



THE KASARAGOD CO-OPERATIVE
TOWNBANK
LTD, No.970

CONSOLIDATED POLICY ON VALUATION & APPOINTMENT OF VALUERS

(B Res No. _____ Date _____)

Approved Valuers Policy

In order to ascertain the value of properties, external qualified independent valuer/valuers are appointed by the bank for undertaking the valuations. The empanelled valuers shall carry out valuations of different types of assets as under.

1. Land and building
2. Plant and Machinery
3. Agricultural Land
4. Any other class of Assets

All valuers empanelled with bank shall strictly adhere the following code of conduct:

1. To express an opinion only when it is founded on adequate knowledge and honest conviction.
2. To refrain from misrepresenting qualifications or work experience.
3. To treat all information procured during the course of the business as confidential.
4. To observe integrity and fair play in the practice of the profession.
5. To refrain from undertaking to review the work of another valuer of the same client except under written orders from the bank and with knowledge of the concerned valuer.
6. To give unbiased valuation report conforming to standards and conforming to the objective opinion of the property and not to attempt merely to accommodate the interest of the client.
7. To steer clear of situations where interests and duty clash.
8. To conduct oneself in such a manner which will not prejudice the professional status or reputation of the profession.
9. And to follow this code as amended or revised from time to time.

- The valuer must ensure the proper and timely submission of valuation reports.
- The boundaries should be properly mentioned.
- The valuer must provide a sufficiently detailed road map of the property as a part of the report along with identifiable landmark to locate the property.
- Width of the approach road to property to be mentioned in the report.
- The valuer must provide market value, realizable value and distressed sale value of the properties in valuation report.
- The cost of construction mentioned in the report must be standardized as per the prevailing rate of construction and additional value must be mentioned separately.

- Additional value should be included for furniture and non-permanent fixtures in to the cost of construction, valuation to be done only for immovable properties.
- Depreciation of the building or its components must be considered when following the land and building method for valuation and the rate of depreciation per year should be decided based on the quality of building materials used for construction.
- Proper factoring of built up area must be done when considering different building of different periods of construction.
- In case of old building which may have part of load bearing walls loading must be more when calculating built up area from the carpet area than for framed RCC structure.
- In case of valuation of attached terrace, the standard practice should be to value it as a percentage of flat area.
- Delays in the site visits if any should be immediately made known to respective single point of contact.
- The current age and residual age of the property should be mandatorily mentioned in the valuation report and basis of calculating the age should be in remarks column of the report.
- The valuer should comment about the marketability of the property. Up to 10 lakh rupees loan the Branch Manager should accompany the valuer and for 10 lakh and above loans General Manager should accompany the valuer with Branch Manager.

CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

CHAIRMAN