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THE Valuer

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IOV REGISTERED VALUERS FOUNDATION

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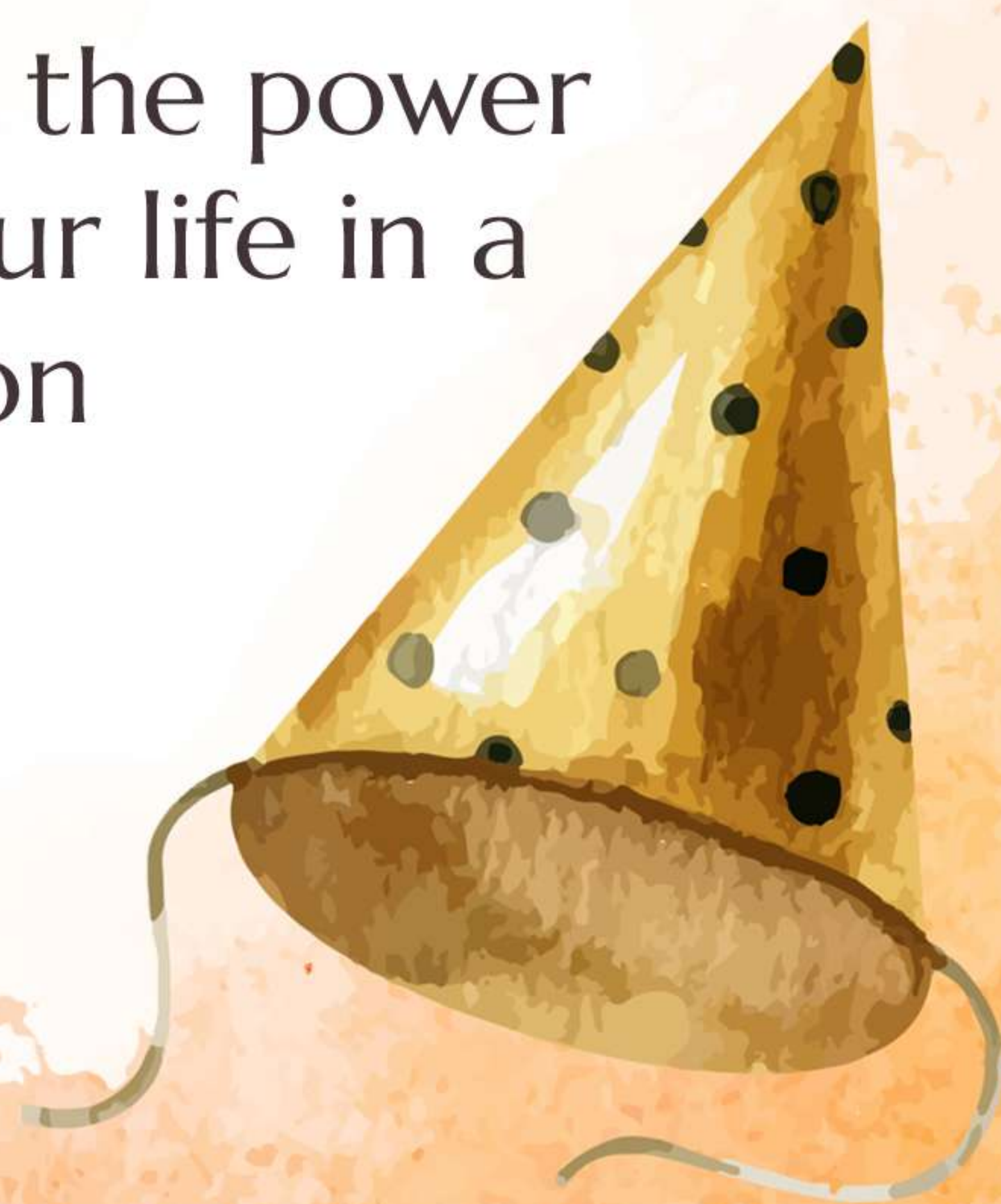


WE WISH YOU A

Happy New Year

2023

Never underestimate the power
you have to take your life in a
new direction



FRAME OF REFERENCE

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ABOUT



THE Valuer

With the view to keep the members and valuation aspirants updated, IOVRVF has come up with publishing the Journal 'IOV RVF The Valuer'.

This journal is the combined efforts of all the authors, fellow members who make this journal worth-reading.

It is pertinent to mention that in the content of this Journal, we bring diversity in the themes to keep our reader motivated. With the pen down thoughts from our Valuer Members in the form of article on different topics, we ensure to enlighten the knowledge of readers in different verticals of Valuation.

As IOV-RVF always follows futuristic approach in their working, we will keep on updating the Journal with for the coming developments in the valuation field.

Technical Journal for the Valuation Profession

Title - IOV RVF THE VALUER

Frequency - BI MONTHLY

ISSN NO. - 2583 5831

Publisher - VINAY GOEL

Editor-in-Chief - TANUJ KUMAR BHATNAGAR

Starting Year - 2022

Subject - VALUATION

Language - ENGLISH

Publication - ONLINE

Phone Nos. - 9499491010

E-mail - valuers@iovrvf.org

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ADJACENT TO BAL BHARTI PUBLIC SCHOOL,
PITAMPURA, DELHI-110034.

DISCLAIMER

The articles published in this issue are the statements and opinions of the authors only and are not necessarily endorsed by IOV RVF as an organisation. The Editor/ IOV RVF assumes no responsibility for the statements and opinions expressed herein.

PRINTED & PUBLISHED BY

Vinay Goel on the behalf of IOV Registered Valuers Foundation Plot No. 3, Parwana Road, Adjacent to Bal Bharti Public School, Pitampura, Delhi-110034.

SKG PRINT MEDIA

CGF-6, Dilkhush Industrial Estate, G.T Karnal Road, Delhi-110033

NON-RECEIPT OF IOV RVF THE VALUER

Non-receipt of IOV RVF the Valuer should be intimated to IOV RVF, Plot No. 3, Parwana Road, Adjacent to Bal Bharti Public School, Pitampura, Delhi - 110034 before the end of the month.

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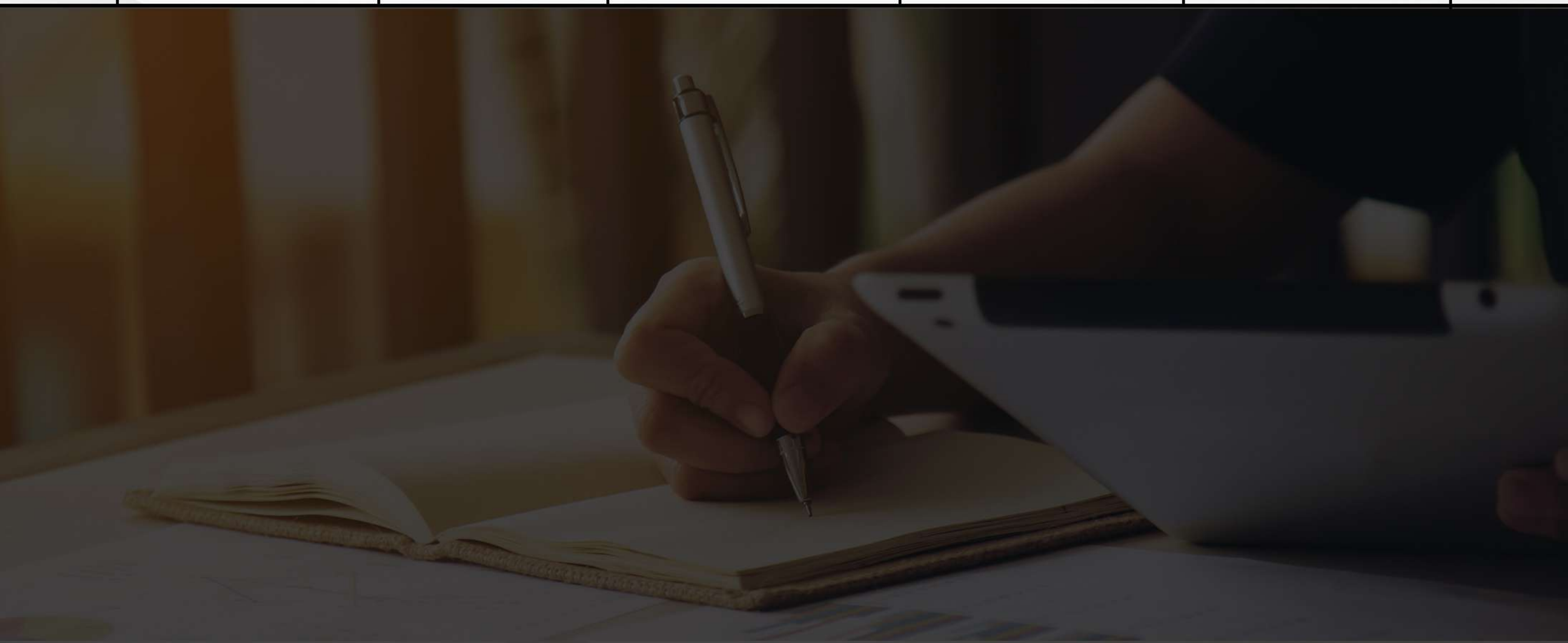
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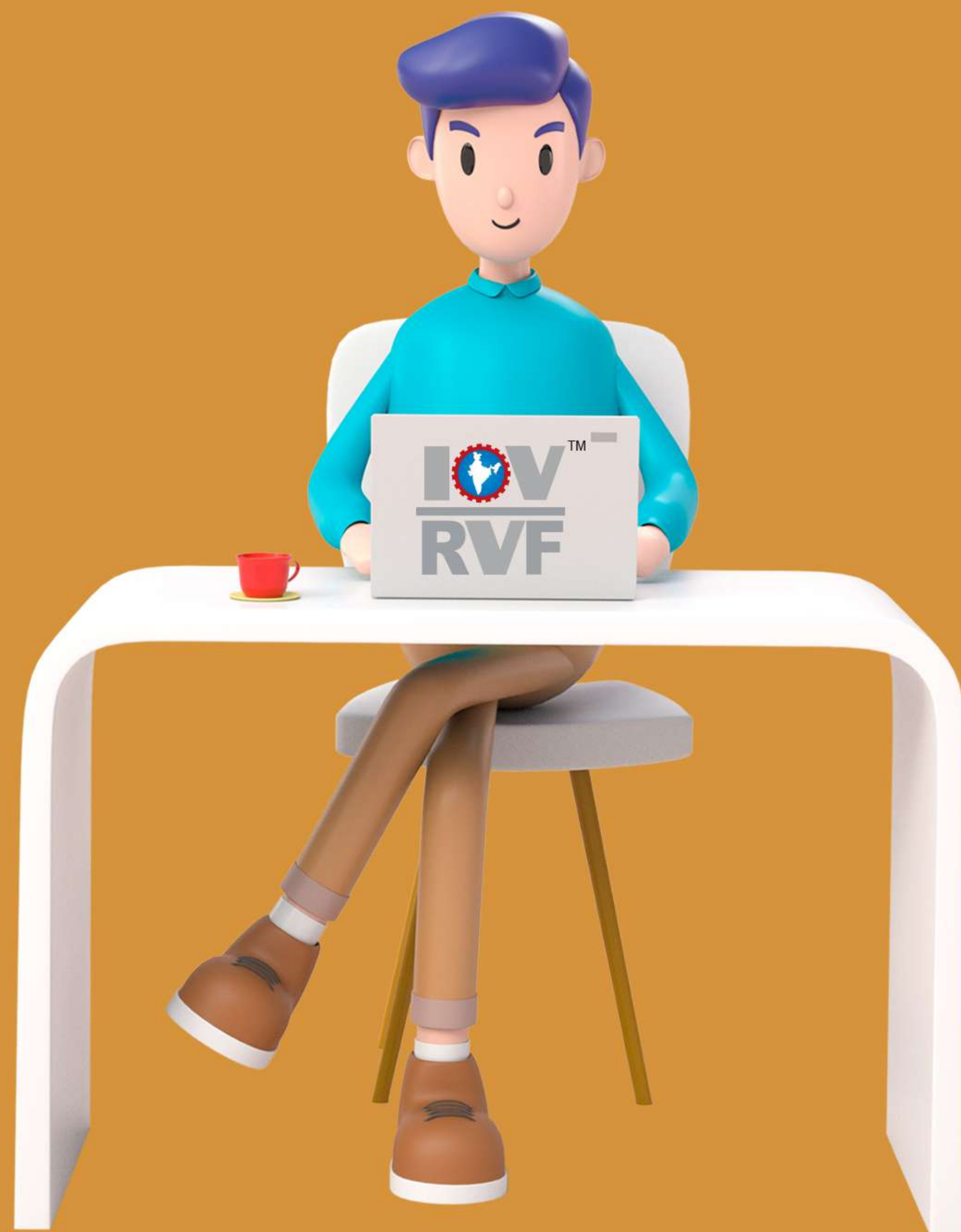
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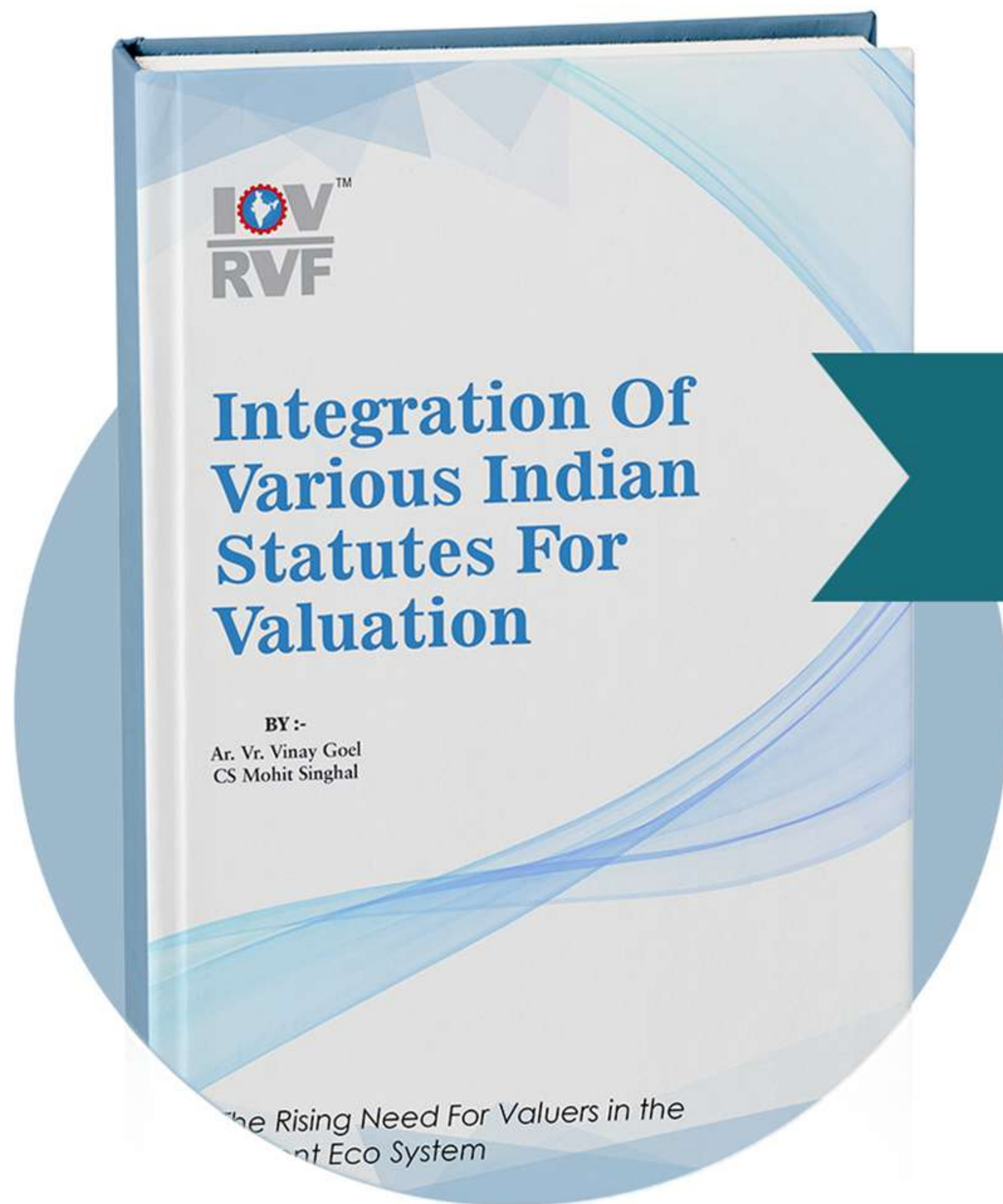




Theme of this Edition
Valuation profession - new initiatives to way forward

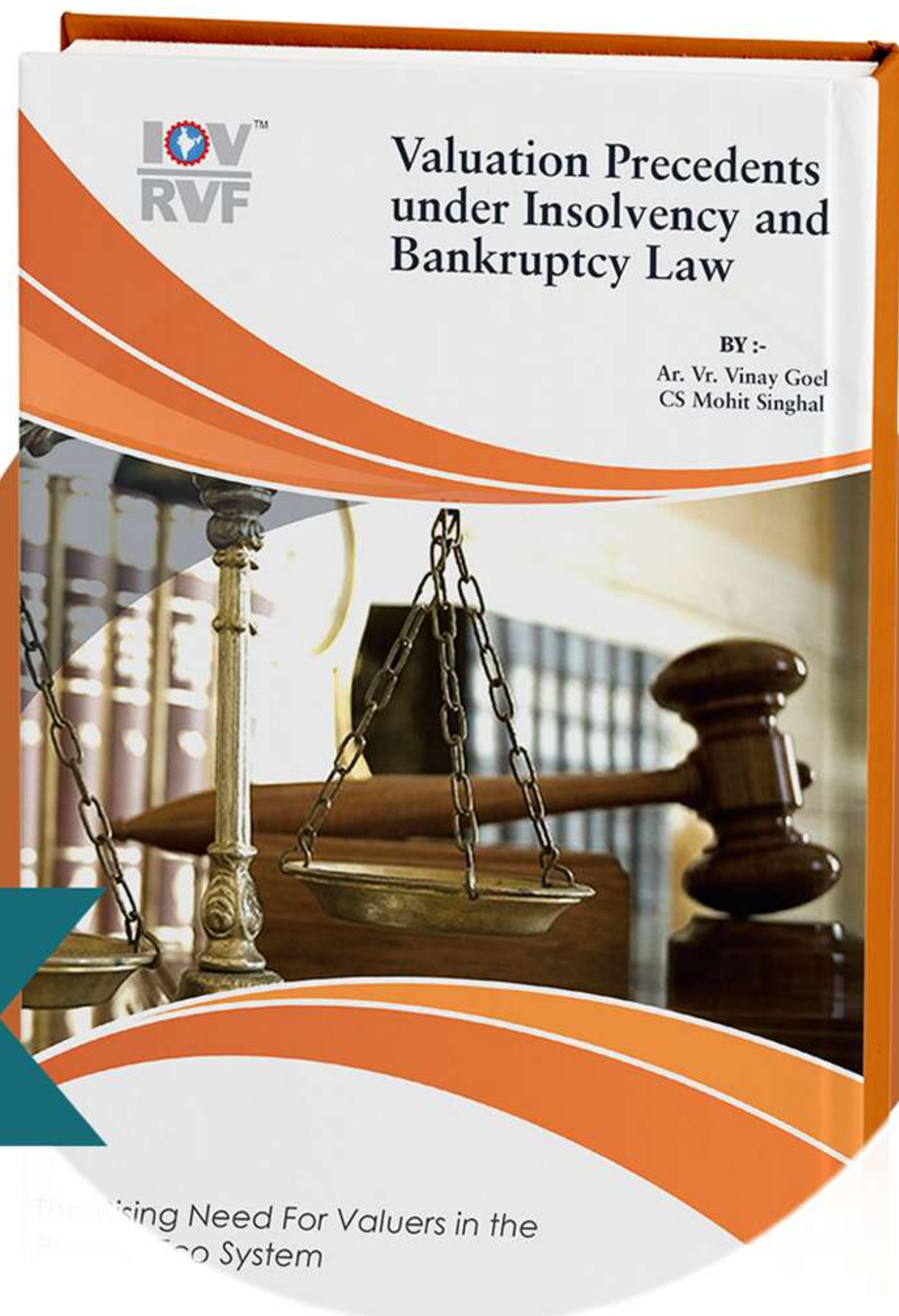


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From the desk of MD & CEO, IOV RVF

Vinay Goel

ACHIEVEMENTS ARE THE
OUTCOME OF TRUST AND
SUPPORT FOR THE
ORGANIZATION FROM
OUR MEMBERS

India being among fastest growing economies of the world with diverse challenges in the economic and financial markets has made significant strides in bringing forward many statutes and changes to the existing processes with the objective to keep pace with the development phase. These changes and initiatives require the involvement of stakeholders in the eco system to respond positively and play their respective roles & responsibilities judiciously and sincerely to fulfill the objectives.

The Companies Act 2013 is a milestone in the history of Valuation of assets and the evolution of the profession of Valuation which has presently reaching the center stage in the Valuation Eco System. Valuation fraternity is required to realize that it's not just for Valuation under the Companies Act or a few other statutory purposes, the profession of Valuation has to come to stay into the future to render services for all Valuations for every given purpose. This has not happened just because of the requirement under the Companies Act, but also as a culmination of the realization of all stakeholders,

including the regulators and the government that only a full-fledged Valuation Profession can fill the place it deserves.

Now it is up to the Valuation fraternity and professional organizations to remain connected for taking up the mantle and move forward fulfilling the roles and responsibilities bestowed on them.

IOVRVF has been in the forefront of Valuation eco-system for the past 5 years catering to the demands of Valuation profession & Registered Valuers, nurturing skills and engaging with stakeholders. IOV RVF conducted several programs in the form of CEPs which were among the most widely attended programs in the industry. It is the support and trust of the members that is enabling the organization to achieve various milestones whether it is merger with All India Valuers RVO or MoU with ICSI RVO.



We are proud to mention that during last 6 months we have registered around 150 Valuers with IBBI which is a moment of pride for everyone attached with the organization. We also became the first RVO to get ISSN for our Monthly Journal-“THE VALUER”.

IOV RVF strongly believes that its efforts will go a long way in ensuring a bright and sustainable future for the noble Profession of Valuation, which has become indispensable in the emerging Economic sphere with the kind of response and support extended by the Valuers across India.



“

Editor in Chief,
Editorial Board, The Valuer

Tanuj Kumar Bhatnagar

Valuation is increasingly becoming a vital and critical information like never before in the past as every financial information significantly influences the proper, efficient & economically progressive functioning of markets, institutions & persons including individuals, partnerships and companies, besides the government and the regulators. These financial informations including the appropriate valuation of assets and their genuinity are central for not only for the ensuring efficient functioning of the enterprises but also for assessment of economic conditions..

It is relevant to note here that the professions connected with these processes need to function with consistency, transparency & reliability. As the economy moves into a hyperactive mode, the need for creating mechanisms, regulations & systems to strengthen the processes becomes inevitable. Valuation of assets which had been carried out by different professionals is slowly being dispensed with and Valuations are to be carried out by the Registered Valuers under the Companies Act 2013 and under various other statutes. In this regard, several developments started happening and the need for strengthening the skill sets became the focus for Valuation Professional organisations and the RVOs.

Towards the skill development, IOV RVF conducted several programs in the form of CEPs which were among the most widely attended programs in the industry. IOV RVF always proposes to deliberate on the absolute and pertinent need for Valuers fraternity. It has thus taken giant leap forward to responsibly create a narrative which is Valuation and Valuer centric economic arena.

The topics for deliberation and selection of domain experts to dwell upon them are carefully chosen for our trainings. Another important area for deliberations now a days is the use of emerging science, technology and advanced tools along with statistical methods in the Valuation process by valuers' fraternity which is a pertinent and immediate need of the hour. IOVRVF is at the forefront of creating India specific Valuation Standards in collaboration with other RVOs and stakeholders.

Its also sincerely believed by the stakeholders that Indian Valuation Profession can raise upto occasion and move forward to claim bigger pie in the global markets which have great opportunities for Indian Valuers and Valuation firms.. Valuers across the country will surely have a meaningful exposure to the emerging challenges, opportunities, trends leading to possibly strengthening the network which is already being laid. Looking forward to great Valuation



IOV RVF

ACHIEVEMENTS

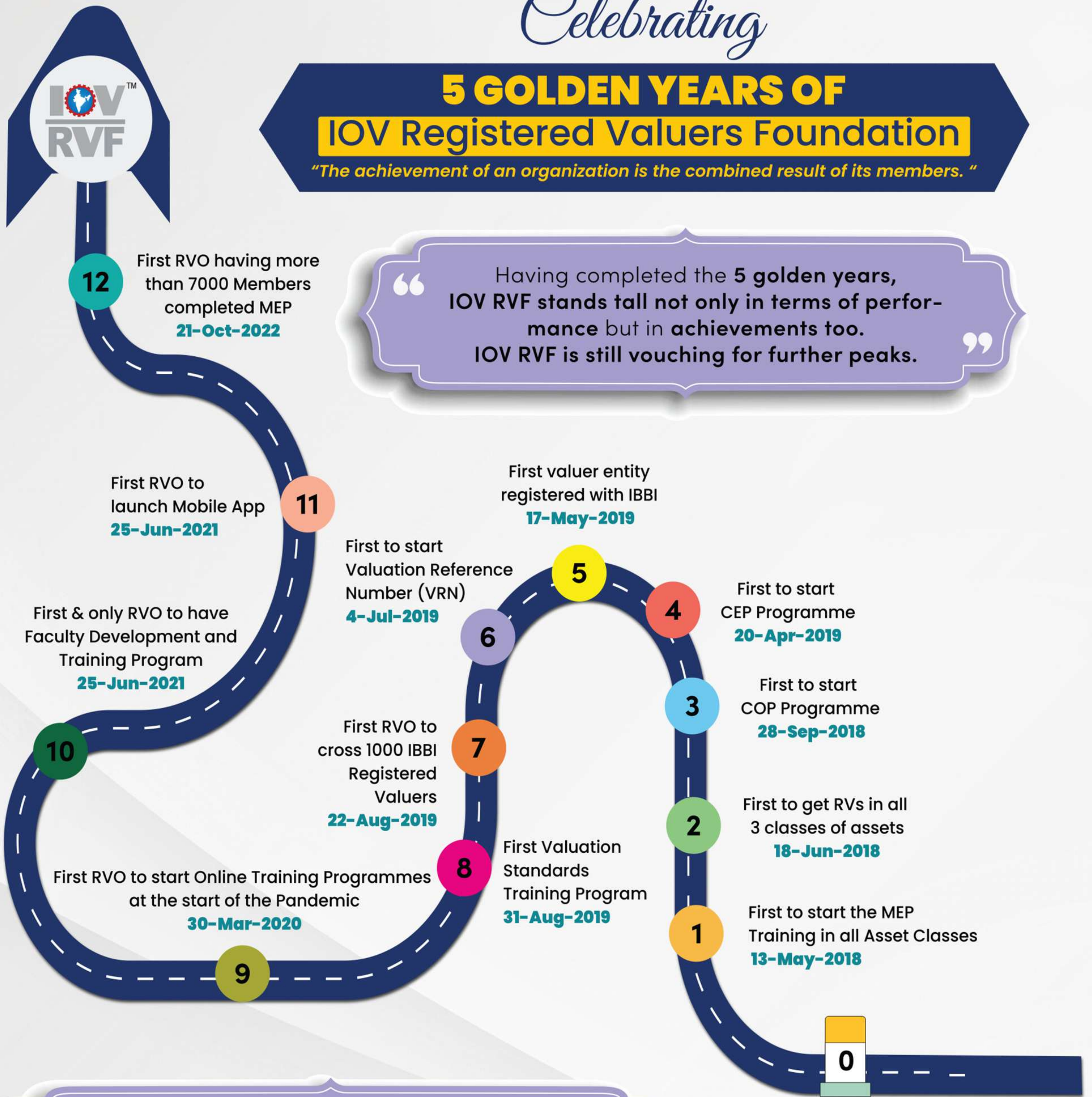


Celebrating

5 GOLDEN YEARS OF IOV Registered Valuers Foundation

"The achievement of an organization is the combined result of its members."

Having completed the 5 golden years, IOV RVF stands tall not only in terms of performance but in achievements too. IOV RVF is still vouching for further peaks.



"The climb of IOV RVF hereby has happened due to your **reposing continuous faith and support** in all of our **endeavours**. IOV RVF thanks all its **eminent & precious members** for this."



1900 Registered Valuers & 26 Registered Valuer Entities



HISTORIC MOMENT

**First time in Indian History of Company Mergers,
Two section 8 not for profit entities merge together.**

**ALL INDIA INSTITUTE OF VALUERS FOUNDATION (AIIOVF)
GOT MERGED WITH
IOV REGISTERED VALUERS FOUNDATION (IOVRVF)**



**Again another big INITIATIVE from IOVRVF
which is the oldest and largest
Registered Valuer Organisation in the field of VALUATION.**

**We welcome all members of AIIOVF to the
IOVRVF family and assure them our bestest services.**

www.iovrvf.org

Info@iovrvf.org



Future of Valuation Profession - A Way forward

Memorandum of Understanding (MoU)

signed between

IOV Registered Valuers Foundation (IOV RVF)

and

ICSI Registered Valuers Organization (ICSI RVO)



“The parties intended to promote excellence, inter-alia in common areas of interest, imparting practical knowledge and skills required to operate in the area of Valuation mutually.”

VOX

POPULI





MARKETABILITY OF MORTGAGED ASSET & ITS VALUE

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IBBI/RV/02/2019/11959



While sanctioning any loan, the banks and financial institutions do credit appraisal of the proposal, wherein they examine following three aspects.

1. Integrity & credit worthiness of the borrower/person behind the proposal
2. Purpose of the loan
3. Security against the loan

Most of the NPAs are due to wrong appraisal of the first two aspects by bank. Wrong appraisal of the person/borrower behind the proposal sometime leads to lending to unscrupulous borrowers who mislead the bank as well as valuers and all stakeholders. Similarly, the appraisal of purpose of loan and its utilization towards the intended use is equally important. If the appraisal of economic viability is based on wrong assumptions and done with reverse financial engineering, the project or business/industry may not generate sufficient cash accruals to service the debt ultimately leading to NPA.



When the account turns NPA, as a last resort banks recover their dues/loan by selling the assets mortgaged to secure the loan and therefore, the value and marketability of the secured asset mortgaged with the becomes most important aspect.

Marketability of any asset has direct bearing on its value. The dictionary meaning of marketability is the quality of being easy to sell; the quality of being attractive to customers. Therefore, some of the bank's prescribed valuation formats ask for the comment of valuer on marketability of the asset. Their intention is to know the attractiveness of the asset to the customers. However, for the mortgage valuation the marketability has a slightly different connotation and the same is being discussed here with respect to its economic concept & legal concept.

Economic concept of marketability for mortgage purpose:

In economic terms every product/project (product is something that is made in a factory and the same can be exported to another geographical location where it is short in supply whereas project is location specific and cannot be exported to other location if it is surplus at one location or imported in case it is short at that location real estate is falls in this category) is marketable at its appropriate/market value if that fulfills following three conditions:

1. Usefulness: That is of some use. If useless that will not have value.
2. Scarcity: That is limited. If it is unlimited or in abundance it will lose its value.
3. Transferability: That is transferable from one owner to another

If effort is made to sell the mortgaged asset at a price more than the market value, then there will not be any buyer and if tried to sell at less than the market value it will become more attractive and there will be many buyers competing with each other to buy the same. Therefore, every product/project is marketable at its market value. Even a depressed land in a hinterland will have some value if that can be used put to some use and the value will be proportionate to its usefulness.

Legal concept of marketability:

In legal terms marketability refers to the ownership. Marketable title (real estate) defines the legal right of the owner of property to sell and handover peaceful and vacant possession to the purchaser, as there is no other legal owner. Every valuation for mortgage purpose is done by the valuers under assumption that the title of the property is clear and marketable and owner/mortgagee is in a position to handover peaceful and vacant possession to the purchaser. Any likely hindrance (viz occupant in the property or litigation) in transferring and handing over peaceful and vacant possession renders the title as bad. Every valuation assignment executed by valuer for bank mortgage is conducted after title is found clear and marketable by the law professional of the bank .

In view of above facts, it can be said that any asset is marketable if it is sold at its market value. In other words, the asset will have buyer at its market value and may not have buyer if put for sale on a price more than the market value.

HARSHAD S DESHPANDE

M.com, FCMA, CS, CISA (USA), CIMA (UK),
RV, IP, DFA

Registered Valuer (SFA) &
member of Valuation Standards
Board of ICMAI RVO



Road Map to Indian Valuation Standards

The Ministry of Corporate Affairs (MCA) has notified the provisions governing valuation by registered valuers [section 247 of the Companies Act, 2013 (the Act)] and the Companies (Registered Valuers and Valuation) Rules, 2017 (the Rules), both to come into effect from 18 October, 2017. These rules are game changer in the domain of Valuation. Earlier various class of professionals were given authority to certify valuation in the absence of dedicated framework under any regulatory authority. Now with this rules and IBBI being appointed as responsible authority to administer and perform functions under the said rules, the valuation domain is being well regulated.

Presently more than 5000 valuers are registered under IBBI and they are only authority to carry out valuations under different legal framework. Nevertheless the other laws are soon expected to be amended to include the Registered Valuers to carry out Valuations once proposed Valuers Bill 2000 become Act. Valuation is inexact science requiring both objectivity and subjectively. Hence professional judgment of valuer is critical in valuations.



One of the key reasons of regulating this domain was to bring consistency and uniformity. Different valuers have been taking different assumptions may lead to drastic differences in value conclusion. In many cases, the valuation also lacks uniformity and generally accepted global valuation practices. To bring uniformity, the valuation rules prescribed Valuation Standards.

As per definition 'Valuation standards' means the standards on valuation referred to in rule 18 of the Companies (Registered Valuers and Valuation)

Rules, 2017 Rule 18 prescribes Valuation Standards.

The Central Government shall notify and may modify (from time to time) the valuation standards on the recommendations of the Committee set up under rule 19. Rule 19 Committee to advise on valuation matters.

(1) The Central Government may constitute a Committee to be known as 'Committee to advise on valuation matters' to make recommendations on formulation and laying down of valuation standards and policies for compliance by companies and registered valuers.

The Centre Government has set up a 12-member 'Committee to advise on valuation matters' headed by R Narayanaswamy, Professor-Finance & Accounting, Indian Institute of Management, in May 2018.

Needs of Valuation Standard

- Establish global framework
- Set asset specific guidelines
- Reflect global nature of business
- Assured guarantee of quality

The Valuation standards are set with objective to Standardize the various principles, practices followed by Registered Valuers or Valuation Professionals in valuation of assets & liabilities. Applicability / utility of Valuation Standards Disclosures in Valuation report

Rule 8. (3) states The valuer shall, in his report, state the following:-

(h) procedures adopted in carrying out the valuation and valuation standards followed; Rule 8 prescribed that The registered valuer shall, while conducting a valuation, comply with the valuation standards as notified or modified under rule 18: Hence it is mandatory for registered valuer to comply with the valuation standards as notified under rule 18. However the Valuation Standards are not yet notified under Rule 18. Till Valuation Standards as per rule 18 are being notified a valuer shall make valuations as per-

- (a) internationally accepted valuation standards;
- (b) valuation standards adopted by any registered valuers organisation.

International Valuation Standards (IVS) : The International Valuation Standards Council (IVSC) is a not-for-profit organisation that acts as the global standard setter for the valuation profession

- IVS - A benchmark for global valuation practice
- IVS 2017 comprises five General Standards and six Asset Standards.
- The General Standards set requirements for the conduct of all valuation assignments including establishing the terms of a valuation engagement, bases of value, valuation approaches and methods, and reporting.
- The Asset Standards include requirements related to specific types of assets, including background information on the characteristics of each asset type that influence value and additional asset-specific requirements regarding common valuation approaches and methods used. The assets standards cover:

Businesses and Business Interests Intangible Assets Plant and Equipment Real Property Interests Investment Property under Construction Financial Instruments Overview of ICAI Valuation Standards: Valuation Standards Board of ICAI has issued 'ICAI Valuation Standards (IVS-101, 102, 103, 201, 202, 301, 302, 303)', which are applicable from 1 July 2018.

VS 101- Definitions - To prescribe specific definitions and principles applicable to ICAI Valuation Standard. Also this is Valuation Standard guides to other Valuation Standards. VS 102-Valuation Bases- It defines important Valuation Bases & Prescribes the measurement assumptions. Also explains the premises of values. A valuer is responsible for selecting the appropriate valuation base considering the terms of engagement and the intended purpose of the valuation. VS 103- Valuation Approach and Methods- it defines approaches and methods for asset valuation and provides guidelines. There are three types of Valuation Methods such as Market method, Income method and cost method.

VS 201- Scope of Work, Analyses & Evaluation- It identifies scope & terms of documents of valuation and engagement, responsibilities of valuer and client. The terms of the valuation Assignment shall be documented in writing in an Engagement Letter.

VS 202- Valuation Report & Documentation- The valuation report should be minimum in content, forms basis for the preparation of Valuation Report & basis for maintaining sufficient & appropriate documentation. VS 301- Business valuation- It provides guidance for business valuers. The objective of this standard is to create uniform concepts, principles, practices and procedures of valuers for performing valuation services. VS 302- Intangible Assets- The objective of this standard is to prescribe specific guideline & principles applicable to valuation of intangible assets that are not dealt specifically in another standard. Intangible assets are categorized as under:

Marketing based
Customer based
Technology based
Contract based
Artistic based

VS 303 - Financial Instrument- It establishes principles, suggests methodology and consideration to be followed by valuer in performing valuation of financial instrument. It also supplements other valuation standards. If any change in valuation technique may be necessitated are: change in terms or regulations governing the instrument; new markets development; new information becomes available; information previously used is no longer available; valuation techniques improvement; or market conditions change

To conclude: The 12-member 'Committee to advise on valuation matters' headed by R Narayanaswamy, have submitted the report based on which Indian Valuation Standards under rule 18 will be notified. Ministry of Corporate Affairs is in process of finalisation of India Valuation Standards and soon they may notify.

Convergence of International Valuation Standards (IVS) to India Valuation Standard has to consider following points :

- Best valuation practices followed globally as well as in India
- Uniqueness of Indian conditions
- Current practices followed in India
- Various purposes for which valuations might be required over and above the requirements of Companies Act, IBC or Other legal framework

he/she has to mention the compliance to the Valuation Standards in his report. Hence it is imperative for stake holders to know the Valuations Standards, because the key business decision will be taken based on the Valuations

Once notified the Standards will be applicable to all Registered Valuers and he/she has to mention the compliance to the Valuation Standards in his report. Hence it is imperative for stake holders to know the Valuations Standards, because the key business decision will be taken based on the Valuations





BASIC CONCEPTS OF VALUATION

WHY YOU NEED VALUATION

Often promoters do not see any need to value their business. It is just like a healthy person who thinks why I should go for routine checkup? The routine checkup may show symptoms when the disease is in incipient stage. It takes years together to detect high blood pressure or diabetes, whereas it remains silent causing damage to your vital organs. When your vital organs start malfunction, you face the music.

YEARLY CHECK UP

Your business needs a yearly checkup. This valuation exercise comprises of more than financial numbers. Valuation prepare you/your company for a calculated decision of further growth, estate planning, preventing shareholder's dispute, gifting or in selling of the company, in merger & acquisition.

OFFER BASIS FOR LONG TERM STRATEGY

MAYUR MUKATY

BBI Registered Valuer - P&M
IOV RVF Member - IOVRVF/P&M/5866
IBBI/RV/02/2020/13085



Valuation determines the economic value of a business, asset or company. Valuation depends on many factors including industry, sector, valuation method and the economic conditions. These factors keep changing.

Business owners remain busy in day to day operation of the company; they don't have time to think over long term strategy. A report prepared by valuation experts gives them a handy tool based on that, they can discuss and strategies long term.

BUSINESS CONTINUITY AFTER YOU

We know, some thing in life just happen. This is when valuation matters. You can't wait for any eventuality to happen and then react to it. The preparation, now, will make everyone's life after you, less stressful and more productive. Valuation keep the business continuity plan handy

KPI FOR NON-FINANCIAL ASPECTS

A comprehensive valuation utilizes key performance indicators (KPIs) to look at the non-financial aspects of a business including corporate structure, client demographics, technology usage, and firm infrastructure. KPIs are instrumental in identifying areas of potential improvement for the business and these may be included in your action plan.

CONCENTRATION IN ONE BUSINESS

You will recall the saying "all eggs should not be kept in same basket". For business owner, the business value typically represents 50-70% of their personal net worth. Your personal net worth should be deployed in diversified income generating avenues. The Business valuation give an insight how concentration may impact your personal financials and thus can help you to better plan for your family's future. If one business is in down cycle, other revenue stream will keep you floating in adverse time.

CONCENTRATION IN ONE BUSINESS

There are 3 sub-types of valuation: Financial valuation, land & building valuation and plant and machinery valuation. There is different method of valuation of businesses viz income approach, market approach, asset approach, discounted cash flow method.

WHY VALUATION HELPS IN BUSINESS

1. A regular valuation provides a baseline. A good performance of the company improves the valuation each year. A yearly valuation indicates of what you're doing is right and where you need to do better.
2. You don't know where to go if you don't know where you are. Valuations can help you determine ways to improve the business. A valuation may indicate the need for a technology investment or hiring an employee or what expense can be reduced or cut down.
3. The purpose of a yearly valuation is to track the effectiveness of decision-making process and provide the ability to track performance in terms of estimated change in value, not just in revenue. This helps you to take a holistic look at your business and make decisions that are highly impactful for increasing profit.
4. In case of an external sale of business or internal next-generational transfer, you now have an idea of what your business could be worth to a prospective owner.
5. If you are considering borrowing debt for an acquisition or capital for other business investment, lender / investor always wants to know what leverage lies in your business. Your valuation is the first step in the process of securing debt or capital.



An Excess Land & Surplus land And application of HABU

**N.K.
RAJKUMAR**

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Chartered Engineer & Regd. Valuer,
Tumkur (Karnataka)
Vice Chairman IOV Mysore Br.
IBBI/RV/02/2018/10148



Introduction:

A larger than typical lot will be classified as excess land or surplus land. Excess land refers to the land that is not needed to serve or support the existing improvement. The highest and best use of the excess land may be different than the improved parcel. It may be possible to sell off the excess, from the main parcel.

An example of excess land would be an adjacent vacant parcel that fronts a roadway and has easy access to the lot from the road. Excess land is valued separately and may have the potential to be sold as a separate parcel if subdivided .

On the other hand, the surplus land is not currently needed to support the existing use but cannot be separated from the property. However it cannot be separated and sold off. The surplus land does not have a different highest and best use and it may or may not contribute to the value of the overall parcel. An example of surplus land would be a home situated on a larger than typical parcel with no direct access, other than travelling over the main road.



The home or other improvements may be situated on the site possible without negatively affecting the functional and legal use of the property.

In both the situations, it is necessary to consider what is legally permissible considering the current zoning designation may allow parcel to be subdivided into smaller parcels with minimum size requirements.

It is easy to assume a larger lot is always more valuable, but we have to ask, if were dealing with surplus or excess land because it could make a difference in the value. But can the land be divided? What can it be used for? Does the parcel shape help the lot be useful for buyers?

A larger lot that can be divided might be worth for more than a larger lot that cannot be divided. What does zoning allow? In the market where values are up and construction is happening. There is higher probability of the lot being worth far more because it might be split. And Vica – Versa.

HABU & its applications:

The Highest & Best use of property is means which the property is put to its Highest & Best use which is:

1. Legally Permissible
2. Physically possible
3. Financially Feasible
4. Maximally Productive

The concept of Highest & Best use in fundamental to real estate valuation. In one application of the concept a site is valued as though vacant and available for its highest and best use. In other application, the Highest & Best use of the property is estimated as improved. Thus, a site may have Highest & Best use in a vacant condition. Another Highest & Best use in a combination of site and existing improvements. Thus the improvement that constitutes Highest & Best use is the one that adds the greatest value to the site.

So, the four factors of HABU are:

Legally Permissible will be current zoning regulations and/or deed restrictions allow the split.

2. Physically possible is the topographical size, shape or accessibility of the lot conducive to it being subdivided.
3. Financially Feasible will the split produce more value than the cost to do it.
4. Maximally Productive does the split produce the greatest return on the investment compared to other alternatives. Hence by applying HABU Test to land we are able to determine whether the land would be considered excess or surplus.



Valuation Profession - New Initiatives to Way Forward

**SHIVAM
SRIVASTAVA**

IBBI Registered Valuer – L&B
Member - IOVRVF/VM/L&B/6899



Data Analysis

The process of analysing large database to find the patterns that is valid, logical, useful and understable .

Source of Data & Information

Heap of old data's and information – Land documents, Building Costing Components. Market Research on daily basis.

Public domain dataPublished by Central or state government organisation like CPWD publications, Whole Price Index etc.

Private research reports:

Industry study reports from any credible MNC's orresearch firm.

Knowledge discovery is an iterative process. We are living in the era of evolution of AI- We are drowning in data, but starving for Knowledge. Every industry is inclined towards digitisation, artificial intelligence integration and new technologies.

We as Valuer Professional need to identify the critical integration of Artificial Integration and Data models to bring more precision in estimation of values.

In our competitive industry of valuation, Quality is a vital element. Our product is value – which is estimated through various approaches and methods, that requires market research and knowledge.



To validate the our basis of valuation from certain mathematical model and reasoning, Knowledge conversion from data is very important. When our end product is VALUE, then we should have logical and factually correct working to estimate the value. The primary workflow of Data Science & AI in Valuation Profession can be categorised into two parts:

DATA COLLECTION, SEGREGATION & CLUSTERING

As we know, Data is another Oil, but the quality of data matters. The correct process of collection of Real Estate data from the market is an art. We need to understand the basics of Construction, Real Estate and Dynamics of Marketing and Negotiation. There can be N number of factors which constitutes the value of properties.

The primary steps involved in Data Analysis are:

Data Collection: We can collect data from sources from primary and secondary sources.

Subset data: Sampling of data

Feature selection: Principal component, Secondary components

Pre-processing: Cleaning - Name/address cleaning, different nomenclature, different units, duplicate removal, supplying missing values.

Segregation & Filtering: Segregate the different data type into one or more similar group.

Clustering: Classified data can be clustered into various breakdown structure or small group which make a meaningful information.

Transformation:

- Transformation of data into a pattern.
- Deriving various pattern and then selection of meaningful and interesting pattern which could be used in improving the quality of our valuation working basis.
- Deviation detection and pattern formulation can be done by statistical formula or other fundamental approach.
- Standardising all parameter into Time series and Pricing Factor.

Visualisation or Presentation:

- Data Trend Visualisation – The derived trend or pattern can be present on X-Y Axis or X-Y-Z Axis Graph, Bar Chart, Simple tabular or Pie chart.
- It can be very concise or descriptive.
- It can be specific to location, property type and features.
- It can be in words, numbers or pictorial form





Use of modern tools in Valuation practice – Need of the hour

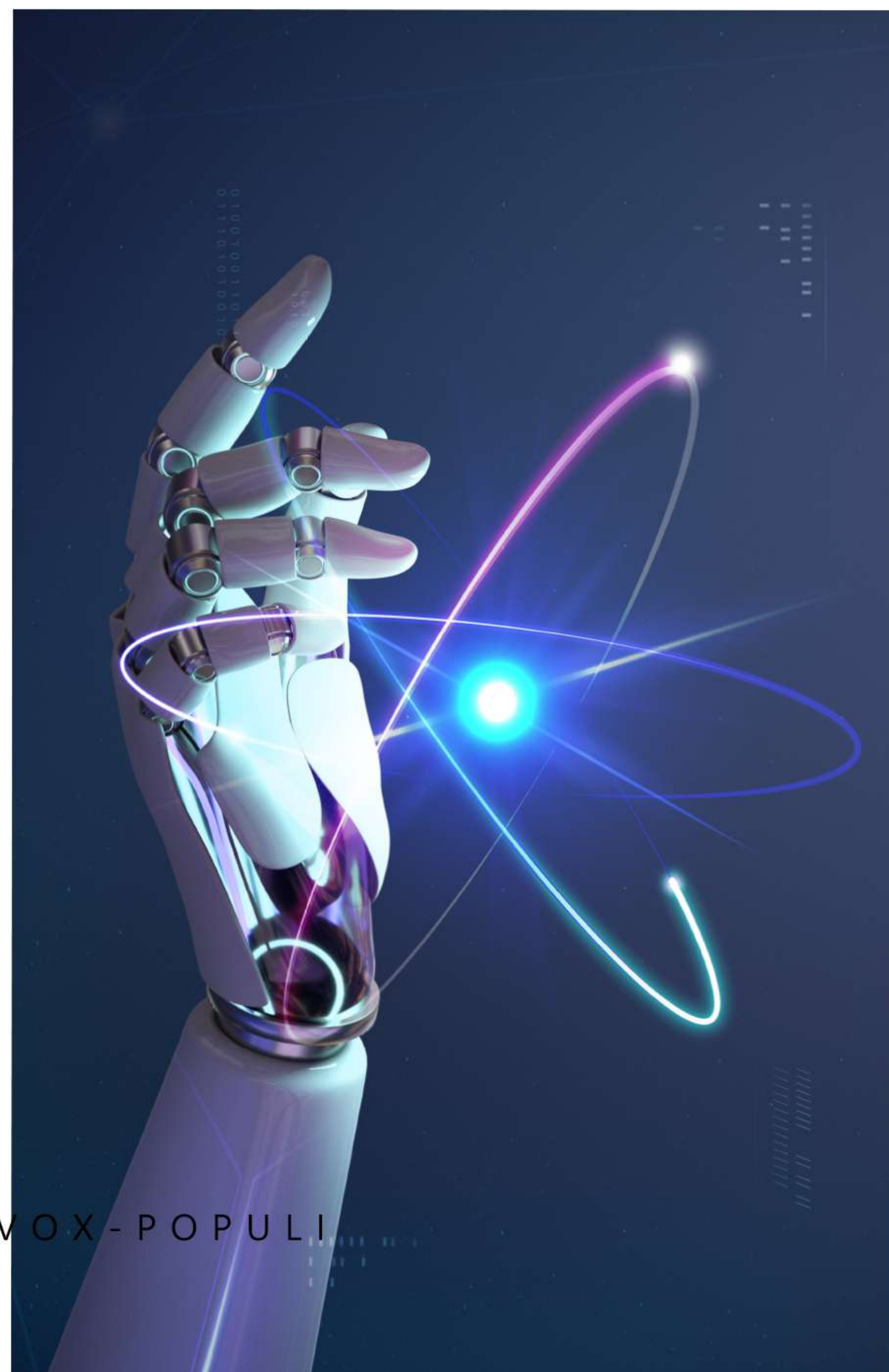
“Technology” – the buzzword in today’s era. Technology is driving disruption all around us – from commuting to eating to entertainment. Can it disrupt Valuations though? when this question is put to most Valuers, the immediate answer is “No” – why? because valuation is not a pure science, it is both “art and science”; a Valuer’s judgement cannot be substituted by technology. Is this really true? Maybe

to an extent – Technology possibly hasn’t evolved to the extent where it can fully substitute human intelligence – but with rapid progress in Artificial Intelligence, in all probability some day we will get there.

Now, let’s take a step back. Technology evolution is often a continuous process; there would likely be numerous technological advances before AI replaces humans. In many industries we have seen technology making continuous improvements over time. Let’s take the example of mobile phones. The mobile phones which existed 20 years ago are a completely different species when compared to today’s mobiles. But the change did not happen one fine day. Gradual improvements every year have driven significant cumulative change.

VISHNU GIRI

Partner, PwC BCS LLP PGDM (IIM Bangalore)
BTech (Mechanical Engineering)
Registered Valuer - S&FA and P&M



Now, let's look at how the use of technology in Valuations has changed over the last 20 years. 20 years back Valuations were being done in MS Excel and reports were being prepared in MS Word and MS Powerpoint. Sounds familiar? – While there have been iterative improvements to MS office suite, there have been no significant changes either to the way Excel is used for Valuation analysis, or Word/ Powerpoint are used for Reporting. did not happen one fine day. Gradual improvements every year have driven significant cumulative change.

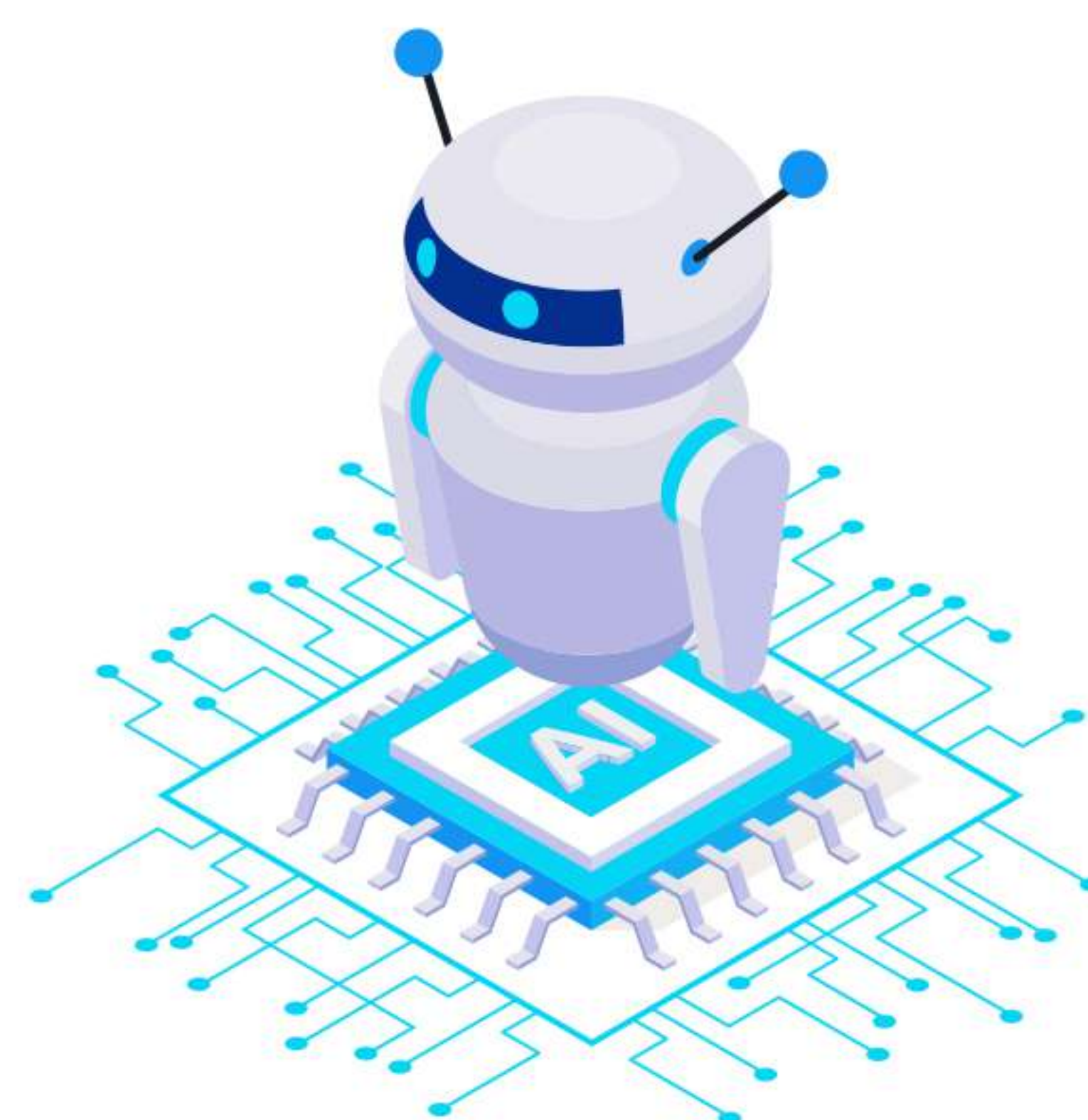
So is it time to look completely past the Microsoft Office suite? – no. But there are other tools, including Microsoft tools, which can work along with the traditional Microsoft office suite, and give us an edge. Heard of Microsoft PowerPivot and PowerQuery? – these work in tandem with Excel (as Excel add-ins) and can be used to clean up data and do powerful analysis, when working with thousands or lakhs of rows on Excel. Think of a detailed fixed asset register with data all over the place – significant time can be saved by using these tools instead of relying on traditional excel for clean-up and analysis. Non MS tools like Alteryx also exist as powerful alternatives.

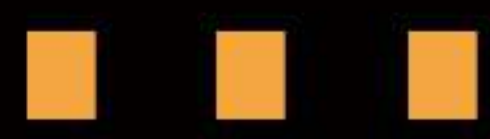
Now, before coming to the reporting aspect, Valuations often use data(market/industry/financial) from databases – tools /templates/ plug-ins can be used to automate the data extractions to a large extent (with permissions from the databases, needless to say!) – the capabilities of such databases/tools have significantly increased over the last 5-10 years.

When it comes to reporting, data visualization tools (like Microsoft Power BI or Tableau) can generate powerful visualizations, much more impactful than Excel/ Powerpoint charts and tables. These tools can either work along with Powerpoint/Word (where the visualizations can be pasted on to the reports) or even as a standalone deliverable, in lieu of a traditional report.

Last but not the least, can Valuation reports be automated? Valuation reports are usually a mix of factual data (including tables and charts) and analysis. Machine learning technologies can help achieve partial automation, to the extent of factual data at the very minimum, and the extent of automation possibilities will only increase over time.

To summarize, there are multiple tools available today, which enable us to do superior analysis while saving efforts and/or prepare more impactful reports. These technologies will only keep getting better over time and it is imperative that we, Valuers, embrace these tools to enhance our





Interest Rate and Inflation

Inflation is a key risk in the current business cycle and is tilted northbound. From Central Banks to property investors, everyone is terrified of stubbornly high inflation and its effect on the economy. Apart from China, Russia and Japan, all other central banks around the world have responded with aggressive interest rate hikes

From a layperson's perspective, it is not inaccurate to assume that interest rate and inflation are in an inverse relationship

When the central banks respond to inflation risks by raising the interest rates, it effectively increases the level of risk-free reserves in the financial system, which limits the money supply and discourages consumer & business spending. Conversely, when it reduces its target interest rate, it effectively increases the aggregate demand. The approach currently adopted by most central banks worldwide is consistent with John Maynard Keynes's economic theory, also known as Keynesian economics. The oversimplified Keynesian economics explanation suggests that government interventions are necessary to moderate the effects of the business cycle, which can also be interpreted as intervening in the money supply, i.e., interest rates.

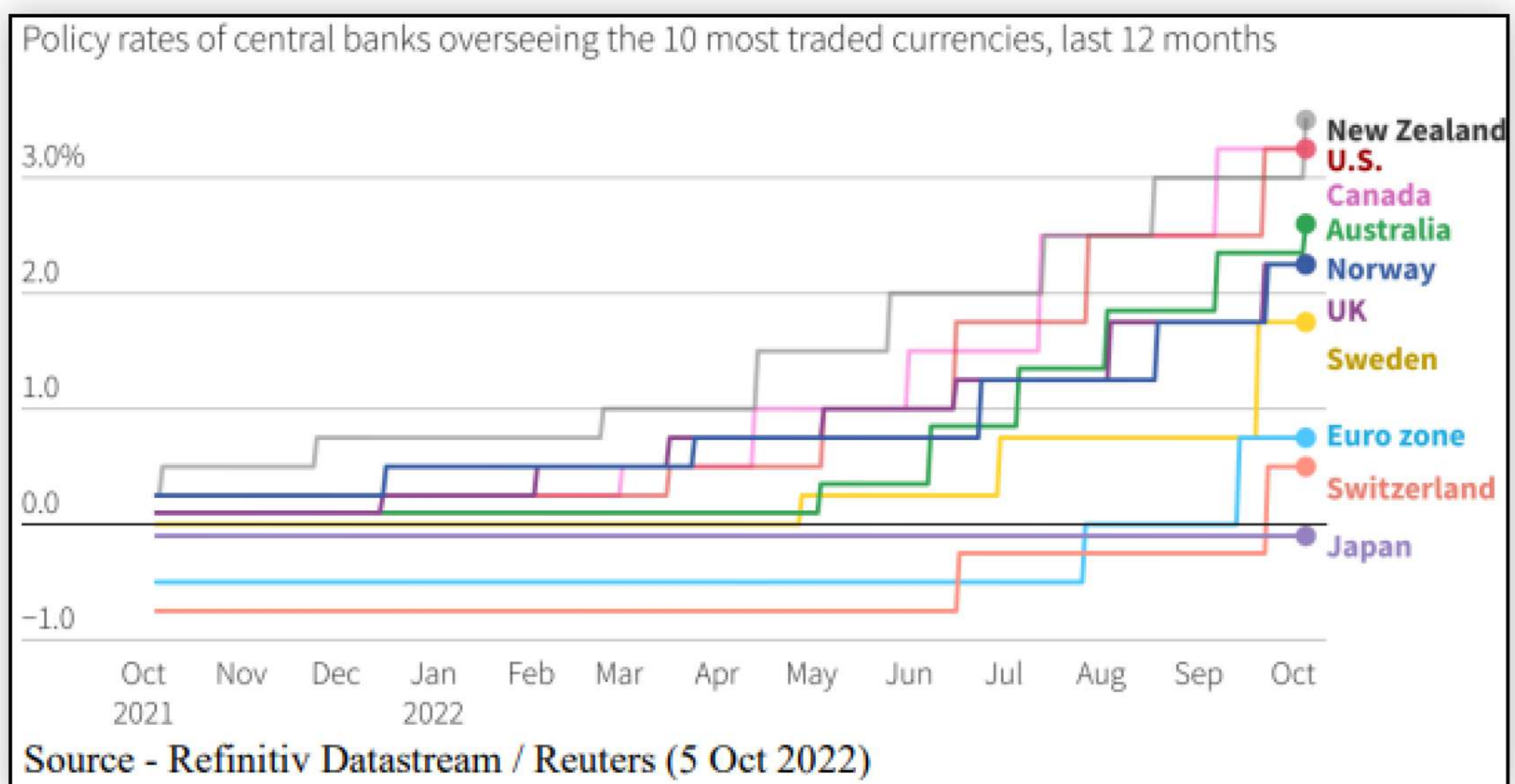
VAIBHAV GANDHI

Specialization in plant and equipment valuations; Asset management adviser, including fixed asset register data analytic services



The strong policy response seems to have worked well during the 2008-09 crisis and discredited the optimally self-adjusting economic theory. Despite of failure of Keynesian economics in the 1970s stagflation phase, it still plays a dominant role in policymaking.

A 1982 NBER (National Bureau of Economic Research) paper, 'The Non—Adjustment of Nominal Interest Rates: A Study of the Fisher Effect', concludes that there is no evidence that interest rates respond to inflation in the way that Keynesian theories suggest. Even the Reserve Bank of Australia's (RBA) 1991 research paper remains inconclusive about the nature of the relationship between interest rates and inflation. It is clear that inflation and interest rate is not a zero-sum game.



In March 2022, the RBA indicated inflation to be around 3.25% for the rest of the year and go down by 2023. Despite multiple rate hikes after that, in September, inflation was at an all-time high in the three decades at 7.1%, with a possibility of rising higher. Despite all the evidence, RBA, in accordance with its monetary policy, has used its only weapon - interest rate control, again and again. Such an active role in controlling aggregate demand means going ahead, RBA has to trade-off between unemployment and inflation.

The artificial change in aggregate demand is a handy tool for the short term, but it is not a long-term solution. Even Keynes was aware of it and argued, "In the long run, we are all dead." to make the point.

After a slower inflation growth in the US on 13th October, RBA still expects a window of opportunity to play the waiting game before any further tightening. There is no doubt that the interest rate is an essential tool to fight against inflation, but there is doubt over its efficacy over the longer term.

It is evident that inflation and interest rates are intertwined, but inflation is a lagging indicator. It would be interesting to see how RBA and other central banks drive the economy forward while looking into the rear-view mirror



UPDATES!





53RD INDIAN VALUERS CONGRESS

Focusing on

Investing Resources for Growth & Spread of Valuation Eco-System

Institution of Valuers (IOV) in association *with* Insolvency and Bankruptcy Board of India (IBBI) *and* IOV Registered Valuers Foundation, *celebrated the* '53RD INDIAN VALUERS CONGRESS (IVC 2022)' from 16th to 18th December, 2022 at Guwahati

On 16th December, 2022 (Inaugural & Networking Eve)

Mr. P.K. Thiagarajan, *President, IOV*; **Dr Goutam Sengupta**, *Chairman, IOV RVF & Vice Chancellor, Techno India University* and **Mr. Vinay K Goel**, *Hony Gen Secy, IOV & MD & CEO, IOV RVF* welcomed and invited Chief Guest, **Mr. Raju Tyeng**, *Principal Chief Commissioner, Income Tax Department, NER*; Guest of Honour, **Mr. Amit Pradhan**, *ED, IBBI*; **Mr. S K Baruah**, *ED, NEDFI* and other eminent dignitaries such as **Dr R Narayanswamy**, *Chair, NFRA Advisory Committee & (Retd.), Prof. Finance & Accounting, IIMB*; **Dr Navrang Saini**, *Chairman, ICSI RVO*; **Mr. Sumant Batra** on dias. All the respected guests lightened up the auspicious lamp and paid homage to Mr. P.C. Goel, Founder, IOV.

The Hon'ble Chief Guest highlighted the importance of valuation and thanked IOV for spreading it out at NER.

Mr Pradhan highlighted that the FSDB resolution regarding usage of services by Registered Valuers is a welcoming step towards bringing reforms in Valuation. He also suggested that all RVOs shall form Standards to bring uniformity in the management of Registered Valuers. Mr Baruah mentioned that there is a shortage of Valuers in the North Eastern Region. He suggested that IOV being an eminent institution shall work on spreading the importance valuation in NER and holding this IVC is a first step towards this movement .

Dr. R Narayanaswamy delivered the P.C. Goel Memorial Lecture on the theme of 53rd IVC. He highlighted the importance of research and development into the Valuation and also talked about increasing reliance on Business Valuation. He suggested that the Valuers Law will be helpful in building brand for Valuers and IOV shall take up this matter at regulatory scales for finalisation.

After the speech of the dignitaries, Mr. Vinay Goel announced the successful completion of 5 golden years of IOV RVF and the launching of IVC Souvenir and various Publications including:-

1. Integration of various Indian statues for valuation
2. Valuation precedents under Insolvency & Bankruptcy Law
3. Recommendation of revisions for circle rates in Delhi

IVC has been always a platform for launching pathbreaking initiatives by IOV and IOV RVF such as Mobile App, upgraded version of websites, new courses, committees, publications to benefit the Valuers fraternity. Keeping the legacy, this year IVC witnessed the launch of "ekta" software, in association with Evalo, to bridge the supply side gap for entry level jobs and digitalize all the 766 districts in India. The initiative is the step towards alignment of the Valuation fraternity with "Skill India" and "Digital India" movements.

Also, with the endeavour to promote and develop the valuation education, after IMPEX and DCF Technique of Valuation, two new courses Business, Intangible, and Financial Instruments Valuation (CBIFV) and Valuation Surveyor were launched during 53rd IVC.

In lieu of the celebration, IOV & IOV RVF distributed awards and congratulated its honourable members for their commendable contribution in the field of Valuation. IOV & IOV RVF also awarded its staff members and appreciated them for their hard work.

The inaugural session was concluded by the concluding address and vote of thanks by Mr. Vinay Goel. He mentioned that it is perhaps a moment of pride for every Indian that India assumes the presidency of G-20 for the year 2022-23. It may be a matter of coincidence but a very opportune moment for us- THE VALUERS' FRATERNITY that this year IOV is holding its annually held "INDIAN VALUERS CONGRESS" at Guwahati, the north-eastern region of India. This is with a view to not only reach that part alone, but also try and open gates for the South East Asian region. Thereby initiating new chapters of alignments in the field of valuation by aiming for expansion towards globalisation of Indian Valuation ecosystem.

After the inaugural session, this year a platform was provided to the partners for building networking opportunities. It not only helped them in showcasing their products/brands to delegates but also platform for open house discussion with them. The IVC 2022 was not limited to impart education in valuation but also extended for a cultural evening at the end of Day 1. Musical Journey and karaoke singing of multilingual language followed by dinner.



From left to right: **Mr. Vinay Goel** (Hony Gen Secy, IOV, MD & CEO, IOV-RVF), **Mr. Amit Pradhan** (Executive Director, IBBI), **Mr. Sumant Batra** (Founder, Insolvency Law Academy), **Mr. Raju Tayeng** (Principal Chief Commissioner, Income Tax Department North Eastern Region), **Mr. P.K. Thiagarajan** (President, IOV), Dr. Navrang Saini (Chairperson, ICSI RVO), **Dr. Goutam Sengupta** (Chairperson, IOV RVF, Vice Chancellor, Techno India University), **Dr. R Narayanaswamy** (Retd.) (Professor of Finance and Accounting, IIM), **Mr. S K Baruah** (Executive Director, NEDFI)

On 17th December 2022 (Second Day)

On the second day, four technical sessions were delivered with the participation of eminent faculties: -

Technical Session 1 : Harmonising the Valuation Eco System

The moderator of the first session was Mr. Sunil Agarwal, Council Member, IOV. Other eminent speakers of the session were:-

1. Perspectives of various Stakeholders on Valuation - Mr. Purshotam Gaggar, Insolvency Resolution Professional
2. Roles & Responsibilities of Valuers - Mr Manish Chaudhary, CGM, IBBI
3. Challenges faced by Valuers due to multiple Guidelines & its Impact on Professional Efficiency of Valuers - Mr. Ankit Goel, Founder Partner-AAA Valuation Professional LLP and FCA Sourabh Garg ,
4. Director- SUNDAE Capital Advisors Pvt Ltd

Expectations from Valuers for Quality Valuation - Mr Bhupen Ch.Deka, Ex.D G M , S B I , Concurrent Auditor,SBI

The session was concluded with a presentation by Mr. Mahendra Kakule, Valuer Member of IOV, on suggested applications of depreciation curves in absence of market based empirical observations.

Technical Session 2 : Growing Reliance on Valuation Professionals

The second session was moderated by Mr. S. Pichaiya, Chairman, Valuation Standards Advisory Board, IOV RVF. Other eminent speakers of this session were:-

1. Available opportunities for Valuers - Vr. R.K. Patel, Vice President, IOV
2. Valuation under Import and Export Regulations - Mr Vaibhav Nagarkar , Customs' Empanelled Chartered Engineers
3. Institutionalising the Valuation Profession - Mr Manish Choudhary, CGM, IBBI
4. Use of modern tools in Valuation practice - need of the hour covering Software Tools - An Expenditure or An Investment with Q&A session on Data Propriety, Integrity & Software - Mr. Harikrishna R,Civil Engineer and Mr. Sudhakar Vijyasarthi, Founder and CEO - Evalo | Titlo | 5gX.

Technical Session 3 : Renaissance in the Valuation Education

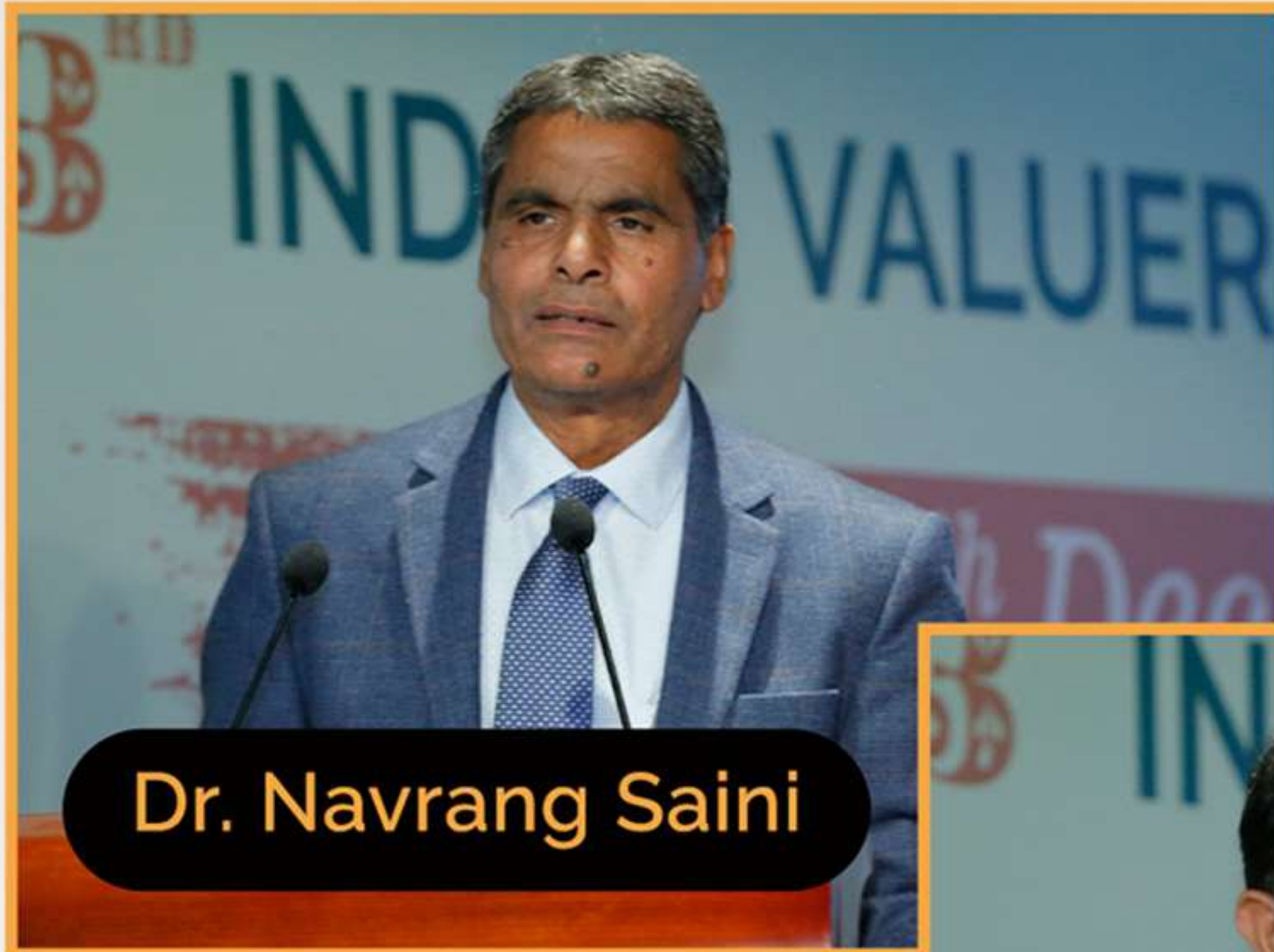
The third session was moderated by Mr. Nitin M. Lele, Council Member, IOV. Other eminent speakers of this session were

1. Impetus in Valuation Education - Dr L Boeing Singh and Dr. Shrikrishna Nandkishor Joshi, Professor, IIT, Guwahati
2. Formal Education in Valuation - A Perspective - Mr. Rajiv Singh, Valuation Course Director, IICA
3. Capacity Building for Valuation Professionals - Vr. Abhay Kumar, Insolvency Professional & Reg. Valuer (P&M) and Vr. B. Venkataramani, Chartered Engineer and Regd. Valuer
4. Creating infrastructure/ databases for research in Valuation - Mr. Jitendra Singha, Evalo and Mr Aditya Kumar, Client Relationship Manager & Mr Atanu Chowdhury, Account Manager, East (AWS India) The Paper Presentation was delivered on Research in Valuation - Need of the Hour by Dr. L. Balaji, IBBI Registered Valuer

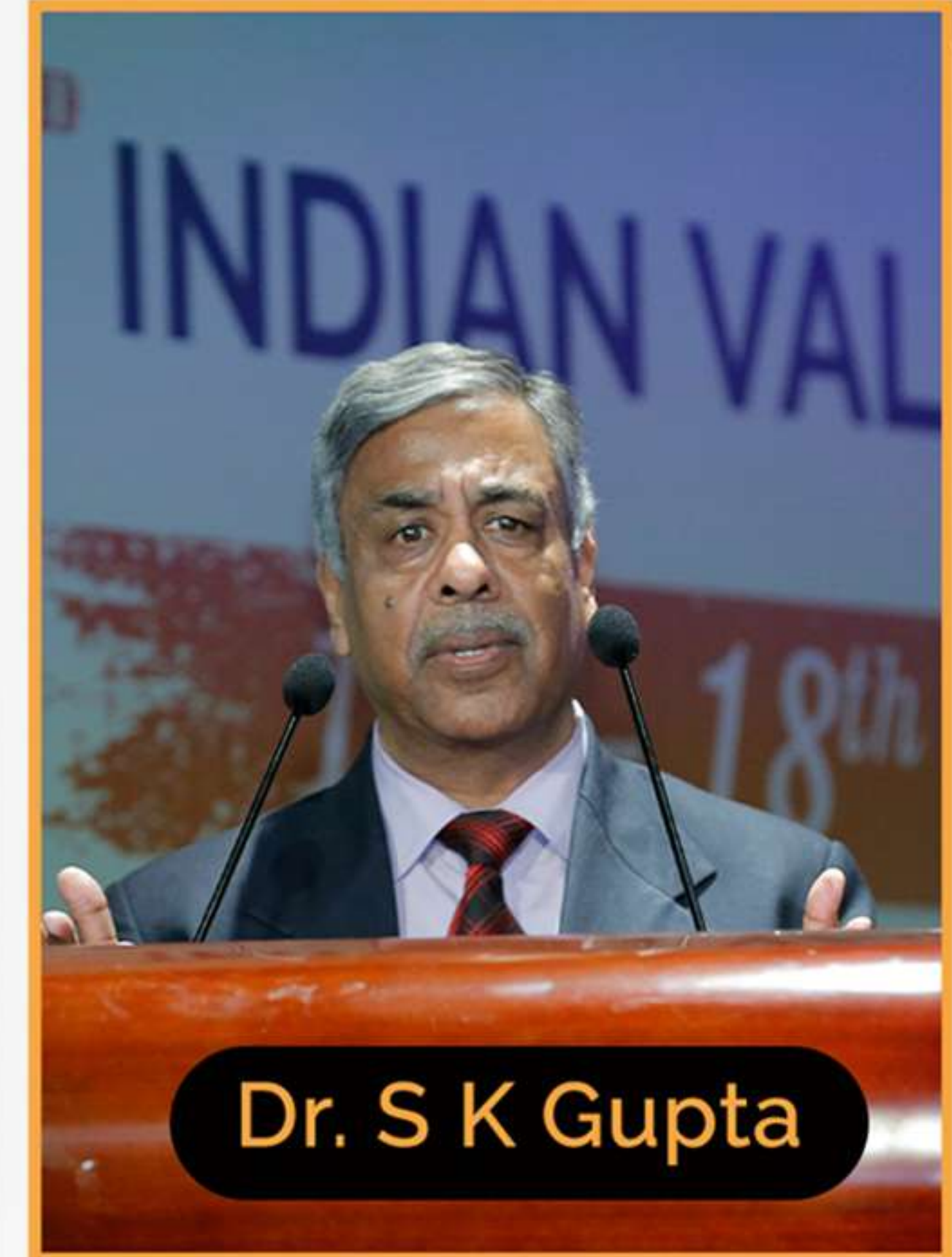
Technical Session 4 : Foreseeing future of Valuation Profession by frontline regulators

The moderator of the fourth session was Mr. Vinay Goel, Hony. Gen. Secy, IOV. Other speakers of this session were Dr. Navrang Saini, Independent Director & Chairman, ICSI RVO, Dr. S.K. Gupta, MD & CEO- ICMAI RVO, Mr. Denesh Singh, Founder Director- IBVA RVO and Mr. Tanuj Kumar Bhatnagar, Director- IOV RVF . All the respected speakers emphasized on the fact that as more & more reliance on valuation in varied fields is increasing, future road map is required to meet the expectations of the society. Hence organizations/ institutions/ the front-line regulators for Valuers are required to mitigate those expectations. RVOs need a resolve to endeavour the strengthening of the valuation ecosystem in fair and equitable manner .

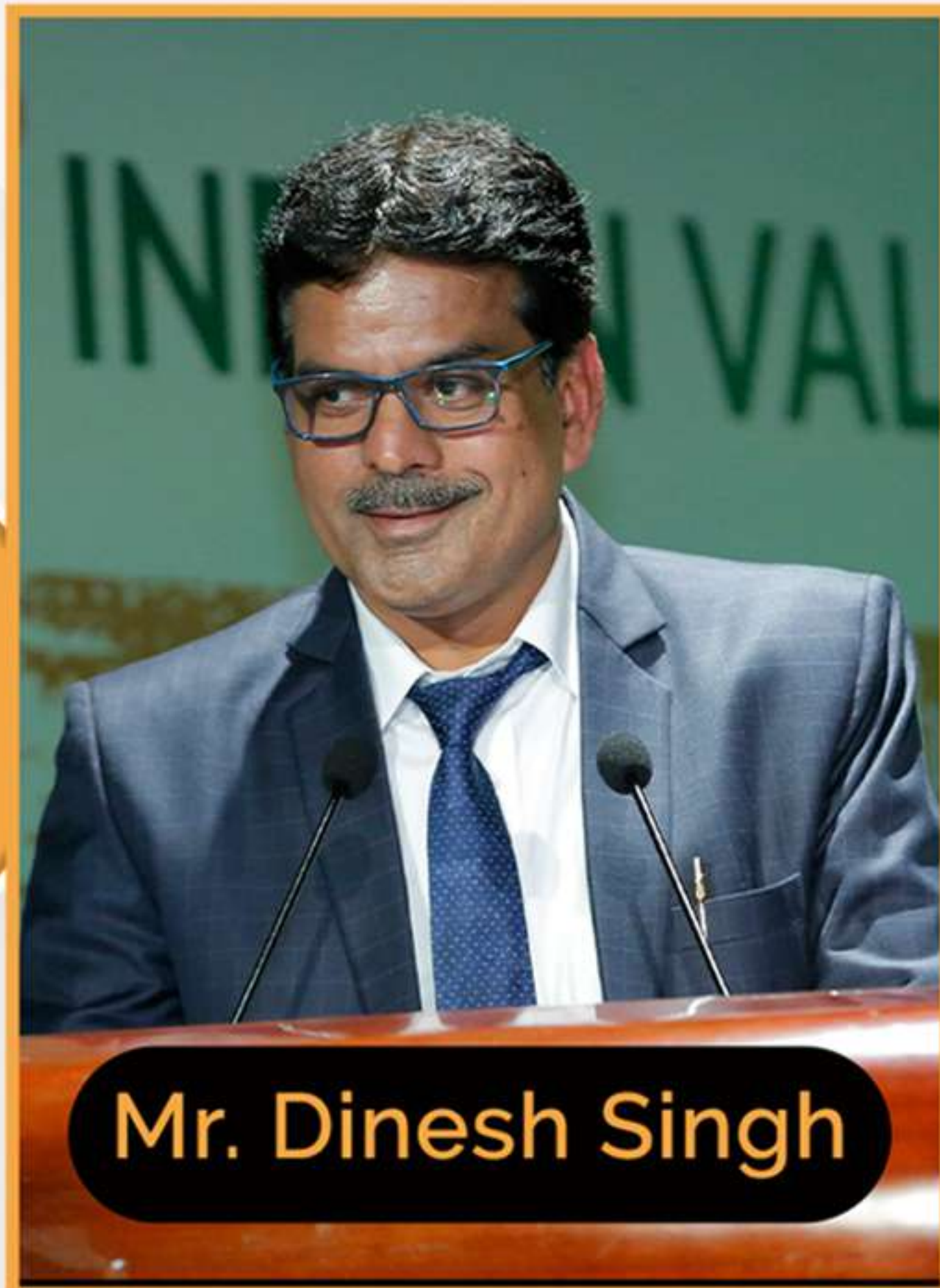
All the speakers, presentators and moderators were thanked and felicitated at the end of their respective sessions. The day was concluded with a vote of thanks to all the eminent speakers, moderators and the participants.



Dr. Navrang Saini



Dr. S K Gupta



Mr. Dinesh Singh



Mr. Vinay Goel



Mr. Tanuj Bhatnagar

On 18th December 2022 (Third Day)

The day commenced with a wonderful presentation by Dr. Sopon Pornchokchai, President, Thai Appraisal Foundation, on the topic of Cross Border Valuation Practice. He highlighted the disruptions; obstacles being faced by the valuers and the various opportunities for them throughout the world. He discussed about one of the most emerging obstacles for valuers in the near future which is the digital threat.

The programme was followed by the technical sessions.

Technical Session 5 : Convergence of Standards, Compliance and Regulatory Guidelines

The moderator of the fifth session was Mr. S. Pichaiya, Council Member- IOV. Other eminent speakers of this session were

1. For L & B - Vr. B. Venkataramani, Chartered Engineer and Regd. Valuer
2. For P & M - Vr. Abhay Kumar, Insolvency Professional & Reg. Valuer(P&M)
3. For S & FA - Mr. Rajiv Singh, Fellow Member-ICAI

After the deliberations of the speakers, Mr. V.R. Murthy delivered his presentation on the topic of Global Sustainability & Sustainability Factor in Asset valuations. He pointed up the key sustainability performance indicators through valuer & valuation perspective. He stated that every professional should focus on sustainable process & developments

Technical Session 6 : Importance of Documentation & Presentation

The sixth technical session was commenced and moderated by Mr. R.K. Patel, VicePresident, IOV. Other speakers of this session were

1. For L & B - Mr. Devendra Patekar, IBBI Reg Valuer
2. For P & M - Mr. Vaibhav Nagarkar, Customs' Empanelled Chartered Engineers
3. For S & FA - Mr Hemantha Kumar, [IBBI Registered Valuer -SFA
4. Valuation for Banking and Financial Sector - Vr. B.V. Ramanaa, Chairman - IOV, Chennai Branch and Ms Deepa Deka, AGM, Project Finance, NEDFI

Technical Session 7 : Presentation on various topics

Mr. Anil Kumar Kakoty, Senior Tea Processing Consultant and Mr. Sujit Kumar Dey, IBBI Regd. Valuer, highlighted the present trends & methodologies in corporate tea co. valuations in their presentations whereas Mr. D L Naware highlighted in his presentation the expectations of various stakeholders from the valuers to produce error free reports .

At the end, Mr. Mahendra Kakule delivered a concluding presentation through which he has shown the gatherings of the entire IVC event including photographs, felicitation ceremony, knowledge gathered from the technical sessions and the presentations delivered .

IVC 2022 was attended by more than 400 participants from all over India and abroad in hybrid mode, has ended with the good wishes of all the dignitaries for a better success of Institution of Valuers and IOV Registered Valuers Foundation in the ensuing years



at Guwahati

on

16TH 17TH 18TH DECEMBER

2022

On the completion of 5 successful years, IOV RVF awarded its members for their achievements in different categories



Mr. Sanjay Lahiri

Senior most Registered Valuer



Mr. Narasipuram Raghavendra Rao

Most active senior Registered Valuer



Mr. Pulin Chandra Konwar

Most Senior Registered Valuer in North East



Mr. Abhay Kumar

Allround Contributor Excellence Award



Mr. Shubham Dad

Youngest Valuer of IOV RVF



Mr. Ankush Garg

Maximum Valuations done by Registered Valuer



AAA Valuation Professionals LLP

Maximum Valuations done by Registered Valuer Entity



Mr. Shivanand Bassappa Endigeri

Most Upskilled Registered Valuer



Mr. Devendra Arun Patekar

Most engaging Faculty



Ms. Vyshnavi Devanahalli Nagaraj

Maximum Contribution of Informative Articles in IOV RVF The Valuer (Journal) & First Women Registered Valuer for asset class - Land and Building



Mr. Anil Kumar Saxena

First Registered Valuer for asset class - Land and Building



Mr. Sanjay Chopra

First Registered Valuer for asset class - Plant and Machinery



Mr. Munish Aggarwal

First Registered Valuer for asset class - Securities or Financial Assets



Ms. Vanita Thakkar

First Women Registered Valuer for asset class - Plant and Machinery



Ms. Nandita Shyamsunder pai

First Women Registered Valuer for asset class - Securities or Financial Assets



Mr. Sahil Shashank Patil

Highest Scorer in IBBI Exam for Classes of Assets - Land and Building



Mr. Amit Shantilal Jain

Highest Scorer in IBBI Exam for Classes of Assets - Plant and Machinery



Mr. Aayush Tibrewal

Highest Scorer in IBBI Exam for Classes of Assets - Securities or Financial Assets



ANVI Technical Advisors India Private Limited

First Registered Valuer entity



Mr. Pagolu Madhu

Maximum contribution in Peer Reviews and Inspections

We wish our members a lot of success for the future endeavours..



IOV RVF has awarded its employees for their diligence in performing duties.



CS Mohit Singhal

Best Secretarial Services Award

Ms Sohale Gupta

Best Public Relation Award



Mr Vishesh Singhania

Best Administrative Manager Award

Mr Deepak Kumar

Best Support Services Award



***Take the initiatives and lead the way,,,,,
Anyone can make the differences***





Congratulates

MR VINAY K GOEL

Hony Gen Secy, IOV MD & CEO, IOV RVF

For participating as a **Special Invitee**
in the **Committee of Experts** formed by

**DEPARTMENT OF INVESTMENT AND PUBLIC
ASSET MANAGEMENT (DIPAM), MINISTRY OF FINANCE**

to review the **Valuation Methodologies**
for Disinvestment

www.institutionofvaluers.net
www.iovrvf.org



Important Updates!

Companies (Registered Valuers and Valuation) Amendment Rules, 2022 notified by Ministry of Corporate Affairs on 21st November 2022

- 01** To become a registered valuer under Companies Act, 2013, the partnership entity or a company should be a member of a registered valuers organisation.

Provided that such Registered Valuer entity shall not be a member of more than one such registered valuers organisation at a single point of time.

Provided also that the partnership entity or a company which are already registered as valuers shall comply with this amendment within 6 months of the commencement of these rules. It means that the existing registered valuers entity shall have to mandatorily become the member of a registered valuers organization within 6 months from the date of commencement of these rules .

- 02** Introduction of following new rules:

- **Rule 7A** shall be inserted after Rule 7 which provides for the **“Intimation of changes in personal details etc., by registered valuer to authority”**:

It states that a registered valuer shall intimate the authority for change in the personal details, or any modification in the composition of partners or directors, or any modification in any clause of the partnership agreement or Memorandum of Association, which may affect registration of registered valuer, after payment of prescribed fee.

- **Rule 14A** shall be inserted after rule 14, which provides for the **“Intimation of changes in composition of governing board, etc. by the registered valuers organisations to the authority”**:

It states that a registered valuers organisation shall intimate the authority for change in composition of its governing board, or its committees or appellate panel, or other details, after payment of prescribed fee.

- 03** MCA further clarified that a member functioning as a whole-time director in the company registered as valuer shall not be treated as taking up employment for the purpose of these rules.

- 04** It further stated that in case of asset classes namely **‘Plant and Machinery’** and **‘Land and Building’**, the corresponding relevant nomenclature for the branches of the engineering and technology of graduate and post-graduate courses referred to in the notification number F. No. 27 /RIFD/Pay/01/2017-18, dated 28th April, 2017, issued by All India Council for Technical Education, shall also be considered.

★ ★ ★

WORKING OPPORTUNITIES FOR VALUER MEMBERS

S. No	Organisation	Purpose	Date
1.	Housing and Urban Development Corporation Limited (HUDCO Ltd)	To appoint Valuation of mortgaged assets (plant-machinery, land-buildings) in respect of scheme for improvement of distribution network at various locations in Tamil Nadu to Tanged Co Ltd	12-11-2022
2.	Vishakhapatnam Port Authority (Civil Engineering Department)	To empanel Reputed Chartered Engineers/ Valuers for valuation of land for Vishakhapatnam Port Authority situated in 12 zones falling in 28 villages of Visakhapatnam (Urban), Visakhapatnam (Rural)	18-11-2022
3.	BHARAT SANCHAR NIGAM LIMITED	To appoint a valuer from those empanelled by BSNL in valuation class 'Land and Building', for valuation of various Land Parcels of BSNL located in West & South Zones	21-11-2022
4.	Agra Municipal Corporation	To appoint Registered/ Approved valuer for valuation of Lands, Buildings, Vehicles, Agriculture lands, Machineries and all type of movable & immovable assets	21-11-2022
5.	Office of the Deputy Salt Commissioner (Govt. of India)	To appoint valuer for valuation of Salt Department lands owned by salt commissioner organization, Government of India and has been proposed for transfer to Department of Ports, Government of Andhra Pradesh for the purpose of development of deep-water port at Machilipatnam by MUDA.	23-11-2022
6.	Kanpur Nagar Nigam	To invite Seal Closed Offer by Chartered Accountant / Assets Valuation Company for valuation of different properties.	25-11-2022
7.	Gayatri Projects Ltd	To invite technical and commercial offers for carrying out valuation of - (a) Land & Building; (b) Plant & Machinery; and (c) Securities & Financial Assets- in terms o the provisions of Insolvency and Bankruptcy Code 2016 read with the applicable regulations made thereunder.	24-12-2022
8.	The Shipping Corporation of India Ltd.	To appoint a Registered Valuer for valuation of SCI's assets (Other than Ships) for the purpose of fixing sum insured in relation to Renewal of Several General Insurance Covers.	26-12-2022

What is Discounted Cash Flow? (DCF)



- **DCF** is a technique for valuation to estimate the intrinsic value of the security as the present value of its expected Future Cash Flows.
- Return from any investment includes a time value factor, and hence it needs to be adjusted by using the discounted cash flow method to arrive at the present value of the investment.
- When the investor invests money, he is awarded with a return. However, this return is ploughed back to him after a span of the time or the span of the investment.
- The value of the investments after a span of time cannot be equate merely to its worth today due to the above-mentioned factors such as inflation, credit risk, etc.
- The discounted cash flow method has several disadvantages as well, including the assumptions of the discount rate determining the growth rate of the future cash flows, etc.

• **ABOUT COURSE:**

Special training for Discounted Cash Flow (DCF) Technique of Valuation is a great opportunity for the Valuers fraternity to upskill themselves. The course is designed as an integrated, comprehensive and practical course, which is necessary in the present interconnected world.

COURSE COVERAGE:

1. Introduction to DCF
2. Time Value of Money
3. Application of Net Present Value for DCF Applications
4. Analyzing Historical Performance and Financial Statement Analysis
5. Forecasting Performance and Pro Forma Financial Statements
6. Building Enterprise/ Asset DCF Model
7. Estimating Terminal Value
8. Calculating Free Cash Flows (FCF)
9. Cost of Capital (Capital Asset Pricing Model) and Discounting Factor
10. Discounting FCF and Deriving Values and Interpreting Results
11. Practical Applications
12. DCF Models – Applicability and Limitations



ELIGIBILITY:

- Valuers from all class of assets (proof of Institutional affiliation)
- Banking Officials
- Post Graduates in Finance, Commerce & Management
- C.A; C.S and CMA
- Senior officials of Government and Regulatory Bodies
- Industrial representative (CMD, CEO, CFO, Director, GM, Finance heads)

• **FEE DETAILS:**



DELIVERABLES:

- Course Completion Certificate
- Study material
- Recorded lectures in case you miss any class



MODE & DURATION:

30 hours training will be provided through online mode and each session will be of 2 hours on weekends.

Particulars	IOV & IOV-RVF Members	Non-Members
Fees For First Level	25,000	25,000
20% additional discount for IOV & IOV-RVF Members*	(5,000)	-
Payable Fees	20,000 plus GST	25,000 plus GST

Expert Faculty



VR. R.K PATEL
VICE-PRESIDENT, IOV

Vr. R. K. Patel was Assistant Director, Gujarat Energy Development Agency, a state government body for promotion of renewable energy sources. For the last 20 years, he has been practicing as Insurance Surveyor & amp; Loss Assessor, Valuer, Cost & amp; Management Accountant, Chartered Engineer and Certified Energy Auditor. He has carried out valuations of large industries for various purposes like Merger & amp; Acquisition, Insurance, Financial Reporting, etc. He has published and presented more than 60 papers at various national as well as international journals and conferences.

• **FOR REGISTRATION:**

Contact **84489 73805, 84489 73871** or send details at **Cep@iovrvf.org**



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LEVEL
01

IMPORT
Valuation

- Principles of International Trade
- Import Organizations, Types of Import, Business and Registration Basis
- Basics of Taxation & Customs Organizations
- Principles of Valuation
- Basics of Risk & Measurement
- Import Management & Documentation
- Basics of Costing
- Introduction to Custom Valuation (Determination of Price of Imported Goods)

LEVEL
02

EXPORT
Valuation

- International Contract
- Export Organizations, Types of Exports, Business and Registration Basis
- Introduction to Supply Chain Management
- International Trade Statistics & Economics
- Report Writing
- Export Management and Documentation
- Case Studies
- Introduction to Custom Valuation (Determination of Price of Exported Goods)

Eligibility:

- Valuers from any class of assets [Proof of Institutional affiliation]
- Engineering Graduates
- Post Graduates in Finance, Commerce & Management
- C.A; C.S and I.C.W.A
- Lawyers
- Senior Officials of Government and Regulatory Bodies
- Industrial representatives (CMD, CEO, CFO Director, GM, Finance heads)

Beneficiaries:

- All the Valuers who want to upskill themselves
- Industrial houses, Government Officers
- Those who are working in the field of imports and exports.
- Anyone interested to know about rules and regulations of Customs whether it is import or export.

Mode & Duration:

- The course will be held in Hybrid Mode.
- Duration of the course (Level 1 & Level 2) will be 50 hrs each.
- It is a weekend course and will be conducted every Saturday for about 4 Hours.
- Last session of each level will be in Physical mode for lifelong learning & networking.

Mr. Vaibhav Nagarkar is “Customs” empanelled Chartered Engineer having 28 years of experience in the domain of International Business Advisory & Engineering. He is CBDT “Approved Valuer” empanelled with leading banks and also an “Insurance Surveyor & Loss Assessor.” He is the writer of 4 bestselling MBA text books. He has been visiting faculty at Pune based top notch business schools & Chamber of Commerce in Pune for the last 14 years.

EXPERT FACULTY



MR. VAIBHAV NAGARKAR

Level 1: IMPORT Valuation Course Books



Course Fee : The fee structure for each level of IMPEX Valuation will be as follows: -

Particulars	IOV & IOV-RVF Members	Non-Members
Fees For First Level	50,000	50,000
Additional Discount	(12,500)	(5000)
Payable Fees	37,500 plus GST	45,000 plus GST

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- It is very much informative and useful.
- This is new subject to me, still like to learn more on that.
- It's simply excellent.
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- Found this course informative, since the trainer Mr. Vaibhav Nagarkar sir is practising industry expert, explained all the concepts clearly with relevant examples.

A. Shanmugasundaram

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The topic for the article should be in relevance to valuation, market – analysis, or related to the development of Valuation or preferably related to the new innovations or practices involved for the growth of this profession.
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Selected topic should have the potential to add to the knowledge to the readers. It should be interesting as well as thoughtful which can bring new ideas to the reader and motivate him/her to contribute to our field in a positive manner.
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