

CODE OF CONDUCT FOR REGISTERED VALUERS
(Clause (g) of rule 7 and clause (d) of sub-rule (2) of Rule 12)

INTEGRITY AND FAIRNESS

- 1 A valuer shall, in the conduct of his/its business, follow high standards of integrity and fairness in all his/its dealings with his/its clients and other valuers.
- 2 A valuer shall maintain integrity by being honest, straight forward, and forthright in all professional relationships.
- 3 A valuer shall endeavour to ensure that lie/it provides true and adequate information and shall not misrepresent any facts or situations.
4. A valuer shall refrain from being involved in any action that would bring disrepute to the profession.
5. A valuer shall keep public interest foremost while delivering his services.

PROFESSIONAL COMPETENCE AND DUE CARE

6. A valuer should render at all times high standards of service, exercise, due diligence, ensure proper care and exercise independent professional judgment.
7. A valuer should carry out professional services in accordance with the relevant technical and professional standards that may be specified from time to time
8. A valuer should continuously maintain professional knowledge and skill to provide competent professional service based on up-to-date developments in practice, prevailing regulations/guidelines and techniques.
9. In the preparation of a valuation report, the valuer should not disclaim liability for his/its expertise or deny his/its duty of care, except to the extent that the assumptions are statements of fact provided by the company and not generated by the valuer.
10. A valuer should have a duty to carry out with care and skill, the instructions of the client insofar as they are compatible with the requirements of integrity, objectivity and independence.
11. A valuer shall clearly state to his client te services that he would be competent to provide and the services for which he would be relying on the other valuers or professionals or for which the client can have a separate arrangement with other valuers.

INDEPENDENCE AND DISCLOSURE OF INTEREST

12. A valuer should act with objectivity in his/its professional dealings by ensuring that his/its decisions are made without the presence of any bias, conflict of interest, coercion, or undue influence of any party, whether directly connected to the valuation assignment or not.
13. A valuer should not take up an assignment under the Act/Rules if he/it or any of his/its relatives or associates is not independent in relation to the company and assets being valued.
14. A valuer should maintain complete independence in his/its professional relationships and shall conduct the valuation independent of external influences.
15. A valuer should wherever necessary disclose to the clients, possible sources of conflicts of duties and interests, while providing unbiased services.
16. A valuer should not deal in securities of any subject company after any time when he/it first becomes aware of the possibility of his/its association with the valuation, and in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015.
17. A valuer should not indulge in “mandate snatching” or “convenience valuations” in order to cater to the company’s needs or client needs.
18. As an independent valuer, the valuer should not charge success fee.
19. In any fairness opinion or independent expert opinion submitted by a valuer, if there has been a prior engagement in an unconnected transaction, the valuer should declare the past association with the company during the last 5 years.

CONFIDENTIALITY

20. A valuer should not use or divulge to other clients or any other party any confidential information about the subject company, which has come to his/its knowledge without proper and specific authority or unless there is a legal or professional right or duty to disclose.

INFORMATION MANAGEMENT

21. A valuer should ensure that he/ it maintains written contemporaneous records for any decision taken, the reasons for taking the decision, and the information and evidence in support of such decision. This should be maintained so as to sufficiently enable a reasonable person to take a view on the appropriateness of his/its decisions and actions.
22. A valuer should appear, co-operate and be available for inspections and investigations carried out by the Registration Authority, any person authorised by the Registration Authority, the

Valuation Professional Organisation with which he/it is registered or any other statutory regulatory body.

23. A valuer should provide all information and records as may be required by the Registration Authority, the Tribunal, Appellate Tribunal, the Valuation Professional Organisation with which he/it is registered, or any other statutory regulatory body.

24. A valuer while respecting the confidentiality of information acquired during the course of performing professional services, should maintain proper working papers for a period of three years, for production before a regulatory authority or for a peer review. In the event of a pending case before the Tribunal or Appellate Tribunal, the record should be maintained till the disposal of the case.

GIFTS AND HOSPITALITY

25. A valuer, or his/its relative should not accept gifts or hospitality which undermines or affects his independence as a valuer. Explanation – For the purposes of this code the term ‘Relative’ shall have the same meaning as defined in clause (77) of section 2 of the Companies Act, 2013 (18 of 2013).

26. A valuer should not offer gifts or hospitality or a financial or any other advantage to a public servant or any other person, intending to obtain or retain work for himself/ itself, or to obtain or retain an advantage in the conduct of profession for himself/ itself.

REMUNERATION AND COSTS

27. A valuer should provide services for remuneration which is charged in a transparent manner, is a reasonable reflection of the work necessarily and properly undertaken, and is not inconsistent with the applicable rules.

28. A valuer should not accept any fees or charges other than those which are disclosed in written contract with the person to whom he would be rendering service.

OCCUPATION, EMPLOYABILITY AND RESTRICTIONS

29. A valuer should refrain from accepting too many assignments, if he/it is unlikely to be able to devote adequate time to each of his/ its assignments.

30. A valuer should not conduct business which in the opinion of the Registration Authority is inconsistent with the reputation of the profession.

ADDITIONAL CODE OF CONDUCT FOR WHICH MEMBERS ARE ACCOUNTABLE

PRIMARY DUTY AND OBLIGATION

31. It is valuer's obligation to develop and describe the appropriate type of value or estimated cost.
32. It is valuer's obligation to develop appropriate and credible conclusion and opinions with a high degree of accuracy depending on the purpose of the valuation assignment.
33. A valuer shall abstain from deliberately giving false and misleading opinion and conclusion.
34. A valuer shall attain high degree of competency in his work through education, training, study, practice, and experience.
- 35 A valuer shall, in the conduct of his/its business, follow high standards of integrity and fairness in all his/its dealings with his/its clients and other valuers.
- 36 A valuer shall maintain integrity by being honest, straight forward, and forthright in all professional relationships.
- 37 A valuer shall endeavour to ensure that lie/it provides true and adequate information and shall not misrepresent any facts or situations.
- 38 A valuer shall refrain from being involved in any action that would bring disrepute to the profession.
- 39 A valuer shall keep public interest foremost while delivering his services.

VALUATION REPORT

- 40 A valuation report should convey every analysis, conclusion and opinion reached in a manner which is clear and not misleading.
- 41 The valuation investigations, methods, approaches, bases, premises and reporting should be in compliance with the valuation standards in force.

OBJECTIVITY

- 42 The principle of objectivity imposes an obligation on the valuer not to compromise his professional or business judgement because of bias, conflict of interest or undue influence of others.
- 43 Some threats to objectivity are incapable of avoidance or mitigation and where this is the case the valuer should decline the assignment. However some potential threats to objectivity may be either eliminated or effectively mitigated by safeguards. These safeguards can include

appropriate disclosure of the threat to the relevant parties and obtaining their consent to proceed with the valuation assignment.

PROFESSIONAL BEHAVIOUR

44 A valuer shall accept a responsibility to act in the public interest. A professional valuer's duty is not limited to meet the needs of a particular client or employer. There is also a need to consider if professional decisions have a wider impact on unidentified third parties. While the client's needs are normally paramount, a professional valuer shall avoid knowingly accepting any instruction that appears to be prejudicial to the interests of the wider public and which could discredit their own reputation and that of the profession generally.

45 Valuer shall ensure that the service provided is in accordance with all legal, technical and professional standards that are applicable to either the subject of the valuation, the purpose or the valuation or both.

46 A valuer should be honest and truthful and should not

- a) make exaggerated claims for the services he is able to offer, the qualifications he possesses, or experience he have gained; or
- b) make disparaging references or unsubstantiated comparisons to the work of others.