

With an objective to familiarise the eligible and desirous individuals and entities with the process of registration as a valuer with the Insolvency and Bankruptcy Board (IBBI), the IBBI released the process required.

The process of registration as registered valuer with the IBBI is as under:

A. For Individuals

Step 1: Satisfy yourself that you meet the eligibility requirements prescribed in rule 3 and qualification and experience prescribed in rule 4 of the Rules.

Step 2: Thereafter, seek enrolment as a valuer member of a RVO recognized by the IBBI.

Step 3: As a member of a RVO, complete the educational course recognised by the IBBI.

Step 4: Register and pass the computer based Valuation Examination of the relevant Asset Class conducted by the IBBI. Details of the Valuation Examination are available at IBBI website (www.ibbi.gov.in).

Step 5: Within three years of passing the valuation examination, submit Form A appended to the Rules, duly filled in along with a payment of Rs.5900 (Fee of Rs.5000 + 18% GST) in favour of the Insolvency and Bankruptcy Board of India and supporting documents, to your RVO. Quote GST number, if required by you. The Form A is to be submitted, documents to be uploaded and payment is to be made online. Please visit the IBBI web site www.ibbi.gov.in for this purpose.

Step 6: Thereafter, RVO shall verify Form A and other requirements and then submit the Form A along with its recommendation for registration as a valuer to the IBBI. The Form is to be submitted by the RVO online.

Step 7: On receipt of Form A along with recommendation of the RVO, the fee and other documents, the IBBI shall process the application for registration in accordance with the Rules.

B. For Entities (Partnership Firms, LLP and Companies)

Step 1: Satisfy yourself that you meet the eligibility requirements prescribed in rule 3 and qualification and experience prescribed in rule 4 of the Rules.

Step 2: Submit Form B appended to the Rules, duly filled in along with a payment of Rs.11,800 (Fee of Rs.10,000 + 18% GST) in favour of the Insolvency and Bankruptcy Board of India and supporting documents, to your RVO. Quote GST number, if required by you. The Form B is to be submitted, documents to be uploaded and payment is to be made online. Please visit the IBBI web site www.ibbi.gov.in for this purpose.

Step 3: Thereafter, RVO shall verify Form B and other requirements and then submit the Form B along with its recommendation for registration as a valuer to the IBBI. The Form is to be submitted by the RVO online.

Step 4: On receipt of Form B along with recommendation of the RVO, the fee and other documents, the IBBI shall process the application for registration in accordance with the Rules.

BACKGROUND

Earlier, The Central Government had notified the commencement of section 247 (relating to valuers) of the Companies Act, 2013 with effect from 18th October, 2017. It also notified the Companies (Registered Valuers and Valuation) Rules, 2017 (hereafter, Rules) on the same day.

Vide notification dated 23rd October, 2017, the Central Government issued the Companies (Removal of Difficulties) Second Order, 2017 to provide that valuations required under the Companies Act, 2013 shall be undertaken by a person who, having the necessary qualifications and experience, and being a valuer member of a recognised valuer organisation (RVO), is registered as a valuer with the Authority. Vide another notification on the same date, the Central Government delegated its powers and functions under section 247 of the Companies Act, 2013 to the Insolvency and Bankruptcy Board of India (IBBI) and specified the IBBI as the Authority under the Rules.

Subject to meeting other requirements, an individual is eligible to be a registered valuer, if he (i) is a fit and proper person, (ii) has the necessary qualification and experience, (iii) is a valuer member of a RVO, (iv) has completed a recognised educational course as member of a RVO, and (v) has passed the valuation examination conducted by the IBBI, and (vi) is recommended by the RVO for registration as a valuer. A partnership entity or a company is also eligible for registration subject to meeting the requirements.