

GUIDELINES ON "VALUATION REFERENCE NUMBER" ("VRN") BY IOV RVF

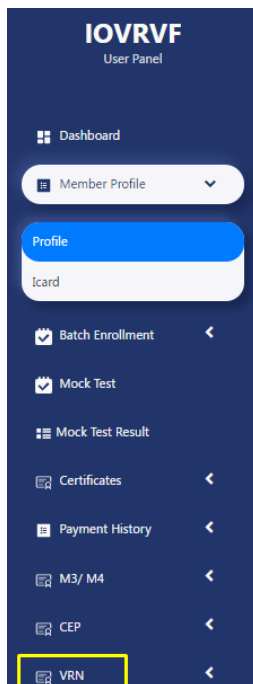
<p>1. VRN</p> <p>The attestation of a Registered Valuer on a certificate or any such document is of immense value since it usually signifies that the Registered Valuer, in his professional opinion, has ensured that there is no misrepresentation by the entity issuing/submitting such a document. A prime example of this being a Valuation report issued by the Valuer reflect a true and fair view of the state of affairs of the entity. It is because of this attestation or signature made by the Valuer that the investors, resolution professionals and other stakeholders can rely on the performance of an entity.</p>
<p>2. Applicability</p> <p>As per point no. 16 of Annexure III of the Companies (Registered Valuers and Valuation Rules, 2017) it is mandatory for all Registered Valuers in practice to obtain VRN for all the valuation reports issued by them if the report or any other content is certified as depicting a True and Fair view. The Registered Valuer Entities also required to generate VRN for all the valuation assignments certified by them.</p>
<p>3. Introduction</p> <p>It is being observed that certain unscrupulous individuals are forging signatures while posing as Valuers to issue valuation reports and other such documents with the intent of misleading the authorities. In view of the above, the IOV Registered Valuers Organisation (IOV RVF), has developed a method of securing the documents issued by a Valuers by issuing a Valuation Reference Number (VRN). The official announcement is available on the IOV RVF website.</p>
<p>4. What is VRN?</p> <p>It is a unique number given to documents attested by Valuers in Practice and generated on the IOV-RVF portal for every valuation assignments that have been attested by a Registered Valuers (RVs) of IOV-RVF done under Companies Act, 2013 or under International Valuation Standards.</p>
<p>5. When does the Registered Valuer in Practice has to generate VRN?</p> <p>The VRN has to be generated within 15 days from the date of signing or attesting the documents by the Registered Valuer in practice.</p>
<p>6. Limit on generation of VRN</p> <p>The IOV RVF has not put any limit on the number of VRN a Valuer can generate. Further the generated VRN shall not have any expiry unless revoked.</p>
<p>7. What kind of Documents VRN is applicable?</p> <p>VRN will be applicable both for manually as well as digitally signed Reports. In case of no field for mentioning VRN on digitally signed online reports, VRN has to be generated and retained for providing the same on being asked by the stakeholders.</p>
<p>8. Consequence of default</p> <p>The Registered Valuer in practice who defaults in generating VRN for mandatory documents shall face disciplinary actions as per Annexure III of the Companies (Registered Valuers and Valuation Rules, 2017).</p>

9. How to generate VRN?

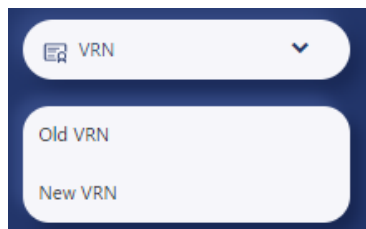
- a) Go on IOV-RVF website by clicking <https://iovrvfhub.org/>
- b) RVs can log in his/her account using his/her id and password.



- c) After Login dashboard will appear, Click on VRN



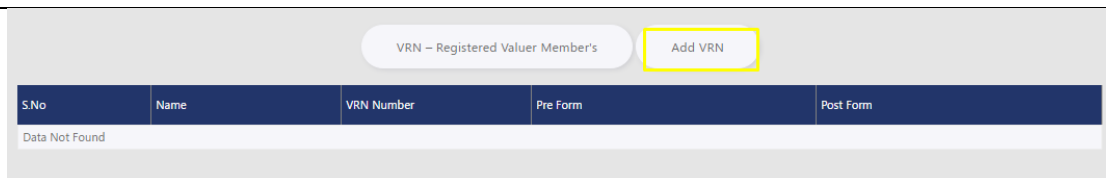
- d) Click on New VRN



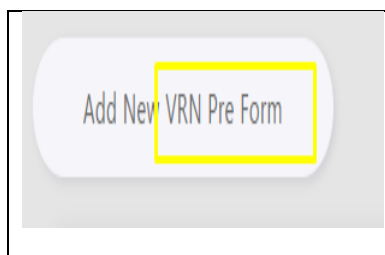
Old VRN: All existing VRN Nos. taken by RVs till March 31, 2021 shall be visible in OLD VRN column in the old format

New VRN: all new reference no. for all the assignments which are ongoing on or after April 01, 2021 shall be generated in NEW VRN Column in the new format

- e) Click “New VRN”, new window shall appear, click on “Add VRN”



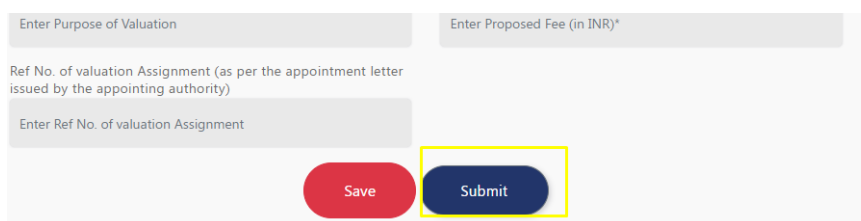
f) Click Add new VRN Pre Form



VRN Pre Form: It means every RV shall needs to fill this VRN Pre form **within 15 days** of getting the valuation assignment from the client.

It contains details of the RVs, details of appointing Authority, purpose of valuation, provisions under which valuation is done etc.

g) After filing the VRN Pre form, click “Submit”



h) After submission, a VRN No. shall be issued to the RVs.

10. How many Stages/Forms in the VRN?

The VRN Form has been alienated into two stages/forms i.e. VRN Pre form and VRN Post form.



Once you filled the VRN Pre form, you are eligible to fill the VRN Post Form.

VRN PRE FORM: It means every RV shall needs to fill this VRN Pre form **within 15 days** of getting the valuation assignment from the client.

It contains details of the RVs, details of appointing Authority, purpose of valuation, provisions under which valuation is done etc.

VRN POST FORM: It means every RV shall needs to fill this VRN Post form **within 15 days** of completing the valuation assignment and issuance of valuation report.

It contains details Valuation Date, Valuation Conclusion, Brief details of asset valued, details of experts involved etc.

Note: For authentication of VRN, both VRN forms shall needs to be filed by RVs for all the completed assignments. In case only VRN Pre Form is filed, then it means that the particular valuation assignment is in an ongoing stage and has not been completed yet.

11. Why is it important to generate VRN?

- a) As per the provisions of Point no.16 of Annexure III of the Companies (Registered Valuers and Valuation Rules, 2017), it is mandatory that:

*"A member shall submit information about ongoing and concluded engagements as a registered valuer, in the manner and format specified by the Organisation, at least twice a year stating inter alia, the date of assignment, date of completion and **reference number of valuation assignment** and valuation report.*

Here the Organisation refers to "RVO i.e. IOV-RVF" and Reference number of valuation assignment refers to "VRN".

b) Verification of Document using VRN:

The VRN is an initiative taken by IOV-RVF in an effort to curb misrepresentation by third persons posing as Registered Valuers who forge signatures on documents to mislead authorities. With the VRN, the respective authorities such as banks, RBI, Income Tax Department, etc. can check the validity of the documents issued by the IOV-RVF by sending us the VRN No. mentioned on the Valuation Report issued by the Registered Valuers via email.

12. Cancellation or modification in VRN

Once a VRN for a particular document has been generated, the details of the document corresponding with the VRN cannot be modified in any manner. However, there may be a situation where the document may either require certain changes or cancellation altogether. In such a situation, the VRN may be cancelled by sending a request on cop@iovrvf.org. Note that a reason for revocation will need to be provided.