Professional Ethics and Standards

- **Model Code of Conduct under the Companies (Registered Valuers and Valuation) Rules, 2017: professional competence and due care, independence and disclosure of interest, confidentiality, information management, gifts and hospitality**
- **Integrity and fairness, remuneration and costs, occupation, employability and restrictions, business ethics**
- **Ethical considerations under terms of engagements: engagement letter, management representation, guidance on use of work of experts, independence and conflict of interest, quality review process of valuers, rights and responsibilities of valuers**

Model Code of Conduct under the Companies (Registered Valuers and Valuation) Rules, 2017

- Link for the same is: https://ibbi.gov.in/uploads/rules.pdf

Salient Features

- **Eligibility for registered valuers.**– (1) A person shall be eligible to be a registered valuer if he-
- is a valuer member of a registered valuers organisation;
- *Explanation.*– For the purposes of this clause, "a valuer member" is a member registered valuers organisation who possesses the requisite educational qualifications and experience for being registered as a valuer;
- is recommended by the registered valuers organisation of which he is a valuer member for registration as a valuer;
- has passed the valuation examination under rule 5 within three years preceding the date of making an application for registration under rule 6;
- possesses the qualifications and experience as specified in rule 4;
- is not a minor;
- has not been declared to be of unsound mind;
- is not an undischarged bankrupt, or has not applied to be adjudicated as a bankrupt;
- is a person resident in India;

Explanation.– For the purposes of these rules 'person resident in India' shall have the same meaning as defined in clause (v) of section 2 of the Foreign Exchange Management Act, 1999 (42 of 1999) as far as it is applicable to an individual;

- has not been convicted by any competent court for an offence punishable with imprisonment for a term exceeding six months or for an offence involving moral turpitude, and a period of five years has not elapsed from the date of expiry of the sentence:

- Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be registered;
- has not been levied a penalty under section 271J of Income-tax Act, 1961 (43 of 1961) and time limit for filing appeal before Commissioner of Income-tax (Appeals) or Income-tax Appellate Tribunal, as the case may be has expired, or such penalty has been confirmed by Income-tax Appellate Tribunal, and five years have not elapsed after levy of such penalty; and
- is a fit and proper person:
- *Explanation*.– For determining whether an individual is a fit and proper person under these rules, the authority may take account of any relevant consideration, including but not limited to the following criteria-
- integrity, reputation and character,
- absence of convictions and restraint orders, and
- competence and financial solvency.

Section 271 J

Penalty for furnishing incorrect information in reports or certificates.— Without prejudice to the provisions of this Act, where the Assessing Officer or the Commissioner (Appeals), in the course of any proceedings under this Act, finds that an accountant or a merchant banker or a registered valuer has furnished incorrect information in any report or certificate furnished under any provision of this Act or the rules made thereunder, the Assessing Officer or the Commissioner (Appeals) may direct that such accountant or merchant banker or registered valuer, as the case may be, shall pay, by way of penalty, a sum of ten thousand rupees for each such report or certificate.

- No partnership entity or company shall be eligible to be a registered valuer if-
- it has been set up for objects other than for rendering professional or financial services, including valuation services and that in the case of a company, it is [4]**[***]** a subsidiary, joint venture or associate of another company or body corporate;
- it is undergoing an insolvency resolution or is an undischarged bankrupt;
- all the partners or directors, as the case may be, are not ineligible under clauses (c), (d), (e), [5]**(**f), (g), (h), (i), (j) and (k) of sub-rule (1);
- three or all the partners or directors, whichever is lower, of the partnership entity or company, as the case may be, are not registered valuers; or
  none of its partners or directors, as the case may be, is a registered valuer for the asset class, for the valuation of which it seeks to be a registered valuer.

Guiding Principles

- It is fundamental to the integrity of the valuation process that those who rely on valuations have confidence that those valuations are provided by valuers who have the appropriate experience, skill and judgement, who act in a professional manner and who exercise their judgement free from any undue influence or bias. Accordingly, a professional valuer is expected to comply with the following ethical principles:
- **Integrity:** to be straightforward and honest in professional and business relationships.
- **Objectivity:** not to allow conflict of interest, or undue influence or bias to override professional or business judgement.
- **Competence:** to maintain the professional knowledge and skill required to ensure that a client or employer receives a service that is based on current developments in practice, legislation, and valuation techniques.
- **Confidentiality:** to respect the confidentiality of information acquired as a result of professional and business relationships and not to disclose such information to third parties without proper and specific authority (unless there is a legal or professional right or duty to disclose), nor to use information for the personal advantage of the professional valuer or third parties.
- **Professional behaviour:** to act diligently and to produce work in a timely manner in accordance with applicable legal requirements, technical and professional standards. To always act in the public interest and to avoid any action that discredits the profession.

Integrity and Fairness

- 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
  A valuer shall maintain integrity by being honest, straightforward, and forthright in all professional relationships.
- A valuer shall endeavour to ensure that he/it provides true and adequate information and shall not misrepresent any facts or situations.
- A valuer shall refrain from being involved in any action that would bring disrepute to the profession.
- A valuer shall keep public interest foremost while delivering his services.

- The principle of integrity imposes an obligation on all professional valuers to be straightforward and honest in all professional and business relationships. Integrity also implies fair dealing and truthfulness.
- A professional valuer should not knowingly be associated with a valuation, a report containing a valuation, a reference to a valuation or any other communication about a valuation if they believe that it either:
  - contains statements or information that are materially false or misleading or that are made recklessly; or
  - omits or obscures information required to be included where such omission or obscurity would be misleading.
- If a professional valuer becomes aware that they have been associated with such information, they should take immediate steps to be disassociated from that information, for example by issuing a modified valuation or report.

Professional competence and due care

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

Independence and disclosure of interest

- A valuer shall 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.
- A valuer shall not take up an assignment if he/it or any of his/its relatives or associates is not independent in terms of association to the company.
- A valuer shall maintain complete independence in his/its professional relationships and shall conduct the valuation independent of external influences.
- A valuer shall wherever necessary disclose to the clients, possible sources of conflicts of duties and interests, while providing unbiased services.
- A valuer shall 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 Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 or till the time the valuation report becomes public, whichever is earlier.
- A valuer shall not indulge in “mandate snatching” or offering “convenience valuations” in order to cater to a company or client’s needs.
- As an independent valuer, the valuer shall not charge success fee.
- 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 shall declare the association with the company during the last five years.

Confidentiality

- A valuer shall 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.

The principle of confidentiality imposes an obligation on all professional valuers to refrain from:

- disclosing outside the firm or employing organisation confidential information acquired as a result of professional and business relationships without proper and specific authority or unless there is a legal or professional right or duty to disclose; and
- using confidential information acquired as a result of professional and business relationships to their personal advantage or the advantage of third parties.

A professional valuer should maintain confidentiality, including in a social environment, being alert to the possibility of inadvertent disclosure, particularly to a close business associate or a close or immediate family member.

A professional valuer should maintain confidentiality of information disclosed by a prospective client or employer.

A professional valuer should maintain confidentiality of information within the firm or employing organisation.

A professional valuer should take reasonable steps to ensure that staff under the professional valuer's control and persons from whom advice and assistance is obtained respect the professional valuer's duty of confidentiality.

The need to comply with the principle of confidentiality continues even after the end of a relationship between a professional valuer and a client or employer. When a professional valuer changes employment or acquires a new client, the professional valuer is entitled to use prior experience. The professional valuer should not, however, use or disclose any confidential information either acquired or received as a result of a professional or business relationship.

The following are examples of circumstances where professional valuers are or may be required to disclose confidential information or when such disclosure may be appropriate:

- disclosure is permitted by law and is authorized by the client or the employer
- disclosure is required by law, for example:
- the production of documents or other provision of evidence in the course of legal proceedings; or
- disclosure to the appropriate public authorities of infringements of the law that come to light.
- There is a professional duty or right to disclose, when not prohibited by law:

- to comply with the quality review of a Valuation Professional Organisation or other professional body;
- to respond to an inquiry or investigation by a Valuation Professional Organisation or regulatory body;
- to protect the professional interests of a professional valuer in legal proceedings; or
- to comply with technical standards and ethical requirements.

In deciding whether to disclose confidential information, relevant factors to consider include:

- Whether the interests of all parties, including third parties whose interests may be affected, could be harmed if the client or employer consents to the disclosure of information by the professional valuer.
- Whether all the relevant information is known and substantiated, to the extent it is practicable. When the situation involves unsubstantiated facts, incomplete information or unsubstantiated conclusions, professional judgement should be used in determining the type of disclosure to be made, if any.
- The type of communication that is expected and to whom it is addressed.
- Whether the parties to whom the communication is addressed are appropriate recipients.

Information management

- A valuer shall 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 shall be maintained so as to sufficiently enable a reasonable person to take a view on the appropriateness of his/its decisions and actions.
- A valuer shall appear, co-operate and be available for inspections and investigations carried out by the authority, any person authorised by the authority, the registered valuers organisation with which he/it is registered or any other statutory regulatory body.
- A valuer shall provide all information and records as may be required by the authority, the Tribunal, Appellate Tribunal, the registered valuers organisation with which he/it is registered, or any other statutory regulatory body.
- A valuer while respecting the confidentiality of information acquired during the course of performing professional services, shall maintain proper working papers for a period of three years or such longer period as required in its contract for a specific valuation, 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 shall be maintained till the disposal of the case.

Gifts and hospitality

- A valuer or his/its relative shall 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).

Relative Section 2(77)

- (*77*) "relative", with reference to any person, means any one who is related to another, if—
- (*i*) they are members of a Hindu Undivided Family;
- (*ii*) they are husband and wife; or
- (*iii*) one person is related to the other in such manner as may be prescribed;

Rule 4 of the Companies (Specification of Definitions Details) Rules 2014:

A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely:-

1. Father: Provided that the term ‘Father’ includes step-father.
2. Mother: Provided that the term ‘Mother’ includes step-mother.
3. Son: Provided that the term ‘Son’ includes step-son.
4. Son’s wife.
5. Daughter.
6. Daughter’s Husband
7. Brother: Provided that the term ‘Brother’ includes step-brother.
8. Sister: Provided that the term ‘Sister’ includes step-sister.

In view to above, relatives have been very well defined in the Act and comprehensive directories of the relatives are as follows:-

- Member of HUF
- Husband
- Wife
- Father
- Step Father
- Mother
- Step Mother
- Son
- Step Son
- Son’s Wife
- Daughter
- Daughter’s Husband
- Brother
- Step Brother
- Sister
- Step Sister

It is important to note that Step Father, Step Mother, Step Son, Step Brother and Step Sister are included in the list of relatives but Step Daughter is not unde

Remuneration and costs

- A valuer shall 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.

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

Occupation, employability and restrictions

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

- A valuer shall not conduct business which in the opinion of the authority or the registered valuer organisation discredits the profession.

Ethical considerations under terms of engagements

- Threats to a professional valuer’s ability to comply with the Fundamental Principles may be created by a broad range of relationships and circumstances. A circumstance or relationship may create more than one threat, and a threat may affect compliance with more than one Fundamental Principle. Threats fall into one or more of the following categories:

  - **Self-interest threat** – the threat that a financial or other interest will inappropriately influence the professional valuer’s judgement or behaviour;

  - **Self-review threat** – the threat that a professional valuer will not appropriately evaluate the results of a previous judgement made or service performed, or by another individual within the same firm or employing organisation, on which the valuer may rely when forming a judgement as part of providing a current service;

  - **Client conflict threat** – the threat that two or more clients may have opposing or conflicting interests in the outcome of a valuation;

  - **Advocacy threat** – the threat that a professional valuer will promote a client’s or employer’s position to the point that their objectivity is compromised;

  - **Familiarity threat** – the threat that due to a long or close relationship with a client or employer, a professional valuer may be too sympathetic to their interests or too accepting of their work; and

  - **Intimidation threat** – the threat that a professional valuer will be deterred from acting objectively because of actual or perceived pressures, including attempts to exercise undue influence over the valuation opinion.

- The extent to which any of the categories of threat listed above will impinge on a professional valuer’s ability to comply with the Fundamental Principles will depend upon the facts surrounding the potential assignment. For example, if Company A had launched a hostile takeover bid for Company B, a client conflict threat would arise if a valuer was to accept an instruction from Company A when it was already instructed by Company B. In contrast, if Company A and Company B could not agree on a price and jointly instructed the valuer to provide an independent valuation, no conflict would arise.
- Safeguards are actions or other measures that may eliminate threats or reduce them to an acceptable level. They fall into the following broad categories:

- Safeguards contained in statutes or regulations relating to the purpose for which the valuation is undertaken.
- Safeguards contained in rules of conduct issued by a Valuation Professional Organisation to which the professional valuer belongs and
- safeguards contained in a firm’s internal working procedures and quality controls.

- Typical examples of safeguards created by statute or regulation include:
- regulations on the corporate structure and governance of firms providing valuation services
- statutory licensing of valuers for certain types of valuation
- regulations on the educational, training and experience requirements for individuals providing valuation services for specific purposes
- external review by a legally empowered third party of valuations, reports or other information produced by a professional valuer.

- Typical examples of safeguards created by a Valuation Professional Organisation include:

- requirements to comply with professional standards
- monitoring of compliance with professional standards and disciplinary procedures
- rules on the basis of remuneration for valuation assignments.

Typical examples of safeguards in a firm’s working procedures include:

- structuring a firm so that the professional valuer or valuation team dealing with a valuation assignment is operationally separate from parts of the firm providing any potentially conflicting service. Separation of managerial control, access to data and support services should all be considered as appropriate to the circumstances and level of threat
- requirements for maintaining a register of the material personal interests of professional valuers and other staff engaged in valuation assignments
- requirements for internal peer review of valuations
- periodically changing the professional valuer responsible for a recurring valuation assignment
- controls on the acceptance of gifts or hospitality from those commissioning valuations.

The typical examples of safeguards listed in the foregoing three paragraphs are not intended to be exhaustive, nor are they capable of avoiding or mitigating every threat that a professional valuer may encounter to their ability to comply with the Fundamental Principles

The effectiveness of a safeguard will often be enhanced by it being disclosed to the client and to any others who may rely upon the valuation. Consideration should therefore be given to the disclosure of any safeguards appropriate to the assignment that are in place or that are proposed before an assignment is commenced. Consideration should also be given to including reference to these safeguards in the valuation report or any published reference to the report, especially where the valuation is to be relied upon by parties other than the commissioning client.

Certain safeguards may increase the likelihood of identifying or deterring unethical behaviour. Such safeguards include:

- effective, well-publicised complaint systems operated by the employing organisation, a Valuation Professional Organisation or a regulator, which enable colleagues, employers and members of the public to draw attention to unprofessional or unethical behaviour
- an explicitly stated duty on professional valuers to report breaches of ethical requirements.

Engagement letter

- Link for Engagement Letter
- https://icairvo.s3.amazonaws.com/media/documents/Sample_Engagement_Letter_for_accepting_assignment_s_a_Registered_valuer.pdf

Ethical considerations under Terms of Engagement

The principle considerations of valuation involves determination of purpose of valuation, premise of valuation, valuation engagements, valuation process, valuation report and documentation.

Other Aspects in Connection to the Engagement Considerations-Engagement Letter:

There should be an engagement letter for all valuations performed by a valuer which categorically include the scope of work and the deliverables use and restrictions on the valuation report and any specific limitations known at the time of engagement.

Management representation

Management Representation: Management Representations may be taken by the valuer on items which involve assumptions of the management. However it is the responsibility of the valuer to independently assess and validate the management assumptions. In case the valuer is not able to validate the management assumptions and do agree to the business plan, he may decide not to issue the report.

Point 9 of the model code of conduct pertaining to professional competence and due care states that “in the preparation of a valuation report , the value shall not disclaim liability for his/her expertise or deny his/her duty of care, except to the extent that the assumptions are based on statements of fact provided by the company or its auditors or consultants or information available in public domain and not generated by the valuer”.

Guidance on use of work of experts

A valuer can rely upon the work of other experts and should specifically mention the same as part of the engagement letter as well as in the report. However he can’t disclaim the liabilities , if any irrespective of the nature of inputs or valuation by the other registered valuer.

It is worth nothing that the rule 8(2) of the rules dealing with the Conduct of Valuation states that “the registered valuer may obtain inputs for his valuation report or get a separate valuation for an asset class conducted from another registered valuer in which case he shall fully disclose the details of the inputs and the particulars etc. of the other registered valuer in his report and the liabilities against the resultant valuation irrespective of the nature of inputs or valuation by the other registered valuer, shall remain of the first mentioned registered valuer”.

Independence and conflict of interest

A valuer shall maintain complete independence in his/its professional relationships and shall conduct the valuation independent of external influences.

Quality Review Process of Valuers

Valuation Guidance Note No. 11

- Reviewing Valuations-**Introduction**
  - A valuation review is a review of a Valuer’s work undertaken by another Valuer exercising impartial judgement.
  - Because of the need to ensure the accuracy, appropriateness, and quality of Valuation Reports, valuation reviews have become an integral part of professional practice. In a valuation review, the correctness, consistency, reasonableness, and completeness of the valuation are considered.
    - A valuation review may call for input from experts with specialist knowledge of construction costs, property income, legal and tax matters, or environmental problems.

- A valuation review provides a credibility check on the valuation under review, and tests its strength by focusing upon
  - the apparent adequacy and relevance of the data used and enquiries made;
  - the appropriateness of the methods and techniques employed;
  - whether the analysis, opinions, and conclusions are appropriate and reasonable; and
  - whether the overall product presented meets or exceeds Generally Accepted Valuation Principles (GAVP).

- Valuations reviews are performed for a variety of reasons, including:
  - Due diligence required of financial reporting and asset management;
  - Expert testimony in legal proceedings and circumstances;
  - A basis for business decisions; and
  - Determination of whether a report complies with regulatory requirements, where
    - Valuations are used as part of the mortgage lending process, especially mortgages insured or regulated by the government, and
    - It is necessary to test whether Valuers have met regulatory standards and requirements within their jurisdiction.

- **Definitions**
- *Valuation Review.* A valuation assignment that covers a range of types and purposes. The principal characteristic all valuation reviews have in common is that one Valuer exercises impartial judgment in considering the work of another Valuer. A valuation review may support the same value conclusion in the valuation under review or it may result in disagreement with that value conclusion. Valuation reviews provide a credibility check on the valuation as well as a check on the strength of the work of the Valuer who developed it, as regards the Valuer’s knowledge, experience, and independence.

- Valuation organisations around the world distinguish between various types of reviews, e.g., *administrative (compliance) reviews, technical reviews, desk reviews, field reviews,* reviews to ensure that a valuation has been carried out in accordance with professional standards (where the bases of valuation used in the valuation under review are accepted), reviews that muster general market information to support or contest the value conclusion, and reviews that examine the specific data in the valuation under review with comparable data from a sample group.

  - *Administrative (Compliance) Review.* A valuation review performed by a client or user of valuation services as an exercise in due diligence when the valuation is to be used for purposes of decision-making such as underwriting, purchasing, or selling the property. A Valuer may, on occasion, perform an administrative review to assist a client with these functions. An administrative review is also under- taken to ensure that a valuation meets or exceeds the compliance requirements or guidelines of the specific market and, at a minimum, conforms to Generally Accepted Valuation Principles (GAVP).

- *Technical Review.* A valuation review performed by a Valuer to form an opinion as to whether the analyses, opinions, and conclusions in the report under review are appropriate, reasonable, and supportable.

- *Desk Review.* A valuation review that is limited to the data presented in the report, which may or may not be independently confirmed. Generally performed using a checklist of items. The reviewer checks for the accuracy of calculations, the reasonableness of data, the appropriateness of methodology, and compliance with client guide- lines, regulatory requirements, and professional standards. Also see *field review.*

- *Field Review.* A valuation review that includes inspection of the exterior and sometimes the interior of the subject property and possibly inspection of the comparable properties to confirm the data provided in the report. Generally performed using a checklist that covers the items examined in a desk review and may also include confirmation of market data, research to gather additional data, and verification of the software used in preparing the report. Also see *desk review.*

Guidance

- **In developing a valuation review, the Review Valuer shall**
  - **identify the client and intended users of the Valuation Review, the intended use of the Review Valuer's opinions and conclusions, and the purpose of the assignment;**
  - **identify the subject property, the date of the valuation review, the property and ownership interest valued in the report under review, the date of the report under review, the effective date of the opinion in the report under review, and the Valuer(s) who completed the report under review;**
  - **identify the scope of the review process to be performed;**
  - **identify all assumptions and limiting conditions in the valuation review;**
  - **develop an opinion as to the completeness of the report under review within the scope of work applicable to the assignment;**
  - **develop an opinion as to the apparent adequacy and relevance of the data and any adjustments;**
  - **develop an opinion as to the appropriateness of the methods and techniques used and develop the reasons for agreement or any disagreement with the report under review;** and
  - **develop an opinion as to whether the analyses, opinions, and conclusions in the work under review are appropriate, reasonable, and supportable.**

Considerations before Valuation Reviewer

- **In reporting the results of a valuation review, the Review Valuer shall**
  - **state the identity of the client and intended users, the intended use of the assignment results, and the purpose of the assignment;**
  - **state the information that must be identified in accordance with the above mentioned paragraphs ;**
  - **state the nature, extent, and detail of the review process undertaken;**
  - **state the opinions, reasons, and conclusions required in paragraphs mentioned above;**
  - **indicate whether all known pertinent information is included;** and
  - **include a signed Compliance Statement in the review report.**
- **The Review Valuer shall not consider events affecting the property or market that occurred subsequent to a valuation, but only information that was readily available in the market at the time of the valuation.**

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Reasons for agreement or disagreement with the conclusions of a valuation report should be fully explained by the Review Valuer.

- Where the Review Valuer agrees with the conclusions of a valuation report, reasons for such agreement should be fully explained and disclosed.
- Where the Review Valuer does not agree with the conclusions of a valuation report, the reasons for such disagreement should be fully explained and disclosed.
- Where the Review Valuer is not in possession of all the facts and information on which the Valuer relied, the Review Valuer must disclose the limitations of his or her conclusions.

Summary

- Professional ethics is one of the important branches of applied ethics. Professional ethics is the application of general ethical ideas to business. It refers to the moral principles and standards and a code pf conduct that professionals are expected to follow while dealing with others.
- The valuers are supposed to follow the professional ethics and standards as laid down by the Registered Valuers Organization (RVO's).
- A valuer or his/its relative shall not accept gifts or hospitality which undermines or affect his independence as a valuer.

Summary

- There should be an engagement letter for all the valuations performed by a valuer which categorically include the scope of work and the deliverables, use and restrictions on the valuation report and any specific limitations known at the time of engagement.
- A valuer should follow standards of integrity and fairness, professions competence and due care, and independence and disclosure of interest.