


<p><b>कार्पोरेशन बैंक</b> ( सार्वजनिक क्षेत्र का अग्रणी बैंक ) प्रधान कार्यालय, डा पे सं. 88 मंगलूर - 575 001</p>	 e-CIRCULAR	<p><b>Corporation Bank</b> ( A Premier Public Sector Bank ) Head Office, PB No.88, Mangalore – 575 001</p>
<p><b>Credit Division</b> [Credit Policy &amp; Planning Section] Email : CPMS@corpbank.co.in</p>		
<p>HO Circular No. 284/2013</p>	<p>Index No. 11.00/16/2013</p>	<p>30-May-2013</p>

**TO ALL THE BRANCHES / OFFICES**

**Subject : VALUATION OF SECURITIES**

**HIGHLIGHTS**

**The branches shall reckon lower of the written down value or the value as per the latest valuation report for the purpose of assessment.**

Attention of the branches is invited to HO Circular No 958/2010 dated 13.12.2010 and 449/2012 dated 07.08.2012 on valuation of securities.

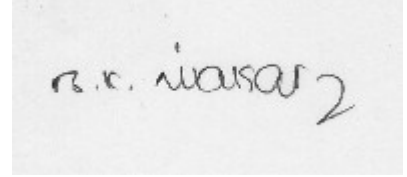
Further, the valuation of securities is also been dealt in Para No 5.9 of Group Credit Policy which is as under:

- Valuation report on the land and buildings and other movable assets shall be obtained from the Bank's approved valuer. Further, such valuation report shall also contain market value, realizable/distress sale values. In case of borrowers under multiple / consortium lending, the Bank may accept valuation report obtained by the lead Bank / other member Banks. In case of CB1 to CB4 graded borrowers for loans with credit limits Rs.50 crores and above, valuation shall be obtained from two independent approved valuers. In case of CB5 to CB8 graded borrower, such two independent valuations are to be carried out in respect of credit limits of Rs.25 crore and above.
- The land and building property obtained as security shall be revalued once in three years.

In this regard, it is clarified that in case of Plant and Machinery taken as primary / collateral securities, branches may consider the written down value for arriving the value of securities. However, if the borrower makes available the latest valuation report of Plant and Machinery by the approved valuer of the Bank at the time of submission of the proposal, then such valuation report can be considered for assessment of credit limits.

Further, securities charged to the Bank should be valued by the approved valuer / chartered engineers once in 3 years irrespective of nature of securities. In case of machineries, the branches shall reckon lower of the written down value or the value as per the latest valuation report for the purpose of assessment.

All our branches and other offices are advised to note the above for guidance and strict compliance.

A rectangular box containing a handwritten signature in black ink. The signature appears to be "B. K. Divakara" with a stylized flourish at the end.

**[B K DIVAKARA]**  
**GENERAL MANAGER**

**Note :** Hindi version of the Circular follows.