



भारतीय दिवाला और शोधन अक्षमता बोर्ड

Insolvency and Bankruptcy Board of India

Frequently Asked Questions: Registered Valuers **(For Valuer Entity Applicants)**

(Updated as on 1st October, 2021)

Insolvency and Bankruptcy Board of India
7th Floor, Mayur Bhawan, Shankar Market,
Connaught Circus, New Delhi -110001

Table of Contents

S. No. [V.4.0]	Particulars	Page No.
1	GENERAL	3 – 8
2	APPLICATION FILING	9-11
3	POINT OF CONTACT	12 - 13

1. GENERAL

1. Who is a valuer entity?

Ans. A Valuer Entity is a registered Partnership firm, Limited Liability Partnership or Company, who does the work of valuation.

2. Who is a registered valuer entity?

Ans. A registered valuer entity (RV-E) means a registered partnership firm or a company which is registered with the Authority as valuer in accordance with the Companies (Registered Valuers and Valuation) Rules, 2017 (the Rules).

3. Who is the Authority?

Ans. Insolvency and Bankruptcy Board of India (IBBI) has been specified as the Authority by the Central Government under section 458 of the Companies Act, 2013.

4. Who is eligible to be registered as a valuer entity under the Companies Act, 2013?

Ans. A registered partnership entity or a company is eligible for registration, subject to meeting the eligibility requirements provided for in the Rules.

5. Who is a Registered Valuer Organisation (RVO)?

Ans. Registered Valuers Organisation (RVO) is an organisation recognised under sub-rule (5) of rule 13 of the Rules and are the first line of regulators. An applicant has to be first a member with an RVO before seeking registration as a registered valuer entity.

6. What work can a registered valuer entity undertake?

Ans. A registered valuer entity can undertake valuation of only such assets for which the RV-E is registered for.

7. Registered valuer entities are registered for how many asset classes?

Ans. Three, namely,

- (i) Land and Building
- (ii) Plant and Machinery
- (iii) Securities and Financial Assets.

8. Can a Registered Valuer Entity for one asset class register for another asset class?

Ans. Yes, subject to meeting the eligibility criteria specified for the said asset class

for which registration is being sought. The entity must have at least one individual registered valuer for each asset class, for which it seeks registration.

9. Can an applicant be registered as valuer entity for all asset classes?

Ans. Yes, subject to satisfaction of eligibility conditions prescribed under the Rules. The entity must have at least one individual registered valuer for each asset class, for which it seeks registration.

10. Can an applicant be registered directly with the Authority?

Ans. No, an applicant cannot seek direct registration with the Authority. The application (Form B along with Addendum to Form B) of a partnership entity or company must be routed through the RVO along with the recommendation of the RVO recognised for the asset class for which registration is being sought.

11. Where can an applicant be enrolled as a valuer entity member?

Ans. Applicant needs to be enrolled as a member with a Registered Valuers Organisation.

12. How can an applicant valuer entity select RVO for enrolment?

Ans. The applicant entity can seek membership with any of the RVO, the details of which is displayed on IBBI website. However, the applicant may seek membership of only that RVO which is recognised for the asset class, for which it intends to take registration with the Authority.

13. Can an applicant valuer entity be enrolled with two RVOs?

Ans. No. A registered valuer entity should be a member of only one RVO.

14. What are the conditions of Registration?

Ans. The registration granted under the Rules shall be subject to the valuer entity complying at all times the conditions stipulated under rule 7 of the Rules.

15. What is the process for a partnership firm or company to become a registered valuer entity?

Ans. Following are the (mandatory) stages to be followed by an Individual to become a Registered Valuer (RV):

Stage	Particulars
-------	-------------

I	Seek membership (Valuer entity Member) with a Registered Valuers Organisation (RVO). <i>NB: On receipt of application, RVO will scrutinise the application to ensure that the same conforms to the eligibility requirements for registration as prescribed under rule 3 of the Rules. After establishing eligibility with the Rules, RVO shall enroll an Applicant as Valuer Entity Member.</i>
II	Submission of Application for Registration (Form-B) in hard copy by applicant to RVO. Applicant to ensure submission of following physical documents to RVO: (i) duly signed Form-B; (ii) copies of documentary proofs and; (iii) proof of payment of fees. <i>NB: Application for registration (Form-B) will be submitted by the Applicant to the RVO with whom the applicant is enrolled, for its verification.</i>
III	RVO, upon receipt of Application for Registration from the Applicant, shall verify the application and enclosed documentary proofs. RVO while processing the application, may seek additional documents or clarifications with respect to the application from the applicant.
IV	RVO may recommend and send physical application to IBBI. The application must include the following: a. Physical Form B (signed by authorized representative) and Addendum to Form B (signed by all the partners/directors) b. Recommendation for registration by RVO (duly signed by authorized officer with seal of RVO affixed); c. copies of documentary proofs; and, d. Proof of Payment of Fees.
V	The IBBI while processing the application, may seek additional documents or clarifications with respect to the application from applicant, through the applicant's RVO.
VI	After the applicant has been granted registration by the Authority, the Authority would update details of the RV-E on its website and issue a Certificate of Registration to RV-E.

16. Can a valuer entity member shift its membership from one RVO to another?

Ans. Yes, prior to registration as a registered valuer entity, a valuer entity member can shift his membership from one RVO to another. The process prescribed in circular No. IBBI/RVO/029/2020 dated 28th January 2020 (copy on the website of IBBI), as far as applicable to entity, should be followed.

17. Can a registered valuer entity shift its membership from one RVO to another?

Ans. Yes, with the prior permission of IBBI, a registered valuer entity can shift his membership from one RVO to another. The process prescribed in circular No. IBBI/RVO/029/2020 dated 28th January, 2020 (copy on the website of IBBI), as far as

applicable to entity, should be followed.

18. Can an applicant surrender its membership with RVO?

Ans. Yes, an entity member may surrender its membership of RVO. The registration status of the entity, if registered, shall become inactive.

19. Whether any membership card, identity card, registration certificate etc. is issued upon registration as a registered valuer?

Ans. An eligible applicant RV-E, upon registration would receive a Certificate of Registration. Soft copy of the certificate is sent to the applicant on its registered email address, while physical copy is handed over to the respective RVO of which RV-E is a member. However, no membership card / identity card etc. is issued other than the certificate of registration.

20. What are the eligibility norms for a Partnership entity or company to be registered as a valuer?

Ans. The eligibility norms for a partnership entity or company to be registered as a valuer is stated under Rule 3(2) of the Rules.

21. Can a partnership entity or a company rendering any kind of services be registered as a valuer?

Ans. A partnership entity or a company can be registered as valuer only if it has been set up with the object of rendering professional or financial services including valuation services. In case of Company, it should not be a subsidiary, joint venture or associate of another company or body corporate.

22. Are all partners or directors required to have passed the valuation examination for a partnership firm or a company to be eligible for registration as a valuer?

Ans. Yes, all partners or directors should have passed the valuation examination under rule 5 within three years preceding the date of making an application for registration under rule 6.

23. How many partners or directors need to be registered valuers for a partnership firm or a company to be eligible for registration as a valuer?

Ans. Three or all the partners or directors, whichever is lower, of the partnership firm or company, as the case may be, need to be registered valuers with at least one of the partner or director being a registered valuer for the same asset class for which registration is being sought by the partnership firm or company. The registered valuers must possess certificate of practice for the relevant asset class.

24. Can a registered valuer be director or partner in more than one registered valuer entity?

Ans. No.

25. If a partnership firm or a company has partners or directors who are registered valuers in the asset class of 'Plant and machinery', can the firm or company be registered as a registered valuer entity in the asset class of 'Land and Building'?

Ans. No, a partnership firm or a company needs to have at-least one partner or director in the asset class of 'Land and Building', to be granted registration as a registered valuer in the asset class of 'Land and Building'.

26. Can an unregistered firm be registered as a valuer?

Ans. No. Only a partnership entity registered under the Indian Partnership Act, 1932 or a limited liability partnership registered under the Limited Liability Partnership Act, 2008 can be registered as a Valuer.

27. Can the application for registration of a partnership entity or company be sent directly to the Authority for registration?

Ans. No, application (Form B along with Addendum to Form B) of a partnership entity or company must be routed through the RVO along with the recommendation of the RVO recognised for the asset class for which registration is being sought.

28. Can the composition of partnership firm or company be changed after being registered as valuer?

Ans. Yes. However, the same must be communicated to the Authority at the earliest and not later than 7 days of such change. In case of removal of partner or director, the detailed reasons for such removal should also be intimated.

29. Can the terms of Partnership Deed, or Articles of Association/ Memorandum of Association in case of Company, be changed after being registered as valuer?

Ans. Yes. However, the same must be communicated to the Authority at the earliest and not later than 7 days of such change coming into effect.

2. APPLICATION FILING

30. Is there a standard format for an application for registration as Registered Valuer Entity?

Ans. Yes. A Partnership Entity or Company needs to submit the application as per Form-B of Annexure II of the Rules.

31. Within how many days of submission of application, registration is granted?

Ans. Subject to fulfilment of terms and conditions, registration is granted to an applicant within 60 days of receipt of application excluding the time given to the applicant for presenting additional documents, information or clarification, or appearing in person, as the case may be.

32. In case there is an observation / query with regard to an application, in how many days should the query be addressed by the applicant?

Ans. Within 21 days from the date of query.

33. What happens if the query is not addressed within 21 days?

Ans. The application is liable to be rejected.

34. If rejected in the absence of submission of clarification / information within 21 days, can fresh application be made?

Ans. Yes.

35. Is there a fee required to be paid along with application form?

Ans. Yes, a non-refundable application fees of Rs.10,000/- (plus applicable tax) shall be paid by the applicant Partnership Entity or Company.

36. What is the Process flow for submitting an application?

Ans. The process flow for submitting an application is as under:

STEP	Activity	Activity to be Performed By	Details
------	----------	-----------------------------	---------

1	Submission of Form-B	Applicant	Applicant submits Form-B and supporting documentary proofs to its RVO. Applicant to send the following documents to RVO in physical form: (i) physical Form-B; (ii) proof of supporting documents and; (iii) Payment proof to RVO.
2	Verification of Form B	RVO	RVO to verify Physical Form B and supporting documents received from the applicant entity.
3	Recommendation / Approval of RVO	RVO	RVO may recommend application for registration and send physical application to IBBI. The application must include the following: a. Checklist for Form-B (shared with RVOs); b. Physical Form B signed by authorized representative of the entity); c. Addendum to Form B signed by all the partners/directors; d. Recommendation by RVO for registration (duly signed with seal affixed of RVO) e. Supporting documents, and f. Proof of Payment of Fees.
4	Final Approval	IBBI	IBBI may grant registration to the applicant entity after establishing the eligibility of the applicant entity with the Rules. The details of RVE is reflected on the website of IBBI. A Certificate of Registration will also be issued by the Authority after final approval.

3. POINT OF CONTACT

37. After filing of application, whom should the applicant contact in case an update on status of application is required?

Ans. Respective RVO may be contacted with due consideration of the timelines stipulated under the rules.

38. In case a query / clarification request has been received by the applicant, whom should be contacted in case further clarification is required on the matter?

Ans. Respective RVO may be contacted. RVOs will guide applicants with clarifications on the observation/s received.

39. Where can we find contact details of RVO?

Ans. IBBI website link capturing contact details of RVO is as under:

<https://ibbi.gov.in/service-provider/valuer-organisations>

40. Where to contact in case of clarification regarding registration as a Registered Valuer?

Ans. Respective RVO may be contacted.

In case any of the query referred to RVO is not resolved within **7 days**, the email should be forwarded to valuer@ibbi.gov.in with a copy to respective RVO.
