateral coverage shall be considered only at the discretion of the EDCC and above. While considering the windmill for collateral, the following norms should be applied: -

(a)The Windmill should be unencumbered. In other words, our bank's charge on the machinery should be exclusive, and no other bank, financial institution, or private party shall have any right over the windmill, either by way of pari passu and/or any other charges, including a second charge.
(b)Only 50% of the book value of the windmill as per the latest audited balance sheet should be taken.
(c) Windmill should be subjected to the provision of depreciation.
(d)Wind Mill should have insurance coverage, and Bank's charge over the machinery should have been notified in the insurance policy.
(e) Windmill, already obsolete or becoming obsolete, should not be considered. Similarly, loose tools, junk and minor accessories should not be considered.
(f)The right-of-way for the windmill property should be ensured at the time of valuation

(ix) In case of takeover of credit limits from other Banks:

Our approved panel engineer and the branch head/bank authorised Officer should value the real estate properties. The Branch Head/Bank authorised Officer should give the spot verification and market enquiry report. The Forced sale value (as per the latest valuation) should be taken for valuation purposes. The previous banker valuation report need not be relied upon. However, care shall be exercised in case any abnormal increase in the valuation of properties is observed.

(x) To mitigate the credit risk, the bank is obtaining collateral in both tangible and intangible forms. In the case of tangible collateral, such as land & building, it should be easy to sell for a predictable value in the event of default by the borrower/guarantor. Accordingly, when calculating the collateral coverage ratio, the bank considers only the collateral's forced sale value. The forced sale of a security's value is calculated by deducting an initial margin or haircut from its market value. Usually, the haircut or initial margin shall vary from 10% to 30%, depending on various aspects of the proposed security, as assessed by the panel valuer.

(D)Policy on stage-wise construction in housing loans and revaluation of Properties exclusively offered for Housing Loans:
(a)In case of housing loans for the construction of residential houses, a Stage-wise report should be obtained from the Panel Engineer in addition to the Branch Head's / **DDO's** Spot Verification Report.

The Panel Engineer must certify at various stages of construction of the building that the construction of the building is strictly as per the payment schedule prescribed by the builder

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/or as per the stage of construction of the residential unit. However, the disbursement of the loan must not exceed the actual construction completed. Inspection of the property is to be carried out before each disbursement, and a visit report is to be kept on record.

The Panel Engineer must certify at various stages of construction of the building that the construction of the building is strictly as per the sanctioned plan and shall also certify at a particular point in time that the completion certificate of the building issued by the competent authority has been obtained.

A photograph of the completed house must be kept on record, along with a confirmation certified by the Branch Officials or the Branch Head.

(b) In case of properties exclusively offered as primary security for the Housing Loans under the standard asset category, they are exempted from revaluation since it is not mandatory as per Regulatory Guidelines. **However, the modified guideline in the loan policy version 13.0 regarding the collateral visit must be carried out by the branch official/ DDO without fail.**

III. Empanelment of valuer for used Vehicles and format for valuation of used vehicles

Our branches / **CMCs** offer financing for the purchase of used vehicles under the TMB Car and TMB Commercial Vehicle schemes. The valuation provided by the valuer is a crucial factor in determining the eligible amount of advance to be given to the individual.

It is necessary to obtain a valuation of the used vehicle from an approved valuer of the Bank before granting the advance. If our bank-approved valuer for vehicles is unavailable, branches typically obtain a valuation/utilisation certificate from qualified outsourcing persons.

As such, we need a policy for the empanelment of a valuer. The detailed requirements for obtaining empanelment as a used vehicle valuer are as follows.

A. Qualifications

1. **Age requirements**: - The age of the applicant should be between 27 and 65 years.
2. **Educational qualification:–**
    a. Any degree / Diploma in Mechanical / Automobile Engineering from a recognised University.
    b. License certificate under the Motor category from the Insurance Regulatory and Development Authority of India (IRDA).
3. **Membership of professional bodies**:- Every valuer empanelled should be an Associate member in the Indian Institute of Insurance Surveyors and Loss Assessors (IIISLA).
4. **Experience:** Minimum 2 years in the field of valuation
5. **Other requirements:**
    a. A satisfactory report from other Banks / Financial Institutions, in which the valuers are presently empanelled.

b. The applicant should be a taxpayer diligently filing income tax returns for the past three years.

B.Other Conditions:

The following conditions are to be fulfilled for empanelment as a used vehicle valuer:

a) Be a Citizen of India
b) The valuer has not been convicted of any offence and sentenced to a term of imprisonment.
c) The valuer has not been found guilty of misconduct in a professional capacity
d) The valuer is not an undischarged insolvent
e) The valuer possesses a PAN card Number / GST number as applicable
f) The valuer should have a clear CIBIL report with a score of 650+
g) The Banks / IBA should not have delisted the valuer.
h) In case of a partnership / Company, all KYC documents related to the entity / Company must be submitted along with the individual documents of all the partners / Directors

C.Empanelment Procedure:

(1) Regional offices / **CMC**, based on the geographical spread and other relevant factors, shall decide the number of valuers required for a particular branch.
(2) Regional Offices / **CMC** shall scrutinise the Bio-Data received from the eligible applicants strictly in terms of the above-referred criterion and if found suitable, shall forward their recommendations to the Credit Monitoring Department, Head Office for sanction.
(3) The Competent Authority for approval of the empanelment shall be the COE with a minimum quorum of the Managing Director & CEO, **Executive Director,** a minimum of 2 Nos. of Executive Vice Presidents and the Credit Monitoring Department Head. However, the details of the approved list of panel valuers and the list of depanelled valuers permitted by COE during the completed F.Y shall be placed as an information note to the Audit Committee of the Board (ACB) before June of every year.
(4) On empanelment of new valuers, the respective Regional Offices / **CMC** shall circulate to all the branches under their jurisdiction about the particulars of valuers, like their names, address, telephone numbers, etc., along with photographs and specimen signatures.
(5) Regional Offices /**CMC** must necessarily maintain and regularly update a register of "Approved List of Valuers" based on Empanelment / De-listing conveyed to them by our Head Office from time to time.
(6) Regional Offices/**CMC** should inform the valuer that their empanelment does not guarantee regular valuation assignment and that it does not tantamount to a contract of employment with our bank.
(7) Branch/**DDO** / Regional Office/**CMC** should obtain a fellow member certificate of the valuer issued by the Indian Institute of Insurance Surveyors and Loss Assessors (IIISLA) within 3 months of the empanelment.

D.Duration of Empanelment:

The duration of empanelment shall be for five years. However, the quality of service provided / performance of the valuers shall be reviewed on expiry of the empanelment duration. However, an annual performance review shall be carried out by the Regional Head / **CMC Head**. If the performance is unsatisfactory, the valuer may be depanelled at the bank's discretion, provided proper notice is given.

The parameters for evaluating valuers' performance and reliability are as follows.

Average TAT:

Panel valuers shall be required to submit valuation reports within seven working days of the inspection date. Delays beyond the prescribed TAT shall attract a 50% penalty on the valuation fee. Moreover, such a delay will be monitored and reflected in the valuer’s performance assessment.

Compliance with Report Format:

Valuers must strictly adhere to the bank-prescribed valuation report format, including mandatory details such as ownership verification, property photographs with geotagging, location assessment, and comparable used. Reports with incomplete or non-compliant formats shall be flagged for corrective action.

Valuation Variance:

Deviations from market trends or internal benchmarks beyond ±25% must be justified with proper supporting evidence. Repeated unexplained variances will impact the valuer’s panel status and reliability rating.

Performance Review:

The Regional Managers / CMC Head (after implementation in all regions) shall periodically review valuer performance based on TAT, compliance, and valuation accuracy in the MIS portal. Panel valuers who fail to meet the prescribed standards may be subject to a warning, retraining, or removal from the approved panel.

Note: Suitable modifications must be made in the existing flow in the process flow for the annual review of panel engineers in the MIS Dashboard

Incorporating these objective parameters will enhance transparency, improve monitoring of valuer performance, and align the bank’s policy with regulatory expectations, thereby addressing the RBI audit observation.

E.Payment of professional Fees:

Branches should pay fees to the valuer by debiting the client’s account, rather than paying them directly.

Suppose the valuer is required to undertake the valuation in a city other than their usual place of residence. In that case, the bank shall reimburse the outstation travel TA/DA charges, as agreed between the parties before the commencement of the assignment.

F. VALUATION PROCEDURE

i. The valuation report should be as per the specified format, duly incorporating all the details (given in **Annexure VIII**)
ii. In case of Scheme Loans, the valuation shall be governed by the respective schemes. The conditions stipulated under the schemes shall be followed.

IV. REVALUATION OF BANK's ASSETS

A. Valuation of Bank-owned properties: -

In the course of its regular business, the bank has to acquire fixed assets, including land and buildings. The Bank uses the land and buildings for its own purposes and normally shall not use them for rental purposes, as the Bank is in the business of accepting deposits and granting loans.

The land and buildings are utilised for establishing the head office, regional office / **CMC**, and/or other back offices, as well as branches, residential quarters for employees, and various executive and storage purposes.

The Reserve Bank of India, in its circular dated January 4, 2007, has indicated that the Bank may establish a policy for valuing properties, both those owned and those offered as collateral for loans sanctioned by the Bank.

B. Conditions for valuation of own properties for creation of revaluation reserve: -

The properties shall be valued by an external entity that is a member of the Bank's panel of valuers. If the property is more than ₹ 5 crores, then valuation from two engineers from the panel, independent of each other, shall be obtained. For evaluation and accounting purposes, the lower of the two values shall be considered only.

The revaluation reserve shall be included in Common Equity Tier 1 (CET1) for CRAR computation, with a discount of 55%.

All the above conditions are applicable only if the Bank is revaluing its properties to create a revaluation reserve.

C. Conditions for valuation of own properties: -

If the Bank is only going in for valuation to find the current value of the properties and does not intend to create a revaluation reserve, then the Bank shall do the following:

The guideline value of the property, as listed on the website of the relevant locality, can be recorded.

The guideline value shall be dated no later than / earlier than 3 days before the financial closure date.

The valuation will be conducted only if required.

The value of the properties shall be recorded, and a note shall be placed in the Committee of Executives.

A register shall be maintained in physical/digital form to record the guideline values and the increase/decrease from the previous valuation date.

D. Depreciation:-

Depreciation of the Bank's asset shall be calculated in accordance with the provisions of the Companies Act, using the straight-line method.

E. Disclosure:-

Any disclosure as required by the regulatory authorities shall be adhered to.

****

ANNEXURE I

DECLARATION FROM VALUERS

I _______________ son / Daughter of ______________________ do hereby solemnity affirm state that

- I am a Citizen of India
- I have not been removed/dismissed from service by any other banks, institutions, or the government. Departments from their empanelment of Panel Valuers
- I have not been convicted of any offence and have not been sentenced to a term of imprisonment.
- I have not been found guilty of misconduct in a 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 and the Wealth Tax Act 1957
- My Pan card No / GST No as applicable is _______________

I have read and understood the “Handbook on Policy, Standard and Procedures for Real Estate Valuation by Banks / HFIs in India 2010” and fulfil all the conditions of the Criteria for Empanelment as listed therein.

I undertake to keep you informed of any events or happenings that would make me ineligible for empanelment as a valuer. Also, I undertake to certify, in accordance with the format below, all valuation reports.

“I have not concealed or suppressed any material information, facts, and records, and I have made a Full disclosure.

I hereby declare that the information furnished in my valuation report dated _______________ is true and correct to the best of my knowledge and belief and I have made an impartial and accurate valuation of the property. I have no direct or indirect interest in the property valued. I have personally inspected the property on _________”

Signature

(Name of the approved valuer **/ Partnership firm / Company**)

Place :

Date :

ANNEXURE – II

VALUATION OF PROPERTY (LAND AND BUILDING)
Report on Valuation by Panel Valuer

Ref. No. Date:

I. GENERAL

1.	The branch for which the valuation is done	:	
2.	Purpose of valuation	:	
3.	Date of Inspection of the Property	:	
4.	Date of Valuation	:	
5.	Person accompanying at the time of the visit to the site	:	

II. Description of the property

1.	Owner of the property and residential address How long have you been owning the property? Whether Joint/co ownership, details In case of joint ownership, please provide the stakeholder details of each owner. Is it undivided? Whether assessed under Property Tax? What is the a) Year of construction b) Purchase price c) Year of construction of the superstructure d) Year of completion e) Cost of construction If so, whether Property Tax is paid? a) Receipt No. b) Receipt Date c) Due period	:	
2.	Brief Description of the property valued Type of the property: Agriculture/ industrial Residential/commercial Plot No. S.F.No / T.S.No./ R.S.No. Street Village / Block / Town / City Taluk / Ward District / Municipality / Corporation Pin Code	:	

Annexure II contd.

3	i) Whether the property is residential If so, please state a) Whether the building is old or recently constructed b) Whether it is an independent house or flat c) In case it is a flat, the location of the flat (floor) **d) Total area of the building:** **e) UDS (Undivided share of land) of the flat:** f) Whether title documents were produced for verification. ii) If the property is commercial, state a) Whether it is one's own office or a rented one b) Whether the building is constructed as per the approved plan. c) If any variation is noticed, please specify d) Whether the competitive authority issues plan approval		
4	Boundaries of the property North South East West If any variation is noticed, please specify the details. a) Latitude of the Property b) Longitude of the Property	: : :	As per the Title Deed, as per the present Visit
5	Distance from Branch		
6	Documents referred for perusal of ownership (Copy of Registered Sale deed, Encumbrance Certificate, Patta, Share certificate, Society allotments, 7/12 extract, Chitta/ Adangal, City Survey Register)	:	
7	Property Tax Receipt referred to Period a. Assessment number b. Tax Amount c. Receipt in the name of	:	
8	Electricity Service Connection a. Consumer Number b. Period c. In the name of	:	
9	Property is presently occupied by a. Owner b. Tenant c. Both d. Vacant	:	
10	If occupied by a tenant, a. Gross monthly rent b. Rent Advance c. Tenure d. Name of the Tenant	:	

Annexure II contd.

11	(i) Whether the property was valued previously? **If so** a) Date of earlier valuation b) Name and address of the earlier valuer c) Whether valued by an approved valuer (1) Whether rates adopted are commensurate with rates adopted by the Registrar's office? In case of wide variations, please specify reasons. (2) Whether the rates are based on prevailing rates in the area. d) Purpose of earlier valuation. e) Basis of valuation f) Copy of the earlier valuation (to be enclosed)		
	(ii) Boundaries of the property as per the previous valuation North South East West (iii) If any variation is noticed, please specify the details. (iv) Latitude of the Property Longitude of the Property	: : :	As per the Title Deed, As per the Previous Visit
12	Is the land's cost commensurate with the guideline value? Is the cost of construction in line with the prevailing rate in the area?		
13	Is the building insured? if so a) The sum assured b) Risk covered c) Date of expiry of the insurance cover		
14	Registration particulars (if applicable)		Details about the registration of housing projects with RERA

Annexure II contd.

III. Land

1.	Extent of the Land (in sq ft/cents) a. As per the title deed b. As per the measurement	:	
2	Site Dimension a. As per Document b. As per Actual c. Out of the total land extent of land left for road formation, is the land, whole or part, notified for acquisition by the government/ state body? If so, furnish the details		
3	If the property is agricultural land, state a) Whether dry or wet land b) Irrigation facility or rain-fed c) Type of crop grown at the time of visit d) Annual Yield / previous years' output.		As per Adangal / Chitta, As per Visit /Revenue Records
4.	Usage of Land a. As per the Sub-Registrar Office, , , , , , Actual usage b. As per the Revenue Records	:	
5	Type of land Wet / Dry / Natham / Residential / Industrial / Commercial / Quarry / Mine / Others (specify)	:	
6	Level and shape of land	:	
7	Guide Line Value (Copy of downloaded report from Reg.net should be enclosed)	:	
8	a. Remarks about Accessibility and Road Approach to the site without trespassing b. Water availability	:	
9	a. Whether covered under the Land Ceiling Act? b. Whether land or part thereof is notified for acquisition? c. Freehold/leasehold (if leasehold details about the lease period)		
10	a. Landmark to the location (Sketch of the property with a location map from the landmark should be enclosed.) b. Nearest Bus Stop c. Nearest Railway Station Recent developments near the site	:	
11	a. Other Infrastructure b. Possibility of frequent flooding c. Proximity to civic amenities, whether the land or part thereof is notified for acquisition, whether free access is available, or the land is landlocked		

Annexure II contd.

12	Prevailing Market Value	:	
13	Value adopted	:	
14	Forced Sale Value / Distressed Sale Value of Land	:	
15	Other Particulars a) Whether it is a Panchami land b) Whether it is forest land c) Whether the property was granted to any community, like the Tribals d) Whether it is a Govt. Land		

IV. Building

1.	Type of Construction a. Load-bearing / framed structure / RCC roofing/ ACC roofing b. Foundation c. Basement and height . Superstructure	:	
2	Specifications regarding a. Joineries b. Electrification details: Drinking water, Borewell water, Sanitary arrangementsQuality/maintenance of the building	:	
3.	Number of Floors	:	
4.	Extent of building a. As per the Approved Plan, as per the Actual measurement, details of variation noticed, if any and the effect of the same on the valuation are to be specifically mentioned	:	
5.	a. Year of Construction for each floor and age of the building b. Residual life of the building c. Class of Construction (Superior / I class/ II class)	:	
6.	Rate adopted		
7.	Less: Depreciation % and value	:	
8.	Present Market Value Present written-down value	:	
9.	Forced Sale Value / Distressed Sale Value of Land	:	
10.	Whether the construction has been made in adherence to the National Building Code (NBC) (applicable for loans to the construction sector)	:	

Annexure II contd.

V. Amenities & Extra Items (value after depreciation)

1.	Ornamental Front / Pooja Door	:	
2	Open Staircase	:	
3.	Wardrobes, showcases, wooden cupboards.	:	
4.	Interior decorations	:	
5.	Architectural Elevation works	:	
6.	False Ceiling Works	:	
7.	Separate Toilet Room	:	
8.	Separate Lumber Room	:	
9.	Portico	:	
10.	Compound wall/pavements (running feet and value)	:	
11.	Electrical fittings		
12.	Tiles on the walls	:	

VI. Services (value after depreciation)

1.	Water supply arrangements (open well, deep bore well, hand pump, motor, corporation tap, underground level sump, overhead water tank)	:	
2	Drainage arrangements (Septic Tank, underground sewerage)	:	
3.	Electricity Deposit, Water Deposit, drainage deposit, etc.	:	
4.	Others, if any (specify) Borewell Pump Embedded motor Generator set	:	
5.	Total	:	

VII. Abstract Market Value

1.	Land	:	
2	Building	:	
3.	Amenities	:	
4.	Services	:	
5.	Total	:	
6.	Forced Sale Value / Distressed Sale Value	:	

VIII. Certificate

(1) I have inspected the property on… in the presence of ………….

(2) The valuation work was/has been undertaken based upon the request from ……………

(3) It is hereby certified that, in my opinion, the present market value of the property discussed in the report (above), by adopting the prevailing market rate for the property, is ₹ (Rupees ……… Only)

(4) The relevant document for the subject property in the opinion of the valuer is the deed dated… with Reg. No.………… registered in the ……. Registrar Office / Sub-Registrar Office.

(5) Value varies with the purpose and date of valuation. This report should not be referred to if the purpose differs from that mentioned in I. General Point No.2.

(6) I have no direct or indirect interest in the property valued.

(7) I hereby declare that the information and other details given above are accurate to the best of my Knowledge and belief.

(8) I have not concealed or suppressed any material information, facts, and records, and I have made a Full disclosure

Place : (Panel Valuer/**Firm/Company**)

Date :

Enclosures:
1. Location Map / Route map with landmark point.
2. Photos of the property in different views (front, back, interior, etc.) At the time of valuation, a photograph of the property with A Branch Head/**Official (in CMC)** with an Engineer should be taken. If available, the borrower/property owner may also be included.
3. Geo Tag Capturing with latitude and longitude.
4. Copy of Plan Approval
5. Copy of the Report on the guideline value downloaded from the concerned Reg.Net
6. For Agricultural land, furnish FMB (Field Map & Boundaries) and Topo Sketch
7. If the land is more than 25 years old, Village Map.

ANNEXURE – III

VALUATION OF PLANT AND MACHINERY
Valuation report by Panel valuer

Ref. No. Date:

1.	The branch to which the valuation is done	:	
2.	Purpose of valuation	:	
3.	Date of Inspection	:	
4.	Date of Valuation	:	
5.	Person accompanying at the time of the visit to the site	:	
6.	Owners' Name and address where the machinery is installed	:	
7.	Description of Machinery	:	
8.	Function	:	
9.	Model No / Sl.No	:	
10.	Factory Sl.No. if any	:	
11.	a. Year of Make b. Date of Purchase (Copy of bill should be verified) c. Age of Machinery	:	
12	Whether the machinery is under a Hire purchase / Lease agreement If yes, provide the details.	: :	
13.	Name of the supplier & Country of Origin	:	
14.	a. Whether newly purchased or second-hand machinery b. Condition of Machinery c. Whether fabricated/assembled/ manufactured?	:	
15.	Whether the machine is lying idle / in working condition		
16.	a. Capacity of the Machine b. Whether the machine is working in full/partial capacity		
17.	Future life of machinery	:	
18.	Insurance details (Insurance address details, amount, date of insurance, due date, etc.)	:	
19.	Original Cost	:	
20.	Depreciation	:	
21.	WDV as per the latest Audited Balance Sheet	:	
22.	Current Replacement Cost		
23.	Fair Market Value		
24.	Realizable value		

Annexure III contd.

Certificate

(1) I have inspected the machinery on……….. in the presence of………………..

(2) It is hereby certified that, in my opinion, the present market value of the plant and machinery discussed in the report (above), by adopting the prevailing market rate for the machinery, is ₹ ……..(Rupees …………… Only) and after depreciation.

(3) Value varies with the purpose and date of valuation. This report is not to be referred to if the purpose is different from that mentioned in Point No.2.

(4) I have no direct or indirect interest in the asset valued.

(5) Information and other details given above are accurate to the best of my Knowledge and belief.

Place : (Panel Valuer/**Firm/Company**)
Date :

Enclosures: 1. Photos of the machinery in different views covering the entire machinery.

2. Photos of the machinery prominently displaying the make & manufacturer name.

ANNEXURE IV

FORMAT FOR REVALUATION

Details about Security:-

Particulars	As per the earlier valuation		As per the current revaluation	
	Manager/ DDO	Engineer	Manager/ DDO	Engineer
1. Date of valuation				
2. Land area in sq. ft.				
3. Guideline value per sq. ft.				
4. Market value of land per sq. ft. as per the report				
5. Land value (2 x4)				
6. Built-up area of building in sq. ft.				
7. Building value				
8. Extent of Additional built-up area due to additional construction in sq ft.	**N.A**	**N.A**		
9. Cost of additional construction	**N.A**	**N.A**		
10. Building value inclusive of cost of additional construction (7 + 9)	**N.A**	**N.A**		
11. Total value of Land & Building (5+7 in case of earlier valuation) (5+10 in case of revaluation)				
12. Forced Sale Value				
13. Reason for reduction (In case of reduction in valuation, both for Land & Building) than the previous valuation				
Note: In case of appreciation in value/ reduction in extent of area/ value, if it is more than 25%(For both Land & Building) than the previous value reported. The panel valuer must specify the reason in the revaluation report.				

ANNEXURE V

TAMILNAD MERCANTILE BANK LTD. …………… BRANCH

Format for Branch Head's / DDO's Independent Valuation Report

(Where either the loan amount or the total value of all collateral securities put together does not exceed ₹ 5.00 lakhs, respectively)

1.	Name of the borrower	:	
2.	Valuation given by (Name of the officer with staff No.)	:	
3.	Date of Visit	:	
4.	Date of valuation	:	
5.	Description of the property	:	
6.	Property stands in the name of	:	
7.	(i) Property situated at		
	Door No.	:	
	Survey No.	:	
	Block No.	: :	
	Street	:	
	Station Panchayat Taluk District	: : :	
	(ii)Boundaries North South East West (iii)If any variation is noticed, please specify the details. (iv) Latitude of the property Longitude of the Property	:	As per the Title Deed, As per the Visit
8.	If the property is not in the name of the borrower, the relationship between the owner and borrower	:	
9.	Property Tax Particulars		
	a. Date of last payment	:	
	b. Receipt in the name of	:	
	c. Period Cover	:	
10.	Specify any of the known landmarks nearer to the property and their distance in terms of KM.	:	

Tamilnad Mercantile Bank Ltd. Head Office TMB Credit Monitoring Department

ANNEXURE V contd.

11.	Whether the property is leasehold or freehold	:	
12.	Area of the land (Extent of land)	:	
13.	Raacre/meter cre / meter in the locality	:	
14.	Value of the land	:	
15.	Guideline Value	:	
16.	Increase the building's area.	:	
	a. Ground Floor		
	b. First Floor		
	c. Second Floor		
	Total build-up area		
17.	Valuation of the building	:	
18.	Year of construction	:	
19.	Nature of construction	:	
20.	Total value of the property		
	a. Value of the land	:	
	b. Value of the building	:	
	c. Total value	:	
21.	Total realizable value ($)	:	
	($) – Forcible sale without intervention of the court, legal & other procedural formalities, namely calling for tenders, etc.		
22.	Whether the property is used for own occupancy/hire	:	
23.	If it is hired, state the monthly rent and the year of occupancy.	:	
24.	Building Plan approval		
	a. Date of approval	:	
	b. Plan approved by	:	
	c. Whether the building as per approved plan	:	
25.	Present condition of the property	:	
26.	Remarks if any The building's lifespan is estimated at approximately 50 years.	:	
27.	Manager Independent Value		
	a. For land	:	
	b. For building	:	
	c. Total	:	
	(Rupees only)		

Annexure V contd.

I hereby certify that I have verified the properties mentioned above and that they are offered / to be provided to us as security for the limit sanctioned / to be sanctioned to ………………………… and confirm that all the above-referred particulars are found correct as per the market enquiry conducted by me and to the best of my knowledge and belief.

Date :
Place :

Signature of the Officer
Name (Staff No)

Enclosure:
A geo-tagged photo with latitude and longitude is enclosed.

Note:

1. Wherever possible, it is expected that the Branch Head alone should verify the property and give a certificate. However, in case of the Branches where Sub-Manager/ Manager/ Assistant Manager are posted, in the said branches, any one of them may be delegated for physical verification of the property, and the certificate may be issued by him, and the Branch Head should countersign the certificate after satisfying himself about the information.
2. If any officer has accompanied the Branch Head, the signature of such officer is also to be obtained.

Annexure – VI

Tamilnad Mercantile Bank Ltd., …………………………….Branch

Manager's/ DDO's spot verification and market enquiry report on properties obtained as securities

1.	Name of the Borrower	:	
2.	Spot verification made by	:	
3.	Date of visit	:	
4.	Date of Engineer's valuation	:	
5.	Description of the property	:	
6.	Property Owner	:	
7.	(i) Property situated at	:	
	Door No.	:	
	Survey No.	:	
	Block No.	:	
	Street	:	
	Station Panchayat Taluk District	: : : :	
	(ii)Boundaries North South East West iii)If any variation is noticed, please specify the details. (iv) Latitude of the property Longitude of the Property	:	As per the Title Deed, As per the Visit
8.	If the property is not in the name of the borrower, the relationship between the property owner and borrower	:	

Annexure – VI contd…

9.	Property Tax Particulars	:	
	a. Date of last payment	:	
	b. Receipt in the name of	:	
	c. Period cover	:	
10.	Landmark nearer to the property and its distance in terms of KM	:	
11.	Whether the property is leasehold or freehold	:	
12.	Area of land (Extent)	:	
13.	Rate per sq ft/acre/meter prevailing in the locality as per the market enquiry / and as per the panel valuer report.	:	
14.	Value of land as per the Panel Engineer's valuation dated.	:	
15.	The guideline value of the Government for the property	:	
16.	Built-up area of the building	:	
	a. Ground Floor	:	
	b. First Floor	:	
	c. Second Floor	:	
	Total build-up area	:	
17.	Year of construction	:	
18.	Nature of construction	:	
19.	Building Plan Approval	:	
	a. Whether plan approval is available? b. If yes, Date of Approval	:	
	c. Plan approved by d. Whether the building is as per the approved plan	:	
20.	Value of the building as per the panel valuer's valuation dated [insert date].	:	
21.	Total value of the property as stated by the panel valuer, as of the valuation date.	:	
	a. Total value of land	:	
	b. Value of the building	:	
	c. Total Value	:	

Annexure – VI contd…

22.	Whether the property is under its use / leased out	:	
23.	The monthly rental and year of occupancy by the tenant/tenants	:	
24.	Details of persons enquired with name, address, etc., to ascertain the present market value prevailing in the area.	:	1. 2.
25.	Remarks, if any	:	

Certificate:

(a) I hereby certify that I have verified the above property (ies) that is/are offered / to be provided to us as security for the limits sanctioned to / to be sanctioned to Mr./Mrs./Ms./M/s.________________ and confirm that all the above referred particulars are found correct and as per the market enquiry made by me and to the best of my knowledge and belief I concur and confirm the valuation given by the Panel Valuer.

(b) Geo Tag Capturing of the property visited is enclosed.

(c)I also confirm that I have verified that the property is freely accessible. I also verified that the location is not marked by

a. Near Drainage line / Public Toilets / H.T.Lines / Railway Track, etc.
b. "Muttu chandu" or muchanthi
c. Near Temple / Mosque / Church
d. Near burial ground
e. Without access/landlocked
f. Undivided share only
g. More tenants occupying the mortgaged property
h. Areas predominantly inhabited by any particular group of people who may create problems for the enforcement of security, at a later stage.

Signature of the Branch Head / DDO (in CMC)
Name (Staff No)

Note: If the official who visited the property finds that the value given by the Panel valuer does not align with the market value / forced sales value of the property, the discrepancy should be reported, along with reasons for disagreement, in the spot verification report itself.

ANNEXURE VII

Application for empanelment of valuers with Banks

To   Date :

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Dear Madam / Sir,

I am a valuer of immovable property (land and buildings/plant and machinery/current assets) and am interested in applying to your organisation for empanelment. My particulars are given below.

Name ___________________________________

Sex : ___________________ Date of Birth: _____________ Age: ____

Address: ____

____

____

Telephone No.: ______________________ Mobile No.: ________________

E-Mail :   Fax.

Educational / Professional Qualification

S.No.	University / Institute / Examining Body	Qualification	Date of Certification

Number of years of experience in the field of valuation: ____________________

(Attach evidence in the form of reference letters/copies of valuation reports/ any other evidence.)

Name and address of previous employer (if applicable)

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____

____

Details of previous empanelment, if any, with dates/duration:

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____

Membership of Professional Valuer Association (Name and Membership number)

____

____

____

____

Registration with CBDT under the Wealth Tax Act. (Reg. No. and date)

____

____

Permanent Account Number (PAN) of Income tax Department __________________

GST Registration Number ______________

Registration Number as allotted by ICAI / other professional bodies: ____________

References:

1. ____
2. ____
3. ____

Registration with Insolvency and Bankruptcy Board of India (IBBI) (Reg. No. and date)

____

____

Membership details with the Registered Valuers Organisation (RVO).

____

____

Details about major assignments handled so far [furnish nature of the Assignment, Nature of assets & amount]

1. ____
2. ____
3. ____

The above information about me is accurate to the best of my knowledge. If it is found to be incorrect, I will be fully responsible for the consequences.

Signature

(Name of the applicant)

Enclose: 1. Attested photocopies of all certificates/documents of proof

2. In case of Partnership / Company form must be obtained individually from all the valuers along with the request letter in their letterhead, KYC and Partnership Deed / Articles & Memorandum of Association (as applicable)

ANNEXURE VIII

Valuation report for the used vehicle

Ref. No. Date:

Valuation done by the panel valuer Mr.____________________

1.	The branch for which the valuation is done	:	
2.	Purpose of valuation	:	
3.	Date of Inspection	:	
4.	Date of Valuation	:	
5.	Person accompanying at the time of the visit to the site	:	
6.	Owners' Name and address where the inspection is made	:	
7.	Description of vehicle / make		
8	Type of Vehicle		
9.	Registration No.	:	
10.	Engine No.: Chassis No.:	:	
11.	a. Year of Make b. Date of Purchase (Copy of the bill should be verified) c. Age of Vehicle	:	
12	Whether the Vehicle is under a Hire purchase / Lease agreement If yes, provide the details.	: :	
13.	Condition of Vehicle	:	
14.	a. Cubic Capacity b. ULW / GVW c.B.H.P. d.Seating capacity e. Fitness certificate		
15.	Future life / residual life of the Vehicle	:	
16.	Insurance details (Insurance amount, date of insurance, due date, etc.)	:	
17.	Market Value as of date		

Certificate

(1) I have inspected the vehicle on…………….. in the presence of……..…………..
(2) It is hereby certified that in my opinion, the present market value of the vehicle discussed in the report (above) is ₹…………… (Rupees ………………………Only) and after depreciation.
(3) Value varies with the purpose and date of valuation.
(4) I have no direct or indirect interest in the asset valued.
(5) Information and other details given above are accurate to the best of my Knowledge and belief.

Place: (Panel Valuer / **firm / Company**)
Date:

ANNEXURE IX

Certificate for verification of the property of more than ₹ 20.00 crore

I hereby certify that I have verified the property (ies) in the presence of the borrower/representative of the borrower Mr.____________ and Branch Head, Mr.______________ that is/are offered / to be provided to us as security for the limits sanctioned to / to be sanctioned to Mr./Mrs./Ms./M/s.________________. I hereby confirm that all relevant particulars are correct in accordance with the sanction terms and the Engineer's valuation/associated documents. As per the market enquiry I made, and to the best of my knowledge and belief, I confirm that the valuation is correct.

Signature of HO / RO / CMC Official

Name & Staff No.

Designation

Annexure - X

DD/MM/YYYY

Ref.No.______________/ 2025-26

Name and address of the valuer
Phone:
Mobile:

Dear Sir,

Sub:	Empanelment in our Bank's Panel as Valuer – Your request for inclusion in our Bank's Panel of Valuers - Reg

We are pleased to inform you that you have been empanelled in our Bank's Panel of Valuers for valuing the immovable assets/securities already offered/to be provided to the Bank and Bank's immovable assets/securities, subject to the following conditions.

1. You will be engaged for valuing the immovable assets/securities already offered/to be provided to the Bank and the Bank's immovable assets/securities, and giving your views on the issues referred to you relating to valuation referred by the Bank.

2. The duration of empanelment shall be for five years. However, this shall be extended based on the valuers' performance and the annual review report prepared by the Regional Head/CMC Head. If the performance is unsatisfactory, you may be depanelled at the bank's discretion.

3. Your empanelment in our Bank's Panel of Valuers does not amount to a regular appointment or right for regular appointment in the Bank. The Bank reserves the right to terminate your services at any time without assigning any reasons or without giving any notice to you.

Fees Structure:

Property category	Fee Structure	Fee for value assessed in %	Fee Payable	
			Minimum	Maximum
Land & Building (Except Agricultural Land)	Upto ₹50000/-	0.50%	₹250/-	₹5000/-
	Next ₹1.00 Lac	0.25%		
	On the balance of the asset value	0.125%		
Vacant land		0.25%	₹250/-	₹2000/-

This rate will remain in effect until further revision.

1. You are entitled to the Professional Fees as per the prescribed fee structure mentioned above for the valuation work referred to you by the Bank, and the same should be collected/obtained from the concerned branch only.

2. You are not eligible for any local conveyance reimbursement. However, the valuation job entrusted involves outstation travel. In that case, you will be reimbursed for actual travel expenses or the fare equivalent to the Bus or Railway Fare by the shortest route, whichever is lower, over and

above the professional fees as per the fee structure. However, you will not be eligible for any local conveyance reimbursement.

3. The Income tax and other relevant charges, if any, shall be deducted at source wherever applicable from the professional fee payable to you.

4. You should maintain the secrecy of the assignment given to you by the Bank, and about your findings and report.

5. You are advised not to have any direct contact with the borrower /mortgagor and not to claim any fee directly from the borrower/ mortgagor.

6. Whenever you are giving a forced value for the property, it is obligatory on your part to provide notable observations and reasoning for such a lesser value.

7. You should ensure that the property being valued is the same as the property for which the panel advocates gives legal clearance and confirms the availability of permissions and approval before providing the valuation report.

8. Geo tag capturing, Latitude and Longitude should be included in the valuation report.

9. If the Bank has reason to believe that you acted against the interest of the Bank, then you will be removed from the Bank's Panel of Valuers without any notice, and you are liable to hand over the entire brief handled by you, along with the consent for change, to the respective branches/entities. In such an event, you are not entitled to any balance of professional fees.

10. You are liable not only for being removed from our Bank's panel but also for penal action if any wrong valuation is given because of which the Bank has incurred any loss, and in situations where willful negligence/malpractice is found to be a causative factor for fraud.

11. Bank is having the liberty to file a complaint against you for your wrong opinion or any overvaluation, wrong valuation, under valuation etc., of the property valued by you or found guilty of professional misconduct before appropriate authority and in such cases you are not only liable for civil/criminal action, as it is deemed fit but also liable to be reported to your parental Organization and initiate such other action as per guidelines of RBI and IBA.

12. You are entitled to charge a nominal Fee of Rs. 1000/- for each stage-wise completion report from the borrower

If you agree to the above terms, please provide your consent in the copy of this letter of empanelment.

Thanking you,
Yours faithfully,

Regional Head / CMC Head
_______________ Region

Copy to: The Branch Head / DDO, ______________ Branch.

ACKNOWLEDGEMENT

I have reviewed the contents/conditions mentioned in the above letter of empanelment and accept them for compliance. Furthermore, I/we assure that we will abide by the above terms and conditions and will take all required steps to protect the Bank's interests as Panel Valuers.

Place:

Date: **Signature with Name of the Valuer / firm / company**