VALUATION- PROFESSIONAL FEES PRESCRIBED BY BANKS/CBDT

N.RAVINDRAN
TIRUCHIRAPPALLI 620 017(T.N.)
(98424 64212)

A. Banks

1.Bank of India

Credit Department, Madurai Zone, Ref. No.: ZO/MDU/C&IC/2025-26/002AC, Date : 19.04.2025

Fees structure for valuers: (amount in Rs.)

Value of the Asset/ Security (Fair market value)	Maximum fees
Up to 50 Lacs	6,000/-
Above Rs. 50 Lacs to Rs. 1 Crore	10,000/-
Above Rs. 1 Crore to Rs. 5 Crore	15,000/-
Above Rs. 5 Crore to Rs. 10 Crore	25,000/-
Above Rs. 10 Crore to Rs. 50 Crore	50,000/-
Above Rs. 50 Crore	1,50,000/-

Note:

• Rates quoted above are excluding GST.

• Where two or more assets in a particular account are required to be valued at one time, then all such assets shall be deemed to constitute a *single asset* for the purpose of calculating the fees of the valuer.

• fees may be revised by the bank at the bank's discretion.

2.Bank of Baroda

RO: CBE: ADV: 54: 95 , 13.04.2018

Valuation Charges – (Retail loans)

1. Housing loan and education loan applications.

Value of Property Fee	(Excluding applicable GST)
Up to Rs.10.00 lacs	Rs.1,000/-
Above Rs.10 lacs & up-to Rs. 20.00 lacs	Rs.1,500/-
Above Rs.20.00 lacs & up-to Rs.30.00 lacs	Rs.2,000/-
Above Rs.30.00 lacs & up-to Rs.50.00 lacs	Rs.2,500/-
Above Rs.50.00 lacs & up-to Rs. 1.50 crores	Rs.3,000/-
Above Rs.1.50 crores	Rs.3,500/-

2. Business loans - OD, Traders loan applications:

Value of Property	Fee (Excluding Applicable GST)
Up-to Rs.25.00 lacs	Rs.3,000/-
Above Rs.25.00 lacs & up-to Rs.50.00 lacs	Rs.5,000/-
Above Rs.50.00 lacs & up-to Rs.100 lacs	Rs.7,500/-
Above Rs.100 lacs	Rs.10,000/-

3. Other business loans:

Details	
On property value up-to Rs. 50,000/- (with a minimum of Rs.75.00)	Rs. 250.00
On property valued above Rs.50001- up-to Rs. 1 lac	Rs.350.00
On property valued above Rs.1 lacs but below Rs.5 lacs	Amount Rs.350.00 plus 0.20% of the value of property above Rs.1 lacs
On property valued above Rs.3 lacs but below Rs.5 lacs	Rs.750.00 plus 0.15% of the value of the property above Rs.3 lacs
On property valued above Rs.5 lacs	Rs. 1,050.00 plus 0.10% of the value of property above Rs.5 lacs. Subject to maximum of Rs.10,000/-

In respect of the above cases, where reports are not received and papers are returned without Report, the following charges are applicable.

Returns made on the basis of insufficient documents provided	Rs.250/-+ applicable GST
Returns made on inspection of the property /site (With photographs)	Rs.500/- +applicable GST

10. In case valuation of properties is required to be done at outstation places, in addition to the fees mentioned above, you will be entitled for A/c II/III tier railway fare.

3.Central Bank of India

Regional office ,Trichy,dt.25.08.2022

A) Valuation fees for property including machinery - retail/agriculture advances

Value parameters	Max. fees payable to valuer
Up-to Rs. 10 Lakhs	Rs. 3,000/- + GST
Rs. 10 Lakh to Rs. 25 Lakhs	Rs. 4,000/- + GST
Rs. 25 Lakhs to Rs. 50 Lakhs	Rs. 5,000/- + GST
Rs. 50 Lakhs to Rs. 1 Crore	Rs. 7,500/- + GST
Rs. 1 Crore and Above	Rs.10,000/- + GST

NOTE:

Maximum fees payable for valuation vacant plot/land & residential sites related to retail/agriculture advances will be 50% of applicable fee, subject to maximum of Rs. 5,000/- + GST to the Valuer.

B) Valuation of properties other than retail/agriculture - including plant & machinery

Value parameters	Max fees payable to Valuer
Upto Rs. 10 lakhs	Rs. 3,000/- + GST
Rs. 10 lakhs to Rs. 25 lakhs	Rs. 4,000/- + GST
Rs. 25 lakhs to Rs. 1 crore	Rs. 7,000/- + GST
Rs. 1 crore to Rs. 10 crores	Rs. 10,000/- + GST
Above Rs. 10 crores to Rs. 25 crores	0.0125% + GST (Maximum Rs. 30,000/- + GST)
Above Rs. 25 crores	0.0125% + GST (Maximum Rs. 50,000/- + GST)

Note : Maximum fees payable for valuation of vacant plot, residential site will be 50% of normal approved fees.

4.Canara bank

Risk Management & Credit Review and Monitoring Section, Circle Office, Madurai,

Ref no: RMCRM/COMDU/EMP/LR/086/2022/SD, 28-07-2022

Indicative fee structure for valuation

Value of the security	Maximum fee payable (exclusive of admissible taxes)
Up To ₹5 lakhs of the asset valued	0.25%
Next ₹10 lakhs of the asset valued	0.20%
Next ₹35 lakhs of the asset Valued	0.10%
Next ₹50 lakhs of the asset Valued	0.05%
On Balance of the asset valued	0.025%

The maximum fees payable will be Rs.50,000/- and minimum is Rs.2,000/-.

In respect of LPD/NPA accounts, the fee payable is 50% of the above and subject to maximum of Rs.25,000/-. In respect of vacant land, the fee payable shall be 25% of the above and subject to maximum of Rs.12,500/-. The entire fee inclusive of all expenses to be incurred by valuer of one borrower including travelling, boarding & lodging etc. will not exceed Rs. 75,000/-.

5.City Union Bank

Central Office.24-B,Gandhi Nagar, Kumbakonam 612 001,

AO/ADV/valuer/2020-21,dept: advances dated:22.12.2020

S.no.	Property value Rs.	Fees payable Rs.
1	Up-to Rs. 2.00 lakhs	250
2	Above Rs. 2.00 lakhs & up-to Rs. 5.00 lakhs	500
3	Above Rs. 5.00 lakhs & up-to Rs. 20.00 lakhs	2,000
4	Above Rs. 20 lakhs & up-to Rs. 500 lakhs	3,000
5	Above Rs. 500 lakhs & up-to Rs. 2500 lakhs	5,000
6	Above Rs. 2500 lakhs	7,500
	(Maximum fees payable is only **Rs.7,500**/-)	

6.Dhanalakshmi Bank Ltd.

Thillai Nagar , Trichy 620 018, dt.19.12.2016

• Actual traveling expenses limited to first class train fare, if connected by train and distance covered is more than 100 kms or taxi fare will be reimbursed against the voucher produced / self declaration Rs. 3.50 per KM will be paid if own vehicle is used.

• You should agree to charge / collect from the Bank, fees not more than the schedule of fees prescribed by the Bank from time to time. Present fee payable is as follows.

(1)	(2)
For agriculture land / landed property only	**For building**
¼ of the value subject to a maximum of Rs. 2,000/-	0.1 % of the value of assets with a minimum of Rs. 500/- and maximum of Rs.10,000/-. The valuation of different buildings in the same compound will be treated as one valuation only and maximum fee applicable will be only Rs.10,000/-

• Fees for all valuation work referred to you by the bank should be collected / obtained only through the Branch concerned by submitting a valuation bill.

• The service tax as applicable may be added to the fees payable and Income Tax shall be deducted at source, wherever applicable. Please mention your ST regn. No. and PAN no. in the bill.

7.Indian bank

Zonal office, Trichy**,** Ref.: credit section/ 51 / 2021-22 date: 02.08.2021

Fee for valuers :

Sl.No.	Value of property/ machinery	Valuation fee (excluding GST)
01	Upto Rs.25 lakhs	Rs. 1,500
02	Rs.25 lakh to Rs.1 crore	Rs. 3,000
03	Above Rs.1 crore upto Rs.3 crore	Rs. 4,500
04	Above Rs.3 crore upto Rs.10 crore	Rs. 7,500
05	Above Rs.10 crore upto Rs.25 crore	Rs.12,000
06	Above Rs.25 crore	Rs.18,000

- The fee structure as above will be for each property to be valued and in each case, out of pocket expenses for cost of photograph and other incidental charges shall also be payable on actual basis.
- In case the properties are located at a distance from the city, actual cost of conveyance by road/ train (or as permitted by Zonal Head in respect of high value properties), will be paid.
- The Branch Manager/ Zonal Head may negotiate with the valuer for reducing the fees in view of the value of connection particularly in respect of High Value properties, in consultation with the owner of the property. The same should also be explored in the cases where the valuation fees are being borne by the Bank.
- In case of Cities like Kolkata Mumbai, Chennai New Delhi, Bengaluru, Hyderabad and Ahmedabad if necessary Zonal Office may permit higher fees not exceeding 25% of the above stipulated fee.

8.Indian Overseas Bank

Regional Office, Trichy,No.RO/0806/ADV/2024-25 date:11.03.2025

Fee Structure based on asset value :

Amount	Fee structure
Value of assets upto Rs. 1 lac	Rs. 1,500/-
Above Rs. 1 lac to Rs. 5 lacs	Rs. 2,000/-
Above Rs. 5 lacs to Rs. 10 lacs	Rs. 2,500/-
Above Rs. 10 lacs to Rs. 20 lacs	Rs. 3,000/-
Above Rs. 20 lacs to Rs. 50 lacs	0.14% of the value, maximum of Rs. 6,500/-
Value of assets above Rs. 50 lacs to Rs. 1 Crore	0.14% of the value, maximum of Rs. 7,500/-
Value of assets above Rs. 1 Crore to Rs. 5 Crore	Rs. 12,000/-
Value of assets above Rs. 5 Crore	Rs. 20,000/-

a) In case the valuer is required to undertake the valuation in a city other than that in which the valuer normally resides, the bank shall reimburse the outstation travel TA/DA charges as agreed to between both the parties in the beginning itself before the valuer starts the assignment.

b) Where two or more assets are required to be valued at the instance of an assessee, all such assets shall be deemed to constitute a single asset for the purpose of calculating fees.

c) If the same property has to be revalued at the instance of Bank, 50% of the above prescribed charges only is payable for the second instance of valuation, provided the first set of valuation report/documents are made available to the valuer.

9.Karnataka Bank

Credit Monitoring Department, HO/CrMD/60043/2023-24, December 4,2023.

Valuation charges:

For valuation of assets other than agricultural properties by empanelled valuers.

Sl. no.	Value of Assets	Fee Payable (excluding Service Tax)	Minimum	Maximum
1.	Up to ₹5.00 lakh	0.15% of the value	₹ 250/-	₹ 750/-
2.	Above ₹5.00 lakhs and up to ₹10.00 lakhs	0.125% of the value	₹ 750/-	₹1,250/-
3.	Above ₹10.00 lakhs and up to ₹50.00 lakhs	0.10% of the value	₹1,250/-	₹5,000/-
4.	Above ₹50.00 lakhs and up to ₹100.00 lakhs	₹5,000 + 0.05% for every ₹10.00 lakhs or part thereof for beyond ₹50.00 lakhs	₹5,000/-	₹7,500/-
5.	Above ₹100.00 lakhs	₹7,500 + 0.025% for every ₹10.00 lakhs or part thereof for beyond ₹100.00 lakhs	₹7,500/-	₹10,000/-

Guidelines:

(i) When two or more properties are required to be valued at the instance of the borrower, all such properties should be deemed to constitute a single property for the purpose of calculation of value for fixing the fees.

(ii) No local conveyance is reimbursable. In case of outstation properties reasonable conveyance and out-of-pocket expenses are reimbursable.

10.Karur vysya bank

Reference: Not available

Property value	Professional fee/property (Rs.)
Up to Rs.5 crores	Rs.2,500 +applicable GST
Rs.5 crores to Rs.10 crores	Rs.3,500 +applicable GST
Rs.10 crores to Rs.25 crores	Rs.5,000 +applicable GST
Above 25 Crores	Rs.10,000 +applicable GST
Out-station case (> 30 KMS from Municipal limits)	Extra fee: Rs.1,000 + applicable GST
Individual subsequent visit	Rs.1,200 +applicable GST
APF project report	Rs.3,000 +applicable GST
APF project subsequent visit	Rs.1,500 +applicable GST
*For any specific cases prior approval required from head technical /vertical head for additional fee payment.	

11.L.I.C. housing finance ltd.

Ref: CO/CM/342/2025-26,30.04.2025

Guidelines for collection of technical fee

The Competent Authority has decided to collect the valuation and legal fee payable to panel valuers and advocates from loan applicants, in addition to the Processing fees.

As per the decision, actual fee payable for valuation and title investigation to be collected from the borrowers. As per the revised fee structure for valuation and title verification,Technical Fee as mentioned below to be collected from applicants under all IHL, NHI and NHC schemes.

Loan amount sanctioned	Technical fee
Up to Rs. 25 Lakhs	Rs. 5,500+ GST
Above Rs. 25 Lakh and below Rs. 50 Lakh	Rs. 7,000+ GST
Loan amount of Rs. 50 Lakhs	Rs.11,000+ GST
Above Rs. 50 Lakhs and up to Rs. 1 Cr	Rs.13,000+ GST
Above Rs. 1 Crore and up to Rs. 5 Cr	Rs.18,000+ GST

Above Rs. 5 Crore and up to Rs. 15 Cr	Rs.25,000+ GST
Above Rs. 15 Crore	Rs.35,000+ GST

Technical Fee should be collected after issuing loan sanction letter and before proceeding for disbursement.

- As the Technical fee is the professional charges payable for technical appraisal and legal appraisal, it will be non-refundable and not to be waived or altered.
- Disbursing authority should ensure that the Technical Fee plus GST, as mentioned above, is collected from the borrower before first disbursement.

The provisions of this circular come into force with effect for all loan applications logged in from 1st May 2025. In respect of the files which are already logged in but not sanctioned, further timeline of 60 days (upto 30/06/2025) will be available for sanction with earlier fee structure. Beyond which the proposal should be processed under new file no. and technical fee to be collected as above.

IT Department will be making necessary changes in the Loan Management System and the process for collection of fees will be provided by IT department separately.

12. Punjab & Sind bank

Head office credit monitoring & policy department, 21, Rajendra place, New Delhi
(Reg: policy/guidelines on valuation of properties/assets)

G	**Payment of Fees to Valuer**			
(i)	System of payment of fee to the valuer	The bank shall make the payment of the fee/charged to the valuer directly. Under no circumstances, the valuer shall be asked to finalize his payment terms directly with the borrower.		
(ii)	Amount of fee and recovery thereof:	As per the latest CBDT guidelines, fees for valuers are here as under:		
		a.	1st Rs.5 lacs of property so valued @ ½% of the value	Maximum to Rs.2,500/- (Minimum charges Rs.500/- to be paid)
		b.	On the next Rs.10 lac of the property so valued@ ¼% of the value	Rs.2,000/-
		c.	On the next Rs.40 lacs of the asset as valued 1/10 per cent of the value	Rs.4,000/-
		d.	On the balance of the properties so valued	Maximum of Rs.20,000/-

			@1/20 per cent of the value	

		• In case the properties are located at a distance from the city, actual cost of conveyance by road/train (or as permitted by Zonal Head in respect of high value properties), will be paid. • For very specialized or high value properties the rates may have to be negotiated on case to case basis in consultation with the owners of the property. • GST as per rules and applicable from time to time shall be paid in addition to the charges mentioned herein above. • The fee along with GST is to be recovered from the borrower. No fee should be charged in case the valuation is done by the Branch incumbent.

13. Punjab national bank

5133732 – 02.2025

Fee payable to valuers

Realizable value of assets*	Valuation Fee
Up to Rs. 20 lakh	Rs. 2,000/-
Above Rs. 20 lakh to Rs. 50 lakh	Rs. 3,000/-
Above Rs. 50 lakh to Rs. 1 crore	Rs. 4,000/-
Above Rs. 1 crore to Rs. 5 crore	Rs. 8,000/-
Above Rs. 5 crore to Rs. 10 crore	Rs.12,000/-
Above Rs. 10 crore	Rs.15,000/-
Above Rs. 50 crore	Rs.25,000/-

1. Includes property/fixed assets/plant & machinery etc.
2. Note : For the purpose of calculating the valuation fees also, realizable value shall be considered.

3. The fees are inclusive of out-of-pocket expenses.

14. South Indian Bank

Reference: Not available

Fees Structure

1.	Rs. 2,500/-+ GST for Residential/Commercial properties within city limits.
2.	Up to Rs.3,500/-+ GST for properties outside city limits
3.	Open land parcel of big size, large properties having multiple buildings(Industrial properties, large hospitals, educational institutions, commercial establishments like mall etc.) - Fees to be decided post negotiation

15. State bank of India

LHO/CCO/CPM/223,15.05.2024

Valuation fee table (amount in Rs.)

Value of the asset / security (Fair Market Value)	**Fee Applicable**	**Minimum Fee (Rs.)**	**Maximum Fee (Rs.)**
Value up to Rs. 5 crore	0.02% of the value (fair market value) of the asset	3,000	10,000
Value above Rs. 5 crore and up to Rs. 50 crore	0.01% of the value (fair market value) of the asset	10,000	30,000
Value above Rs. 50 crore	0.005% of thevalue (fair market value) of the asset	30,000	1,00,000
Loan/advances above Rs. 50 crore to other than “P Segment” and where value of security is above Rs. 50 crore	Minimum fee of Rs. 30,000 (or) lowest quotation received, whichever is higher		

Fee shall be negotiated by operating units and reduce to the extent possible on a case to case basis. Payment of fee shall be according to the complexity of the case, nature of the asset, experience, rating, category of the valuer and reasonable hourly fee as per estimated work hours (Annexure-B and C). Such fee shall be in tune with the prevailing rates at the Centre/area.

Rates quoted above are excluding GST.

- Factors for arriving at reasonable fees for valuers and estimation of work hours required by a valuer to complete the valuation is detailed in **Annexure-B and C**.
- In case of loan/ advances above Rs.50.00 crore to other than "P segment" and where value of asset(s)/securities is above Rs.50.00 Crore, before entrusting any assignment to the agency, competitive quotation shall be called from at least three empanelled valuers in relative asset class.
  (i) Valuer should submit the quote clearly indicating the fees on an 'all inclusive' basis
  (ii) Care should be taken that the entire process is kept transparent.
- In exceptional cases taking into account the nature of the asset(s)/quantum of work involved, higher authority may permit payment of fees to valuers beyond the above ceilings subject to a maximum of 10% of the maximum ceiling.
- The above fee structure is subject to negotiation at the time of giving each assignment as the same is to be recovered from the borrowers. Special care needs to be taken while negotiating fees for revaluation of the assets already mortgaged to the Bank.

16.UCO bank

Circular No. CHO/ADV/03/2021-22 Doted: 07.04.2021

Professional fee

The structure of fee payable by the Bank to valuers for valuation is as follows:

	Asset Value	Fee Structure
1.	More than Rs.5.00 lac to up to Rs.10.00 lac	Rs.3,000/-
2.	More than Rs.10.00 lac to up to Rs.50.00 lac [0.15% of value]	Rs.10,000/- subject to minimum Rs.3,000/-
3.	More than Rs.50.00 lac to up to Rs.	Rs.25,000/- subject to minimum Rs. 10,000/-

	10.00 crore [0.05% of value]	
4.	Rs. 10.00 crore & above [0.025% of value]	Rs.50,000/- subject to minimum Rs.25,000/-

Note on professional fees and other expenses:

1. For credit/quasi-credit limits up to and inclusive of Rs.5.00 lac, valuation of property should be made by the bank officials themselves so as to avoid additional cost to borrowers. For credit/quasi-credit limits over Rs.5.00 lac valuation of properties shall be entrusted to valuers on the Bank's approved panel.
2. For Retail and Schematic Loans, wherever guidelines on valuation of securities defined, will continue as it is.
3. The fee structure represents the maximum amount of fee payable as per value of the property and is subject to negotiation at the time of giving assignments.
4. Bank shall pay net amount after deduction of applicable taxes at applicable rate from the fee as above on receipt of valuation report along with Mandate for valuer.
   i) In addition to the professional fee for valuation, cost of photographs and other out-of-pocket expenses incurred by the valuer in connection with valuation shall be reimbursed on actual basis.
   ii) For outstation assignments, actual railway tickets up to class or AC Two tier Sleeper and per day diem of Rs.1,000/- may be considered for reimbursement by the Bank.
   iii) Any claim for reimbursement of expenses incurred should be supported by relative bills in original, duly signed by the valuer.
   iv) The Bank shall recover upfront the valuation fee and the incidental expenses from the borrower.
   v) Professional fee/payments to valuers shall be paid by the Bank directly to the valuer within 45 days of submission of valuation report acceptable to the Bank. The said valuation fees will be recovered from the borrower.

vi) As far as possible, eligible valuers from each district Centre should be included in approved panel with an objective of minimizing expenses on travel/diem etc.

17. Union bank of India

Ref : Not Available

Guidelines for payment of professional fees

The maximum professional fees payable for valuation of an asset will be as under:

Value of the security	Fees payable	Fees payable (In case of retail loan: Housing Loan etc.,)
Up to 50,000/-	500/-	500/-
Above Rs.50,000/- up to Rs.1 lac	1,000/-	1,000/-
Above Rs.1 lac up to Rs.25 lacs	3,000/-	
Above Rs.25 lac up to Rs.50 lac	5,000/-	3,000/-
Above Rs.50 lac up to Rs.1 crore	10,000/-	
Above Rs.1 crore up to Rs.5 crore	15,000/-	10,000/-
Above Rs.5 crore	20,000/-	

Note:

a. Where two or more assets in a particular account are required to be valued at one time, then all such Assets shall be deemed to constitute a single asset for the purpose of calculating the fees of the valuer.

b. However, in exceptional circumstances taking into account the nature of the property (ies)/quantum of work involved, FGMs may permit payment of fees to valuers beyond the above ceilings subject to a maximum of Rs. 40,000. Further, Large Corporate Branches/Mid Corporate Branches with heavy credit portfolio requiring valuation of property(Ies) of Rs.50.00 crores and above taking into account nature of the property(Ies)/quantum of work are empowered to pay fees to valuers beyond Rs.20,000/-subject to a maximum of Rs. 40,000/-.

c. For outstation traveling and diem, actual tickets up to AC II tier and Rs.300.00 per day respectively may be considered for reimbursement.

d. The above fee structure is subject to negotiation at the time of giving each assignment as the same is to be recovered from the borrowers. Special care needs to be taken while negotiating fees for revaluation of the assets already mortgaged to the Bank.

Note :
1) The fees expressed as above are as of 25th November 2025 and based on the available particulars. If there is any correction or revision, the fact may please be highlighted.

2) The practicing valuers may please note that the fee structure may vary from place to place, and they are requested to verify.

B. Central Board of Direct Tax(CBDT)

Wealth-tax (first amendment) rules, 2009 - substitution of rule 8c notification no. 15/2009, dated, 30-1-2009

In exercise of the powers conferred by section 46 of the Wealth-tax Act, 1957 (27 of 1957), the Central Board of Direct Taxes hereby makes the following further amendments in the Wealth-tax Rules. 1957, namely:—

1. (1) These rules may be called the Wealth-tax (First Amendment) Rules, 2009.

   (2) They shall come into force with effect from 1st April, 2009.

2. In the Wealth-tax Rules, 1957, for rule 8C, the following rule shall be substituted, namely :

8C. Scale of fees to be charged by a registered valuer.

(1) Subject to the provisions of sub-rules (2) and (3), the fees to be charged by a registered valuer for valuation of any asset shall not exceed the amount calculated at the following rates, namely :—

(*a*) On the first Rs.5,00,000 of the asset as valued	1/2 per cent of the value;
(*b*) On the next Rs.10 lakhs of the asset as valued	1/5 per cent of the value;
(*c*) On the next Rs.40 lakhs of the asset as valued	1/10 per cent of the value;
(*d*) On the balance of the asset as valued	1/20 per cent of the value.

(2) Where two or more assets are required to be valued by a registered valuer at the instance of an assessee all such assets shall be deemed to constitute, a single asset for the purposes of calculating the fees payable to such, registered valuer.

(3) Where the amount of fees calculated in accordance with sub-rules (1) and (2) is less than Rs.500, the registered valuer may charge Rs.500 as his fees.

<u>C. Institution of Valuers, Delhi</u>

Ref. No. IOV/2024/Fee Str./4436, Dated: 21.02.2024

Suggestive advisory on minimum fees for valuation services

With the aim of meeting the expectations of the valuer's fraternity and ensuring a minimum benchmark for their services, IOV Introduce suggestive advisories on Minimum Fees for Valuation Services and Best Professional Practices in Valuation on the basis of feedback solicited from members

Based on the feedback received from members, it has become evident that while members acknowledge the importance of adhering to CBDT rules, it is not consistently followed in practice by the stakeholders, especially the banks. It is also important to note the following major points as por CBDT provisions:

- Where two or more assets are required to be valued at the instance, all such assets shall be deemed to constitute a single asset for calculating the fees payable to them.
- Where the amount of fees calculated in accordance with sub-rules is less than Rs.500,the valuer may charge Rs.500 as his fees.
- This is the final fee prescribed by CBDT without the scope of addition of other expenses.

After examining the standard rates being followed by banks and the ways to derive the expenses borne by Valuers, IOV is suggesting the following fees as a **minimum benchmark so that the valuers can receive fair compensation for the valuable services they provide.**

<table>
<tr><th>Sl. no.</th><th>Asset Size (Single Asset)</th><th>Fees as CBDT in Rs.</th><th>Minimum fees paid by SBI in Rs.</th><th>Maximum fees paid by SBI in Rs.</th><th>Minimum proposed fees by IOV in Rs.</th></tr>
<tr><td>1</td><td>Up to 1 cr</td><td>10,750</td><td rowspan="2">3,000</td><td rowspan="2">10,000</td><td>7,000</td></tr>
<tr><td>2</td><td>1 cr to 3 cr</td><td>15,750</td><td>10,000</td></tr>
</table>

3	3 cr to 5 cr	25,750			15,000
4	5 cr to 10 cr	43,250	10,000	30,000	30,000
5	10 cr to 25 cr	93,250			65,000
6	More than 25 cr	1,30,750			85,000

For every additional 25 crore in value, Rs.1,000/- shall be the minimum additional fee.

Additionally, the following points may be noted regarding the fee structure:

1. In addition to the basic fee, travel and other expenses are chargeable as applicable.

2. A markup on the minimum fee may be applied to account for inflation, asset specific professional experience, complex property project turnover or other relevant factors.

3. In the case where asset value is less than 50 lakhs, the minimum prescribed fee is Rs. 5,000.

4. This proposed fee structure has been recommended as adherent to the Best Professional Practices in Valuation as proposed by IOV. Through this advisory for the Valuers, IOV aims to uphold the highest standards of professionalism and appropriately compensate for their expertise and contributions to the industry.

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