

SCHEDULE I

MODEL CODE OF CONDUCT FOR REGISTERED VALUERS

(Under Rule 12(e) of the Companies (Registered Valuers and Valuation) Rules, 2017)

Integrity and Fairness

1. A valuer should 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 should maintain integrity by being honest, straightforward, and forthright in all professional relationships.
3. A valuer should endeavour to ensure that he/it provides true and adequate information and shall not misrepresent any facts or situations.
4. A valuer should refrain from being involved in any action that would bring disrepute to the profession.

Professional Competence and Due Care

5. A valuer should render at all times high standards of service, exercise, due diligence, ensure proper care and exercise independent professional judgment.
6. A valuer should carry out professional services in accordance with the relevant technical and professional standards that may be specified from time to time
7. 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.
8. 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.
9. 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.

Independence and Disclosure of Interest

10. 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.
11. 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.
12. A valuer should maintain complete independence in his/its professional relationships and shall conduct the valuation independent of external influences.
13. A valuer should wherever necessary disclose to the clients, possible sources of conflicts of duties and interests, while providing unbiased services.
14. 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.
15. A valuer should not indulge in “mandate snatching” or “convenience valuations” in order to cater to the company’s needs or client needs. A valuer should communicate in writing with a prior valuer if there is knowledge of any prior valuer having been appointed before accepting the assignment.
16. As an independent valuer, the valuer should not charge success fee.
17. 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.

Confidentiality

18. 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

19. 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.

20. 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.
21. 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.
22. 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.

23. A valuer, or his/its relative should not accept gifts or hospitality which undermines or affects his independence as a valuer.
24. 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.

25. 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.
26. A valuer should not accept any fees or charges other than those which are disclosed to and approved by the persons fixing his/ its remuneration.

Occupation, employability and restrictions.

27. 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.
28. A valuer should not engage in any employment, except when he has temporarily surrendered his certificate of membership with the Valuation professional Organisation with which he is registered.
29. A valuer should not conduct business which in the opinion of the Registration Authority is inconsistent with the reputation of the profession.