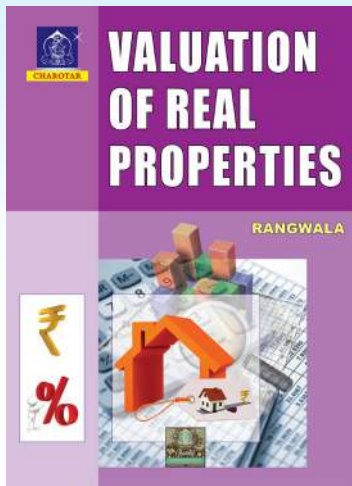


# VALUATION OF REAL PROPERTIES



By  
Rangwala

REVISED  
& ENLARGED

Edition : 11<sup>th</sup> Edition : 2024  
ISBN : 9789385039744  
Binding : Paperback  
Pages : 560 + 16 = 576  
Size (mm) : 235 × 28 × 170  
Weight : 820 g

Best  
Seller



₹ 750.00 BUY

## ABOUT THE BOOK

This treatise in its 11th thoroughly revised and extensively enlarged edition explain the basic principles of "Valuation of Real Properties", structured to serve as an educational resource and equally it covers the key concepts, methodologies and techniques useful for the professionals in practice. Numerous examples, case studies and practical tips are included throughout the book, substantially expanded the content by adding eight new chapters that cover emerging topics and challenges faced by valuation experts today. Plenty of new matter, numerous examples have been added based on the latest syllabus of different universities of India. The permutation of some of the sporadic matter have been made to collocate the topics in order.

*The Outline of the book is:*

Chapter 1 to chapter 3 explain "Value", "Valuation" and "Valuation as Profession".

Chapter 4 and chapter 5 give detailed understanding about "Investment in Real Properties" and "Finance for Investment in Real Properties".

Chapter 6 gives Theory of "Valuation Tables" and at the end of theory of each table, the problems are given to illustrate the use of each table. The valuation tables with range of years and rates of interest are given in Appendix IV at the end of book. These are also useful in practice.

Chapter 7 "Interests in Real Property" explains types of interests such as freehold interests and leasehold interests. It also explains about mortgage, reverse mortgage and development process of real property.

Chapters 8 and 9 illustrate "Rent", "Standard Rent and Rent Control Act".

Chapters 10 and 11 depict topics on "Outgoings" and "Depreciation" related to real properties.

The purpose of valuation in total is elaborately covered from Chapter 12 to Chapter 20, titled as, "Approaches and Methods of Valuation", "Valuation for N.A. Open Lands", "Valuation of Leasehold Properties", "Valuation for Capital Gain Tax (under section 55-A of I.T.)", "Valuation of Licensed Premises", "Valuation of Rating", "Valuation for Easements", "Valuation of Life Interest" and "Valuation for Agricultural Land" respectively.

Chapter 21 elucidates the theory with typical problems on "Acquisition of Land".

Chapter 22, chapter 23, chapter 25 and chapter 26 interpret various acts such as "Transfer of Property Act", "SARFAESI Act of India", "Urban Land Ceiling Act" and "Valuation for Wealth Tax" respectively.

Chapter 24 gives "Typical Problems" and Chapter 27 depicts "Miscellaneous Topics" which include new topics like, Valuation of Contaminated Properties; Green Buildings; Heritage Properties; Professional Ethics; Report Writing; International Valuation Standards and ICAI Valuation Standards.

Appendix I gives 23 "Important Judgments of Various Courts" of India related to Valuation of Real Properties. Appendix II gives details of "RERA Act 2016". In Appendix III "37 Questions/Opinions with Answers" are given and Appendix IV gives "Valuation Tables".

*This edition now also contain:*

- \* 170 Typical solved problems;
- \* 60 Useful tables;
- \* 293 Questions at the end of all the chapters;
- \* 12 Neatly drawn self-explanatory diagrams.

It is hoped that the book in the present form would satisfy the need of the Civil Engineering students preparing for Degree Examinations of all the Indian Universities, Diploma Examinations conducted by various Boards of Technical Education, Certificate Courses as well as for the A.M.I.E., U.P.S.C., G.A.T.E., I.E.S. and other similar competitive and professional examinations. It should also prove of interest to the practising professionals. It will also serve as the most useful reference book for practising valuers of real estates, tax consultants, lawyers, advocates, etc.

## CONTENT

- 1 : VALUE
  - 2 : VALUATION
  - 3 : VALUATION AS PROFESSION
  - 4 : INVESTMENT IN REAL PROPERTY
  - 5 : FINANCE FOR INVESTMENT IN REAL PROPERTIES
  - 6 : VALUATION TABLES
  - 7 : INTERESTS IN REAL PROPERTY
  - 8 : RENT
  - 9 : STANDARD RENT AND RENT CONTROL ACT
  - 10 : OUTGOINGS
  - 11 : DEPRECIATION
  - 12 : APPROACHES AND METHODS OF VALUATION
  - 13 : VALUATION FOR N. A. OPEN LANDS
  - 14 : VALUATION OF LEASEHOLD PROPERTIES
  - 15 : VALUATION FOR CAPITAL GAINS TAX  
(UNDER SECTION 55-A OF I.T.)
  - 16 : VALUATION OF LICENSED PREMISES
  - 17 : VALUATION FOR RATING
  - 18 : VALUATION FOR EASEMENTS
  - 19 : VALUATION OF LIFE INTEREST
  - 20 : VALUATION FOR AGRICULTURAL LANDS
  - 21 : ACQUISITION OF LAND
  - 22 : TRANSFER OF PROPERTY ACT
  - 23 : SARFAESI ACT OF INDIA
  - 24 : TYPICAL PROBLEMS
  - 25 : URBAN LAND CEILING ACT (U.L.C. ACT)
  - 26 : VALUATION FOR WEALTH TAX
  - 27 : MISCELLANEOUS TOPICS
- APPENDIX I : IMPORTANT JUDGMENTS OF COURT  
APPENDIX II : REAL ESTATE REGULATION AND DEVELOPMENT AUTHORITY (RERA) ACT, 2016  
APPENDIX III : QUESTIONS AND OPINION/ANSWERS  
APPENDIX IV : VALUATION TABLES  
BIBLIOGRAPHY  
INDEX

Catalogue Checklist

Charotar Publishing House Pvt. Ltd. Opposite Amul Dairy, Old Civil Court Road, Anand 388 001 India

☎ +91 2692 256237, 240089, 📞 +91 99249 78998 ✉ charotar@cphbooks.com, 🌐 https://cphbooks.in

Follow us:



**VALUATION OF REAL PROPERTIES**  
**DETAILED CONTENTS**

**CHAPTER 1 VALUE**

- 1-1. Concept of value
- 1-2. Cost, price and value
  - (1) Cost
  - (2) Price
  - (3) Value
- 1-3. Supply and demand forces
  - (1) Supply side
  - (2) Demand side
- 1-4. Elements of value
  - 1-4-1. Utility
  - 1-4-2. Scarcity
    - (1) Utility and value
    - (2) Types of commodities
    - (3) Value and price
  - 1-4-3. Demand
  - 1-4-4. Transferability
- 1-5. Different types of value
  - 1-5-1. Accommodation value
  - 1-5-2. Annual letting value or annual rateable value
  - 1-5-3. Auction value
  - 1-5-4. Book value
  - 1-5-5. Break-up value
  - 1-5-6. Distress value
  - 1-5-7. Environmental value
  - 1-5-8. Equitable value
  - 1-5-9. Fair market value
  - 1-5-10. Market value as per international valuation standard (IVS)
    - (1) The estimated amount
    - (2) An asset or liability should exchange
    - (3) On the valuation date
    - (4) A willing buyer
    - (5) A willing seller
    - (6) In an arm's length transaction
    - (7) After proper marketing
    - (8) Where the parties had each acted knowledgeably, prudently
    - (9) Without compulsion
  - 1-5-11. Fear value
  - 1-5-12. Force sale value
  - 1-5-13. Going concern value
  - 1-5-14. Goodwill value
  - 1-5-15. Highest and best use value
  - 1-5-16. Hope value
  - 1-5-17. Intrinsic value
  - 1-5-18. Investment value
  - 1-5-19. Liquidation value
  - 1-5-20. Marriage value (Synergistic value)
  - 1-5-21. Monopoly value
  - 1-5-22. Mortgage value
  - 1-5-23. Net present value
  - 1-5-24. Notional value (Hypothetical value)
  - 1-5-25. Potential value
  - 1-5-26. Prestige value
  - 1-5-27. Realisable value
  - 1-5-28. Replacement value
  - 1-5-29. Report value
  - 1-5-30. Reserve value (Upset price or floor price)
  - 1-5-31. Salvage value
  - 1-5-32. Scrap value
  - 1-5-33. Sentimental value
  - 1-5-34. Speculative value
  - 1-5-35. Statutory value
  - 1-5-36. Stigma value
  - 1-5-37. Surrogate value
  - 1-5-38. Value in exchange

- 1-5-39. Value in use
- 1-6. Occupation value and investment value
  - (1) Government acts
  - (2) Intensity of demand
  - (3) Trade conditions
- 1-7. Factors affecting market value
  - (1) Classification of factors affecting market value
  - (2) Influence the changes in the market value of a property
- 1-8. Concepts of right of compulsory purchase and value in India
- 1-9. Principle of highest and best use

**QUESTIONS 1**

**CHAPTER 2 VALUATION**

- 2-1. Properties
- 2-2. Real properties and personal properties
  - (1) General
  - (2) Differences between the real properties and personal properties
- 2-3. Concept of valuation
- 2-4. Valuation – science or art
- 2-5. Doctrine of estate
  - (1) Free tenure
  - (2) Unfree tenure
- 2-6. Types of estates in England
  - (1) Life estate
  - (2) Fee tail estate
  - (3) Fee simple estate
- 2-7. Land system in India
  - (1) Zamindari or landlord tenure system
  - (2) Malguzari land tenure system
  - (3) Mahalwari land tenure system
  - (4) Raitwari or independent land tenure system
- 2-8. Concept of ownership and possession
- 2-9. Types of ownership
  - 2-9-1. Sole-ownership and co-ownership
  - 2-9-2. Trust and beneficial ownership
  - 2-9-3. Vested and contingent ownership
- 2-10. Purposes of valuation

**QUESTIONS 2**

**CHAPTER 3 VALUATION AS PROFESSION**

- 3-1. Emergence of valuation profession in India
- 3-2. Classification of the valuers
- 3-3. Different avenues of valuation
  - (1) For calculating betterment charges
  - (2) For the purpose of balance-sheet
  - (3) For buying and selling of the properties
  - (4) For compulsory acquisition
  - (5) For court purpose
  - (6) For insurance purpose
  - (7) For mortgage or security of loan purposes
  - (8) For valuation under SARFAESI Act, 2002
  - (9) For giving reinstatement value
  - (10) For rent determination purpose
  - (11) For taxation or fiscal purpose
  - (12) For life interest purpose
  - (13) For easements purpose
  - (14) For stamp duty purpose
  - (15) Valuation for compensation due to town planning scheme
- 3-4. New horizons of valuation
  - (1) Environment
  - (2) Neighbourhood
  - (3) Rapid transit system
  - (4) Time sharing premises
- 3-5. Valuer under wealth-tax act
  - (1) Eligibility and qualification
  - (2) Experience

**VALUATION OF REAL PROPERTIES**  
**DETAILED CONTENTS**

- 3-6. Valuer under companies act
    - (1) Eligibility
    - (2) Qualification
  - 3-7. Valuer under IBBI through companies act
  - 3-8. Future of the valuation profession in india
  - 3-9. Role of the valuer
    - (1) Acknowledgment of market conditions
    - (2) Competency
    - (3) Cost of outgoings
    - (4) Effect of statutes
    - (5) General experience
    - (6) Knowledge of building costs
    - (7) Legal complications
    - (8) Specialised buildings
    - (9) Value and cost
  - 3-10. Data to be collected
- QUESTIONS 3

**CHAPTER 4 INVESTMENT IN REAL PROPERTY**

- 4-1. General
- 4-2. Peculiarities of land
- 4-3. Investment
- 4-4. Characteristics of ideal investment
  - (1) Capital appreciation prospects
  - (2) Costs of purchase and sale
  - (3) Divisibility of holdings
  - (4) Ease of purchase and sale
  - (5) Security of income
  - (6) Security of capital
- 4-5. Investment market
  - (1) Liquidity preference theory
  - (2) Loanable fund theory
- 4-6. Investment opportunities
  - (1) Articles for use
  - (2) Gilt-edged securities
  - (3) Local authority loans
  - (4) Insurance
  - (5) Fixed deposits in banks
  - (6) Company deposits
  - (7) Small Saving Schemes of Government of India
  - (8) The public provident fund scheme (PPF)
  - (9) Relief bonds of Reserve Bank of India
  - (10) Mutual fund schemes
  - (11) Gold exchange traded funds
  - (12) Convertible debentures
  - (13) Shares
  - (14) Real property as an investment
- 4-7. Nature of real property
  - (1) Amount of investment
  - (2) Central market
  - (3) Clearance of title
  - (4) Government action
  - (5) Heterogeneity
  - (6) Influence on yields
  - (7) Joint ownership
  - (8) Physical inspection
  - (9) Durability
  - (10) Source of income
- 4-8. Factors affecting real property market
  - (1) Climatic conditions
  - (2) Communications
  - (3) Fashion and local demand
  - (4) Government policies
  - (5) Individual aspects of property
  - (6) Lack of market information
  - (7) Local economy

- (8) Potentiality
  - (9) Services
  - (10) State of repair
  - (11) Time element
  - (12) Topography of the area
  - 4-9. Determination of value of real property
  - 4-10. Rate of interest (Including Bank Rate)
    - (1) Money and banking
    - (2) Bank rate
  - 4-11. Interest on capital
  - 4-12. Remunerative rate of interest
  - 4-13. Accumulative or recoupment rate of interest
  - 4-14. Rate of return or rate of capitalization
  - 4-15. Factors affecting rate of capitalization
  - 4-16. Rate of interest on capital
  - 4-17. Rate of redemption of capital
  - 4-18. Rate of reversion (Deferment)
  - 4-19. Annuity
  - 4-20. Capitalized value
  - 4-21. Year's Purchase (Y.P.)
  - 4-22. Sinking fund
  - 4-23. Estate brokers
- QUESTIONS 4

**CHAPTER 5 FINANCE FOR INVESTMENT IN REAL PROPERTIES**

- 5-1. General
  - 5-2. Terms of borrowing
    - (1) Rate of interest
    - (2) Reputation of borrower
    - (3) State of economy
    - (4) Type of property
  - 5-3. Sources of borrowing
    - (1) For residential properties
    - (2) For commercial and industrial properties
  - 5-4. Gearing and equity
    - (1) Low-g geared
    - (2) High-g geared
      - (1) Cost of borrowing
      - (2) Increase in interest
      - (3) Increase in rent
  - 5-5. Conclusion
  - 5-6. Typical problems
- QUESTIONS 5

**CHAPTER 6 VALUATION TABLES**

- 6-1. General
  - TABLE I
  - TABLE II
  - TABLE III
  - TABLE IV
  - TABLE V
  - TABLE VI
  - TABLE VII
  - TABLE VIII

**CHAPTER 7 INTERESTS IN REAL PROPERTY OF REAL PROPERTY**

- 7-1. General
- 7-2. Types of interests
- 7-3. Freehold interests
  - (1) Law of the land
  - (2) Right of others
- 7-4. Leasehold interests
  - (1) Reasons for creating leasehold interest
  - (2) Nature of leasehold interest
  - (3) Renewal and extension of leases

**VALUATION OF REAL PROPERTIES**  
**DETAILED CONTENTS**

- (4) Theory of sinking fund
  - (5) Lessor and lessee
  - (6) Forms of lease
  - (7) Lease and license
  - 7-5. Difference between freehold and leasehold property
  - 7-6. Mortgage
    - (1) Amount of loan
    - (2) Insurance
    - (3) Leasehold property
    - (4) Period of loan
    - (5) Remedies to recover loan
    - (6) Subsequent mortgages
    - (7) Third party guarantee
    - (8) Types of mortgage lenders
    - (9) ValuationEquitable mortgage and legal mortgage
  - 7-7. Reverse mortgage
    - (1) Difference between reverse mortgage and other home loans
    - (2) Comparison between reverse mortgage and forward or regular mortgages
  - 7-8. Development process
- QUESTIONS 7

**CHAPTER 8 RENT**

- 8-1. Definition of rent
  - 8-2. Rent in popular sense
  - 8-3. Characteristics of land
  - 8-4. Theory of economic rent
  - 8-5. Extension of theory of economic rent
    - (1) Profits
    - (2) Wages
    - (3) Interest
    - (4) Mines and quarries
    - (5) Building sites
  - 8-6. Different forms of rent
    - (1) Acknowledgement rent
    - (2) Annual or monthly or weekly rent
    - (3) Contractual rent or actual rent
    - (4) Gross annual rent
    - (5) Ground rent
    - (6) Head rent
    - (7) Improved rent
    - (8) Intangible rent
    - (9) Leasehold or lease rent
    - (10) Monopoly rent
    - (11) Net annual rent
    - (12) Nominal rent
    - (13) Profit rent
    - (14) Rack rent
    - (15) Rent charge
    - (16) Rising rent
    - (17) Sitting rent or virtual rent
    - (18) Situation rent
    - (19) Standard rent
    - (20) Statutory rent
    - (21) Sub-lease rent
  - 8-7. Mesne Profits
- QUESTIONS 8

**CHAPTER 9 STANDARD RENT AND RENT CONTROL ACT**

- 9-1. General
- 9-2. Objects of rent act
- 9-3. Meaning of standard rent
- 9-4. Exemptions from the rent act
- 9-5. Rent fixation
- 9-6. Process of fixing standard rent

- 9-7. Methods of ascertaining standard rent
    - (1) Comparative method
    - (2) Investment theory
  - 9-8. Important factors for standard rent
    - (1) Cost of construction
    - (2) Loading and apportionment of land value
    - (3) Period of first letting
  - 9-9. Inheritance of tenancy right
    - (1) Business premises
    - (2) Lone tenant
    - (3) Members of family
    - (4) Single person
    - (5) Transfer by will
  - 9-10. Paying guests and rent act
  - 9-11. Recovery of possession from tenant by landlord
    - (1) Bad behaviour of tenant
    - (2) Domestic animals
    - (3) Erection of permanent structure
    - (4) Failure to pay rent
    - (5) Personal requirement of landlord
    - (6) Undesired use of property
  - 9-12. Existing rent control acts
  - 9-13. Gujarat rent control amendment act, 2001
  - 9-14. Conclusion
    - (1) Landlords
    - (2) Local authorities
  - 9-15. Typical problems
- QUESTIONS 9

**CHAPTER 10 OUTGOINGS**

- 10-1. Definition
  - 10-2. Usual types of outgoings
    - (1) Municipal taxes
    - (2) Government taxes
    - (3) Annual repairs and maintenance
    - (4) Management and collection
    - (5) Insurance
    - (6) Bad debts and vacancies
    - (7) Sinking fund
    - (8) Miscellaneous expenses
  - 10-3. Typical problems
  - 10-4. Gross annual income and net annual income
  - 10-5. Conclusion
- QUESTIONS 10

**CHAPTER 11 DEPRECIATION**

- 11-1. Definition
- 11-2. Depreciation as cost in operation
- 11-3. Depreciation as decrease in worth
  - 11-3-1. Physical conditions
  - 11-3-2. Functional obsolescence
    - (1) Inadequacy or over-adequacy
    - (2) Lacking in utility
    - (3) Obsolete necessities
    - (4) Outmoded design
    - (5) Out of the way or odd design
  - 11-3-3. Economic obsolescence
    - (1) Changes in character and use
    - (2) Changes in laws
    - (3) Nearness to nuisances
    - (4) Over supply
    - (5) Social changes
- 11-4. Difference between depreciation and obsolescence
- 11-5. Dilapidation
- 11-6. Methods for estimating cost depreciation
  - (1) Straight-line method
  - (2) Constant or equal percentage method or declining balance method or written down value (W.D.V.) method

**VALUATION OF REAL PROPERTIES**  
**DETAILED CONTENTS**

- (3) Quantity survey method
  - (4) Sinking fund method
  - (5) Sum of the digits method
  - (6) Unit cost method
  - (7) Statutory depreciation method
  - 11-7. Cost of construction
    - (1) Area of building
    - (2) Cubical contents of building
    - (3) Detailed or item wise method
  - 11-8. Cost depreciation and value depreciation
  - 11-9. Reproduction cost and replacement cost
  - 11-10. Depreciation and depletion
  - 11-11. Conclusion
  - 11-12. Typical problems
- QUESTIONS 11

**CHAPTER 12 APPROACHES AND METHODS OF VALUATION**

- 12-1. General
    - 12-1-1. Income fetching and marketable property
    - 12-1-2. Non-income fetching but marketable property
    - 12-1-3. Non-income fetching and non-marketable property
  - 12-2. Approaches of valuation
  - 12-3. Income approach
  - 12-4. Rent capitalization method
    - (1) General
    - (2) Determination of rental value
    - (3) Effect of legislation on rental value
    - (4) Effect of capital improvements on rental value
    - (5) Procedure for rental method
  - 12-5. Profit method
  - 12-6. Discounted cash flow D.C.F. method
    - (1) Net present value (N.P.V.) method
    - (2) Internal rate of return (I.R.R.) Method
  - 12-7. Market approach
    - 12-7-1. Sale comparison of the capital value method
    - 12-7-2. Residual or development method
  - 12-8. Cost approach
    - 12-8-1. Contractor's method or account method
    - 12-8-2. Detailed estimate method
    - 12-8-3. Plinth area rate method
  - 12-9. Other approaches
  - 12-10. Typical problems
- QUESTIONS 12

**CHAPTER 13 VALUATION FOR N. A. OPEN LANDS**

- 13-1. General
    - (1) Comparative method
    - (2) Abstractive method
    - (3) Belting method
    - (4) Hypothetical plotting scheme method
    - (5) Front foot value concept
    - (6) Transferable development right (T.D.R.) or floating F.S.I. concept

Development right certificate (D.R.C.)  
Development rights (D.R.)  
Types of T.D.R.
  - 13-2. Typical problems
- QUESTIONS 13

**CHAPTER 14 VALUATION OF LEASEHOLD PROPERTIES**

- 14-1. Basics of leasehold interest
- 14-2. Terms and conditions of lease deed
  - (1) Lease term
  - (2) Renewal clause
  - (3) Amount of rent
  - (4) Lessor's covenant
  - (5) Lessee's covenant
  - (6) Right for assignment
  - (7) Restrictive covenant
  - (8) Vesting back land clause

- 14-3. General principles of valuation of leasehold properties
  - 14-4. Concept of reversionary right or deferred land value
  - 14-5. Unearned increase
  - 14-6. Profit rent
  - 14-7. Calculations for leasehold property
    - (1) Value of lessor's interest
    - (2) Value of lessee's interest
  - 14-8. Typical problems
  - 14-9. Conclusion
- QUESTIONS 14

**CHAPTER 15 VALUATION FOR CAPITAL GAINS TAX (UNDER SECTION 55-A OF I.T.)**

- 15-1. Capital gain tax
  - 15-2. Short term and long term capital assets
    - (1) Short-term capital asset
    - (2) Long-term capital asset
  - 15-3. Capital gain tax for long term asset
  - 15-4. Exemption for capital gain tax under sections 54, 54-EC, 54-F and 54-B
    - 15-4-1. Section 54 of I.T. Act (old asset: residential property, new asset: residential property)  
Quantum of deduction under section 54  
Number of houses which can be purchased for claiming section 54 exemption  
Budget 2023 memorandum stated
    - 15-4-2. Section 54-EC of I.T. Act (old asset: any asset, new asset: specified bonds)  
Budget 2018 amendment
    - 15-4-3. Section 54-F of I.T. Act (old asset; any asset, new asset; residential house)  
Exemption under section 54-F shall not available in following cases
  - 15-5. Capital gains account scheme (CGAS)
  - 15-6. Judicial decisions regarding section 54, 54-B, 54-D, 54-F, and 54-G
  - 15-7. Cost inflation index
  - 15-8. Value of property for capital gain tax as on 01/04/2001 (for property sold after 31st march 2021)
  - 15-9. Typical problems for valuation for capital gain tax
- QUESTIONS 15

**CHAPTER 16 VALUATION OF LICENSED PREMISES**

- 16-1. General
  - 16-2. General principle of valuation
    - (1) Closing of business
    - (2) Liabilities
  - 16-3. Valuation of a cinema
    - (1) First method
    - (2) Second method
  - 16-4. Valuation of a hotel
    - (1) Important factors
    - (2) Aspects
  - 16-5. Valuation of a petrol pump
    - (1) Owned by petroleum companies
    - (2) Leased by petroleum companies
    - (3) Owned and operated by dealer
    - (4) Owned by dealer and leased to petroleum company
  - 16-6. Typical problems for valuation of licenced premises
- QUESTIONS 16

**CHAPTER 17 VALUATION FOR RATING**

- 17-1. General
- 17-2. Definitions associated with the valuation for rating
  - (1) Assessment
  - (2) Rate and tax
  - (3) Rate-payer
  - (4) Annual value
  - (5) Rateable value (R.V.)
- 17-3. Principles of rating
  - (1) Principle of communibus annis
  - (2) Principle of rebus sic stantibus

**VALUATION OF REAL PROPERTIES**  
**DETAILED CONTENTS**

17-4. Rent as evidence of annual value

- (1) Benefits to owner
- (2) Foresight of tenant
- (3) Occupied by owner
- (4) Premium
- (5) Property on lease
- (6) Repairs of existing building
- (7) Short-term tenancies
- (8) Special circumstances

17-5. Hypothetical tenant and hypothetical rent

- (1) Actual occupier
- (2) Actual rent
- (3) Adoption of principle
- (4) Competition
- (5) Residential accommodation of staff
- (6) Special necessities of actual occupier
- (7) Standard rent

17-6. Exemptions from rateability

- (1) Charitable institutions
- (2) Properties of government
- (3) Houses of ambassadors
- (4) Literary and scientific societies
- (5) Public religious places
- (6) Land struck with sterility
- (7) Properties of local body
- (8) Special properties
- (9) Burial grounds
- (10) Miscellaneous

17-7. Process of assessment

17-8. Methods of assessment

- (1) Direct or indirect rental evidence
- (2) Contractor's test
- (3) Profit method
- (3) Site value method

17-9. Determination of gross annual rent or rateable value (R.V.)

- (1) Direct rental basis
- (2) Method of comparison
- (3) Standard rent method or contractor's test

17-10. The present property tax assessment in india

17-11. Conclusion

QUESTIONS 17

**CHAPTER 18 VALUATION FOR EASEMENTS**

18-1. General

18-2. Definition of easement

18-3. Essential characteristics of easement

18-4. Creation of an easement

- (1) By grant
- (2) By necessity
- (3) By quasi-necessity
- (4) By prescription
- (5) By lost grant presumed from immemorial user
- (6) By custom
- (7) By transfer of dominant heritage
- (8) By legislation
- (9) By the operation of the doctrine of acquiescence

18-5. Extinguishment of easements

- (1) By dissolution of right of servient owner
- (2) By release
- (3) By revocation
- (4) By expiration of period
- (5) By happening of event
- (6) By end of necessity
- (7) By easement becoming useless
- (8) By permanent change in dominant heritage
- (9) By permanent change in servient heritage due to superior force
- (10) By destruction of either heritage
- (11) By unity of ownership
- (12) By total non-enjoyment

18-6. Easements and natural rights

18-7. Effect on valuation due to easement

18-8. Typical problems for the valuation for easements

QUESTIONS 18

**CHAPTER 19 VALUATION OF LIFE INTEREST**

19-1. General

19-2. Types of life interest

- (1) Lessee for life
- (2) Tenant for life

19-3. Mortality tables

19-4. Compilation of mortality tables

19-5. Application of mortality tables

19-6. Jellicoe's formula

19-7. Typical problems on life interest

QUESTIONS 19

**CHAPTER 20 VALUATION FOR AGRICULTURAL LANDS**

20-1. General

20-2. Importance of agricultural land

- (1) Crop loans
- (2) Development loans
- (3) Investment loans

20-3. Factors affecting value of agricultural land

- (1) Cottages and buildings
- (2) Fencing and gates
- (3) General situation
- (4) Quality of soil
- (5) Roads and approaches
- (6) Size of farm
- (7) Title of land
- (8) Types of crops
- (9) Water supply and electricity

20-4. Methods of valuation of agricultural lands

20-4-1. Income capitalisation method (I.C.M.)

Case 1: Owner is the cultivator

Case 2: Property is occupied by tenant

20-4-2. Sales statistics method (S.S.M.)

- (1) Cottages and buildings
- (2) Field-to-field valuation
- (3) Valuation date

20-5. Agricultural land and direct tax laws

QUESTIONS 20

**CHAPTER 21 ACQUISITION OF LAND**

21-1. General

21-2. The land acquisition act, 1894

- (1) Basic principles
- (2) Procedure under the land acquisition act, 1894

21-3. Important aspects of the L.A. Act, 1894

- (1) Public purpose
- (2) Proposal for acquisition
- (3) Compensation
- (4) Solatium
- (5) Severance
- (6) Injurious affection
- (7) Loss of earnings

21-4. Value before and after acquisition

21-5. Land acquisition, rehabilitation and resettlement (LARR) bill

- (1) Lack of clarity in defining five types of exempted projects
- (2) The consent of land owners
- (3) Requiring consent may not be practical
- (4) Level of consent required varies by ownership of project under the 2013 act
- (5) Threshold for consent
- (6) Time taken for acquiring land

21-6. Conclusion

21-7. Typical problems on land acquisition

QUESTIONS 21

**CHAPTER 22 TRANSFER OF PROPERTY ACT**

22-1. General

22-2. Meaning of transfer

- (1) Family arrangement
- (2) Partition

**VALUATION OF REAL PROPERTIES**  
**DETAILED CONTENTS**

- 22-3. Definition of transfer of property
  - 22-4. Requirements of a valid transfer
  - 22-5. Contingent interest
  - 22-6. Conditional transfer
  - 22-7. Sales of immovable property
    - (1) Rights and liabilities of seller
    - (2) Rights and liabilities of buyer
  - 22-8. Mortgages of immovable property
    - (1) Simple mortgage
    - (2) Mortgage by conditional sale
    - (3) Usufructuary mortgage
    - (4) English mortgage
    - (5) Mortgage by deposit of title deeds
    - (6) Anomalous mortgage
  - 22-9. Leases of immovable property
  - 22-10. Exchanges
  - 22-11. Gifts
  - 22-12. Actionable claims
  - 22-13. Conclusion
- QUESTIONS 22

**CHAPTER 23 SARFAESI ACT OF INDIA**

- 23-1. General
- 23-2. Formation of SARFAESI act
- 23-3. Contents of SARFAESI act
- 23-4. Objects of SARFAESI act
- 23-5. Powers of bank under SARFAESI act
- 23-6. Rights of borrowers
- 23-7. Pre-conditions
- 23-8. Methods of recovery
  - (1) Securitisation
  - (2) Asset reconstruction
- 23-9. Powers of debt recovery tribunal (DRT)
- 23-10. Role of chief metropolitan magistrate or district magistrate
- 23-11. Role of high court
- 23-12. Proposed amendments to SARFAESI act
- 23-13. Valuation under SARFAESI act
  - (1) Rules of SARFAESI act deal with valuation
  - (2) Need of valuation under SARFAESI act
  - (3) Reserve price or upset price or auction value
  - (4) Difference between upset value and realisable value
  - (5) Role of guideline rate or Jantri rate in SARFAESI valuation
  - (6) Properties not to be considered as security under this act
  - (7) Duty of SARFAESI valuer
  - (8) Difference between panel valuer and SARFAESI valuer
  - (9) Procedure of valuation under SARFAESI act
  - (10) Effects of over valuation
  - (11) Effects of under valuation

QUESTIONS 23

**CHAPTER 24 TYPICAL PROBLEMS**

**CHAPTER 25 URBAN LAND CEILING ACT (U.L.C. ACT)**

- 25-1. General
- 25-2. Selection of towns
- 25-3. Objects of U.L.C. act
- 25-4. Important provisions in U.L.C. act
  - (1) Definitions
  - (2) Transfer of vacant land
  - (3) Acquisition of excess land
  - (4) Payment of amount for the acquired vacant land
  - (5) Distribution of excess vacant land
  - (6) Exemptions
  - (7) Construction of future residential buildings
  - (8) Procedural and miscellaneous matters
- 25-5. Effects of the U.L.C. act
  - (1) Absence of skyscrapers
  - (2) Administrative arrangement

- (3) Danger of too many houses for weaker sections
  - (4) Development of small towns
  - (5) Heterogenous communities
  - (6) Role of urban development authorities
  - (7) Valuation of urban properties
- 25-6. Summary and present scenario
- QUESTIONS 25

**CHAPTER 26 VALUATION FOR WEALTH TAX**

- 26-1. Valuation under direct tax laws
    - (1) Valuation under income tax act
    - (2) Valuation under gift tax act
    - (3) Valuation under wealth tax act
  - 26-2. Rule 1BB of wealth-tax act
  - 26-3. Schedule III, part B of wealth-tax act
  - 26-4. Typical problems on valuation of wealth tax
- QUESTIONS 26

**CHAPTER 27 MISCELLANEOUS TOPICS**

- 27-0. General
  - 27-1. Accommodation land and accommodation works
  - 27-2. Amortization
  - 27-3. Annuity
  - 27-4. Encumbrance factor
  - 27-5. Life of structures
  - 27-6. Mobilisation fund
  - 27-7. Record of Rights
    - (1) Category of land
    - (2) Classification of land
    - (3) Encumbered land
    - (4) Holder of land
    - (5) Land under acquisition or reservation
    - (6) Nature of holding
    - (7) Occupant of land
    - (8) Period of validity
    - (9) Restriction on transfer
  - 27-8. Stamp duty
  - 27-9. Valuation as a going concern
  - 27-10. Valuation of contaminated properties
  - 27-11. Valuation of green building
    - Approaches to valuation of green buildings
  - 27-12. Valuation of heritage properties
    - (1) Transaction-related characteristics
    - (2) Structural characteristics
    - (3) Architectural characteristics
    - (4) Location characteristics
    - (5) Historical characteristics
  - 27-13. Professional ethics
  - 27-14. Report writing
  - 27-15. Functions and duties of a valuer
  - 27-16. International valuation standards 2017
    - (1) Introduction
    - (2) Objectives of IVS
    - (3) Amendments in IVS 2017
    - (4) Arrangement of IVS, 2017
    - (5) Conclusions
  - 27-17. ICAI valuation standards (ICAI VS)
- QUESTIONS 27

**APPENDIX I IMPORTANT JUDGMENTS OF COURT**

**APPENDIX II REAL ESTATE REGULATION AND DEVELOPMENT AUTHORITY (RERA) ACT, 2016**

**APPENDIX III QUESTIONS AND OPINION/ANSWERS**

**APPENDIX IV VALUATION TABLES**

**BIBLIOGRAPHY**

**INDEX**