

Professional Prudence for Valuation Practice under IBC
(With reference to 2026 Amendments)

DO's for Registered Valuers

1. Follow **IVS (International Valuation Standards)** for all IBC assignments.
2. Accordingly disclose the **basis of value, methodology, assumptions, discounts, and premiums etc.**
3. Conduct **physical verification** of assets before valuation.
4. Consider **tangible assets, intangible assets, and underlying synergies** while determining fair value.
5. Maintain complete **working papers, documentation, and supporting evidence.**
6. Obtain a VRIN from IBBI and VRN from IOVRVF before generating any Valuation reports.
7. Participate in CoC meetings and explain the valuation methodology when required.
8. Maintain strict **confidentiality** of fair value, liquidation value, and valuation reports.
9. Ensure proper assessment of **receivables, litigation impact, sustainability factors, and business risks.**
10. Keep records ready for regulatory review and audit scrutiny.

DON'Ts for Registered Valuers

1. Do not rely solely on desk reviews without adequate verification.
2. Do not ignore **intangible assets, goodwill, intellectual property, or enterprise synergies.**
3. Do not use valuation methodologies without proper justification and documentation.
4. Do not submit reports lacking supporting evidence or working papers.
5. Do not conceal any **conflict of interest** or professional relationship.
6. Do not disclose valuation information to unauthorized persons.
7. Do not use generic assumptions without explaining their impact on valuation.
8. Do not overlook avoidance transactions falling within the expanded **2-year look-back period.**
9. Do not deviate from IBBI-notified formats and standards.
10. Do not compromise professional independence, objectivity, and ethical conduct and not to indulge in providing convenience value.