

Insolvency and Bankruptcy Board of India
7th Floor, Mayur Bhawan, Connaught Place, New Delhi – 110001

CIRCULAR

No. IBBI/RV/103/2026

15th June 2026

To

All Registered Valuers
All Registered Valuer Entities
All Registered Valuer Organisations
All Registered Insolvency Professionals
All Registered Insolvency Professional Entities, and
All Registered Insolvency Professional Agencies
(By email to registered email addresses and on the website of the IBBI)

Dear Madam/Sir,

Subject: Guidelines for Conducting Valuation Under the Insolvency and Bankruptcy Code, 2016.

Valuation reports prepared under the Insolvency and Bankruptcy Code, 2016 (Code) are critical element to any process under the insolvency framework. They are essential for ensuring consistency, professionalism, transparency, comparability and trust in the valuation process, and thereby serve the public interest by promoting reliable and credible determination of value. Valuation reports must therefore be comprehensive, supported by adequate documentation, and prepared through a structured and well-reasoned assessment of the assets of the corporate debtor. Further, the reliability, credibility and adequacy of valuation reports are fundamental to achieving the objective of value maximisation under the Code.

2. Amended sub-regulation (1A) of regulation 35 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, sub-regulation (8) of regulation 35 of the IBBI (Liquidation Process) Regulations, 2016, clause (b) of sub-regulation (1) of regulation 3 of the IBBI (Voluntary Liquidation Process) Regulations, 2017, Sub-regulation (1A) of regulation 39 of the IBBI (Pre-packaged Insolvency Resolution Process) Regulations, 2021, and sub-regulation (5) of regulation 30 of the IBBI (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019, provide that a registered valuer shall prepare the valuation report and maintain such documentation as per the format notified by the Board through circular.

3. In view of the above, the Insolvency and Bankruptcy Board of India (IBBI) hereby specifies the Guidelines for Conducting Valuation Under the Insolvency and Bankruptcy Code, 2016, enclosed as **Annexure - I**.

3.1 Part I of these Guidelines sets out the general requirements regarding documentation to be maintained by the registered valuer; the minimum content of the valuation report; key parameters to be considered while valuing receivables; and duties of registered valuers towards designated coordinating valuer.

3.2 Part II contains the asset-specific formats for the valuation report; and

3.3 Part III provides the guidelines for coordinating valuer for determination of fair value of the corporate debtor under the Code.

4. Accordingly, every registered valuer appointed under the Code and the regulations made thereunder shall prepare valuation reports and maintain documentation in accordance with these Guidelines.

5. This circular shall come into force on the date of its issue and shall apply to all valuation conducted under the Code thereafter.

6. This circular is being issued in exercise of the powers conferred under the provisions of section 196 of the Code and regulations made thereunder.

Yours faithfully,

-Sd-

(B. Sankaranarayanan)
General Manager

Encl.: As above



भारतीय दिवाला और शोधन अक्षमता बोर्ड

Insolvency and Bankruptcy Board of India

GUIDELINES FOR CONDUCTING VALUATION UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Valuation reports and documentation are critical aspects, which collectively assist in creating consistency, professionalism, transparency, comparability, and trust in valuation to serve the public interest. Accordingly, valuation must have sufficient documentation and reporting that clearly describes and provides transparency to the intended user regarding the valuation approaches, methods, inputs, models, application of professional judgment, and the resulting values. The objective of these guidelines is to prescribe the minimum contents of the valuation report for conducting valuation under the Insolvency and Bankruptcy Code, 2016 (Code), and to specify the responsibility of a Registered Valuer in preparing the relevant documentation for arriving at a value. Accordingly, Part – I of these guidelines provides the general content covering (a) documentation requirements (b) minimum content of the valuation report (c) key parameters to be considered while valuing receivables and (d) duties of Registered Valuers towards the designated Coordinating Valuer. Part – II specifies the asset specific format of the Valuation Report and Part III provides the guidelines for Coordinating Valuer for determination of fair value of the corporate debtor under the Code. The details are provided below:

PART - I: GENERAL CONTENT

(a) Documentation

- i. Documentation shall constitute a comprehensive written record of the valuation, and shall include relevant communications with the client, working papers, and supporting materials that substantiate the conclusions reached.
- ii. The Registered Valuer shall ensure that documentation shall be maintained in a manner that clearly describes the valuation process and is sufficient to substantiate the conclusions reached by him. Such documentation should be sufficient to understand the scope of the valuation, the work performed, and the basis of the conclusions drawn.

- iii. Documentation shall include, but not be limited to, records of communication with the client; alternative methodologies considered; additional data and inputs evaluated; risks and potential biases identified and addressed; the exercise of professional judgement; and the valuation quality control procedures applied.
- iv. In all cases, documentation shall clearly set out the valuation process undertaken and the manner in which valuation risk was identified, assessed, and managed by the Registered Valuer.

(b) Minimum content of the valuation report

- i. Purpose and scope of the work;
- ii. Details of Registered Valuer & Registration Number;
- iii. Details of any other experts involved in the valuation;
- iv. Disclosure of valuer interest or conflict, if any;
- v. Identity of Client/appointing authority and other intended users;
- vi. Intended use;
- vii. Details of assets and/or liabilities being valued;
- viii. Background and other Relevant Information about the Asset Being Valued;
- ix. Valuation currency(ies) used and measurements;
- x. Valuation Report Identification Number (VRIN);
- xi. Sources of Information;
- xii. Basis/es and premise(s) of value adopted;
- xiii. Valuation Standards followed;
- xiv. Valuation Approaches, Methods or Valuation Model(s) applied;
- xv. Relevant discounts and premiums;
- xvi. Sources and selection of significant data and inputs used;
- xvii. Description of inspections and/or investigations undertaken;
- xviii. Sustainability and Functional Factors impacting valuation;
- xix. Significant or special assumptions, and/or limiting conditions;
- xx. Specific reasons for any asset being left out or assigned zero value;
- xxi. Findings of any other experts involved in the valuation;
- xxii. Value and Rationale for valuation; and
- xxiii. Caveats, limitations and disclaimers as per the IBBI (Use of Caveats, Limitations, and Disclaimers in Valuation Reports) Guidelines, 2020 as updated from time to time.

(c) Key Parameters to be considered while valuing receivables

- i. **Nature of Receivable:** Trade receivable, Loans, Advances, tax related receivables including carry forward losses, etc.
- ii. **Credit Risk Profile and Related Party Status:** Financial health, solvency status (e.g., defaulter, under litigation, insolvent), availability of external credit ratings (if any) and related party status.
- iii. **Ageing of Receivables:** Categorization of receivables by period outstanding (e.g., <3 months, <6 months, 6–12 months, <1 year, etc.).
- iv. **Legal Enforceability and Documentation:** Status whether secured or unsecured, disputed or undisputed, availability of enforceable documentation like valid contracts, invoices, acknowledgment of debt, KYC details of the debtors of Corporate Debtor, etc.
- v. **Past Recovery and Servicing Record:** Historical recovery experience from similar types of receivables or customers or industry sectors including legal and administrative costs, time of recovery, etc.
- vi. **Macroeconomic and Industry Factors:** Sector-specific default trends and economic conditions impacting the recoverability of receivables.
- vii. **Any other parameter** as considered relevant during the valuation process.

(d) Duties of the Registered Valuers towards the designated Coordinating Valuer

The Registered Valuers shall -

- i. provide full assistance and cooperation to the Coordinating Valuer, including timely sharing of inputs, data, and clarifications required for valuation;
- ii. comply with applicable provisions of the Code, regulations made thereunder, Companies (Registered Valuers & Valuation) Rules, 2017 and applicable valuation standards;
- iii. submit inputs and documents to the Coordinating Valuer in a timely manner;
- iv. ensure that all information, data, and assumptions shared are true, correct, complete, and free from material misstatement or omission.
- v. maintain working papers and supporting documentation to substantiate the inputs and analysis shared with the Coordinating Valuer.
- vi. provide additional information or clarifications sought by the Coordinating Valuer without delay.

PART – II: ASSET SPECIFIC FORMAT OF THE VALUATION

VALUATION REPORT FORMAT FOR LAND & BUILDING

Executive Summary of the Valuation Report

Item	Details
Client / Appointing Agency	[Name and registration number of the insolvency professional acting as Interim Resolution Professional (IRP), Resolution Professional (RP), Liquidator or Bankruptcy Trustee as the case may be,]
Details of the Corporate Debtor	[Name] including business profile, CIN/ LLP No., Legal Entity Identifier (LEI) (if available), Address of the registered office and principal office (if any) of Corporate Debtor, Date of incorporation of Corporate Debtor etc.
Purpose of Valuation	[Add details]
Class of Asset	Land & Building
Subject Asset	[Brief Description, e.g., Land & Building of XYZ, Project name, location etc.]
Scope of Work	[Scope Summary]
Insolvency commencement date (ICD) / Liquidation commencement date (LCD)	[dd/mm/yyyy]
Valuation Date	[dd/mm/yyyy]
Inspection Date	[dd/mm/yyyy]
Report Date	[dd/mm/yyyy]
Fair Value	INR X crore
Liquidation Value	INR Y crore
Details of the Registered Valuer	[Name of the Registered Valuer (RV)/Registered Valuer Entity (RVE)]
Registration Number	IBBI/RV/XXXX/YYYY
Date of appointment	[dd/mm/yyyy]

Item	Details
Status of certificate of practice (CoP) as on appointment date	[active/inactive]
VRIN as generated from the website of the Authority.	[]

a) Purpose and Scope of the Work

The purpose of this valuation is to estimate the *Fair Value* and/or *Liquidation Value* of the subject Land and Building asset(s), as required under the Insolvency and Bankruptcy Code, 2016 and rules & regulations made thereunder. The scope of work as agreed upon in the engagement/appointment letter for the intent and purpose of the assignment should be elaborated.

b) Details of the Registered Valuer & Registration Number

[Name of the Registered Valuer (RV)/Registered Valuer Entity (RVE)] – Land & Building Registration Number:

The VRIN shall be mentioned in the footer on the left side of each page of the report.

c) Details of any other experts involved in the valuation process

Provide name, qualifications, and role of any expert, if involved whose input was used in the valuation report.

d) Disclosure of valuer interest or conflict, if any

The Registered Valuer shall declare personal, financial, or professional interest in the valuation or any conflict of interest with the client or stakeholders, as per the provisions of Companies (Registered Valuers & Valuation) Rules, 2017.

e) Identity of Client/Appointing Authority and other intended users

Client/Appointing Authority: Name and registration number of the insolvency professional [acting as Interim Resolution Professional (IRP), Resolution Professional (RP), Liquidator or Bankruptcy Trustee as the case may be,] other intended users: [if any, e.g., Creditors]

f) Intended Use

This report is intended to determine valuation as per the provisions of the Insolvency and Bankruptcy Code, 2016 and rules and regulations made thereunder.

g) Details of Assets and/or Liabilities being Valued

Asset Class: Land and Building

Description:

Details should include Size, location/address where the land and building are situated, revenue survey, property circle rate, geographical coordinates of the location, name of Property Owner/ Lessor/ Lessee/ Sublessee/ Assignee, legal title status, status of lease as on valuation date, title deed/lease deed no., the interest to be valued, possession/occupancy status, type and current use of the asset(s), boundaries or cardinal directions (north, south, east, west), and general description of the asset(s), details of land (area, circle rates, access, topography/level, shape, frontage to depth ratio, visibility), any other relevant information.

h) Background and other Relevant Information about the Asset Being Valued

Details of property ownership history, details about mutation certificate, permissible use of the property, encumbrances (if any), relevant approvals (RERA, zoning), development potential, and other relevant information.

i) Valuation Currency(ies) and measurement

The valuation shall ordinarily be expressed in Indian Rupees (INR). Where, owing to the nature of the assets, business operations, transactions, or market practices, any value is expressed in a currency other than INR, the Registered Valuer shall provide reasons for the use of such currency. In such cases, the valuation report shall also disclose the applicable exchange rate used for conversion into INR, the date as of which such exchange rate has been considered, and the source from which the exchange rate has been obtained.

The units for measurement of land and building used in the report should be mentioned. For example, sq. ft., sq. m. or any other customary unit.

j) Sources of Information

- Title documents, site inspection, municipal approvals;
- List of buildings and civil structures along with their respective built-up area;

- Approved Building and Layout plans;
- Market data from government records & real estate databases;
- Discussions with local brokers;
- Expert reports (if any); and
- Other relevant source(s) of information as considered necessary.

k) Basis(es) and Premise of Value adopted

The Registered Valuer shall select the most appropriate ‘Basis(es) of Value’ and the ‘Premise(s) of Value’ for the purpose of IBC. The relevant definitions of the adopted Basis of value and Premise of value, must be stated with pertinent discussions in the following format:

Basis Adopted

Valuation Purpose	Basis

**The basis of valuations under IBC is to determine the fair value and liquidation value under relevant regulations of IBC.*

Premise Adopted

Asset Type	Premise Adopted	Remarks/Justification

**The premise of valuations shall be as per the provisions of relevant regulations or the applicable provisions of the Valuation Standards notified by the Board in this regard.*

l) Valuation Standards Followed

The Registered Valuer shall explicitly state that the Valuation Standards as notified by the Board have been followed in the valuation assignment. Further, the Registered Valuer shall also specify the relevant standards along with the relevant sections of the standards applied in the preparation of the valuation report.

m) Valuation Approaches and Methods or Valuation Model(s) Applied

Details of the approaches considered:

- Market Approach
- Income Approach

- **Cost Approach**

The valuation report must contain a conceptual description of each of these approaches with simultaneous discussion as to its applicability or non-applicability to the subject assignment and reasoning for the selected approach(es).

Out of the various methods available to estimate the value of the subject property within the approach(es) selected, the method(s) adopted by the Registered Valuer with reasons thereof must be provided in the report.

Further, while certain data such as physical characteristics and social infrastructure are common across all types of real estate, additional data requirements may vary depending on the specific method adopted. The Registered Valuer shall collect such method-specific data and disclose the same in the valuation report.

In addition to this, the Registered Valuer shall also provide brief details about the meetings held with members of the Committee of Creditors to explain the methodology being adopted to arrive at valuation as per the requirement of Regulation 35 (1)(b) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

n) Relevant discounts and premiums

The Registered Valuer shall provide a detailed description of all relevant discounts and premiums considered during the valuation process along with the rationale for each adjustment.

o) Sources of Data and Inputs Used along with rationale/justification.

- Neighborhood Analysis;
- Registered sales data from Sub-Registrar;
- Market quotes/survey;
- Online property portals;
- Local trends, macro-economic & micro-economic indicators;
- Approved FAR details and analysis of the possibility of enhanced FAR from asset maximisation prospective; and
- Any other source, to be specified.

p) Description of Inspections and/or Investigations Undertaken

- Site visit conducted on [dd/mm/yyyy];
- Physical measurements and photographic evidence taken;
- Observations on condition, location advantages, encumbrances;

- Interviews with local agents & verification of property access and marketability; and
- Any other details as considered necessary for the purpose of valuation.

q) Sustainability and Functional Factors impacting valuation

- Environmental: Information about environmental factors considered;
- Social: Connectivity, Proximity to social infrastructure, schools, hospitals etc.;
- Governance: RERA compliance, municipal approvals, zoning & land use conformity any other regulatory compliance/approval that affect the lawful usage of the asset;
- Right to sell/transfer/lease/develop the property;
- Age, structural condition, balance economic life of structures/building;
- Demand and Supply conditions;
- Potential usage/Alternative usage: Residential, Commercial, Leasehold etc.; and
- Any other factors affecting the asset's ability to generate net economic outcome.

r) Significant or Special Assumptions, and/or Limiting Conditions

- Title verification subject to legal opinion, if any;
- Assumed soil bearing capacity suitable for construction;
- Assumed free of unknown encumbrances unless stated;
- Estimated marketability based on current economic conditions;
- Pending litigation, if any, and its impact on valuation;

s) Value and Rationale for Valuation

- Fair Value: INR X crore
- Liquidation Value: INR Y crore

The Registered Valuer shall specify the rationale for arriving at the above values *inter alia* on the basis of analysis of comparable transactions, market trends, property conditions, regulatory constraints and known disputes, etc. in accordance with the applicable provisions of the Valuation Standards notified by the Board in this regard.

- Book Value: INR Z crore (Asset wise)
- Replacement Cost: INR R crore (Asset wise)

Where the cost approach has been adopted, the Registered Valuer shall disclose the replacement cost of the asset(s) as on the valuation date in accordance with the applicable provisions of the Valuation Standards notified by the Board in this regard.

t) Caveats, Limitations and Disclaimers

Caveats, limitations and disclaimers as per the IBBI (Use of Caveats, Limitations, and Disclaimers in Valuation Reports) Guidelines, 2020 as updated from time to time.

u) Summary of Conclusions

The valuation report in this section would conclude the identified rights, the approach and method adopted, data availability and provide the final calculation workings.

v) Annexures

- Appointment letter
- Engagement terms
- Site photographs
- Layout maps
- Title documents
- Market data extracts
- Minutes of the meetings/discussions held with Committee of Creditors
- Copy of engagement letter of expert, if involved whose input was used in the valuation report.

Note: (1) This is a basic format of valuation report. Additional information items may be included for specific asset classes as required.

(2) It may be noted that where any parameter is not applicable or data is unavailable, the Registered Valuer shall disclose and record appropriate justification for the same in the Valuation Report.

(3) The VRIN shall be mentioned in the footer on the left side of each page of the report.

VALUATION REPORT FORMAT FOR PLANT & MACHINERY

Executive Summary of the Valuation Report

Item	Details
Client / Appointing Agency	[Name and registration number of the insolvency professional acting as Interim Resolution Professional (IRP), Resolution Professional (RP), Liquidator or Bankruptcy Trustee as the case may be,]
Details of the Corporate Debtor	[Name] including business profile, CIN/ LLP No., Legal Entity Identifier (LEI No.) (if available), Address of the registered office and principal office (if any) of Corporate Debtor, Date of incorporation of Corporate Debtor etc.
Purpose of Valuation	[Add details]
Class of Asset	Plant & Machinery
Subject Asset	[Brief Description, e.g., Machinery at XYZ etc.]
Scope of Work	[Scope Summary]
Insolvency commencement date (ICD) / Liquidation commencement date (LCD)	[dd/mm/yyyy]
Valuation Date	[dd/mm/yyyy]
Inspection Date	[dd/mm/yyyy]
Report Date	[dd/mm/yyyy]
Fair Value	INR X crore
Liquidation Value	INR Y crore
Details of the Registered Valuer	[Name of the Registered Valuer (RV)/Registered Valuer Entity (RVE)]
Registration Number	IBBI/RV/XXXX/YYYY
Date of appointment	[dd/mm/yyyy]
Status of CoP as on appointment date	[active/inactive]

Item	Details
VRIN as generated from the website of the Authority.	[]

a) Purpose and Scope of the Work

The purpose of this valuation is to estimate the *Fair Value* and/or *Liquidation Value* of the subject Plant & Machinery asset(s), as required under the Insolvency and Bankruptcy Code, 2016 and rules & regulations made thereunder. The scope of work as agreed upon in the engagement/appointment letter for the intent and purpose of the assignment should be elaborated.

b) Details of the Registered Valuer & Registration Number

[Name of the Registered Valuer (RV)/Registered Valuer Entity (RVE)] – Plant & Machinery Registration Number:

The VRIN shall be mentioned in the footer on the left side of each page of the report

c) Details of any other experts involved in the valuation process

Provide name, qualifications, and role of any expert, if involved whose input was used in the valuation report.

d) Disclosure of valuer interest or conflict, if any

The Registered Valuer shall declare personal, financial, or professional interest in the valuation or any conflict of interest with the client or stakeholders, as per the Companies (Registered Valuers & Valuation) Rules, 2017.

e) Identity of Client/appointing Authority and other intended users

Client/Appointing Authority: Name and registration number of the insolvency professional [acting as Interim Resolution Professional (IRP), Resolution Professional (RP), Liquidator or Bankruptcy Trustee as the case may be,] other intended users: [if any, e.g., Creditors]

f) Intended Use

This report is intended to determine valuation as per the provisions of the Insolvency and Bankruptcy Code, 2016 and rules and regulations made thereunder.

g) Details of Assets and/or Liabilities Being Valued

Details should include location/address where the plant and machinery are situated, revenue survey, geographical coordinates of the location, name of Asset(s) Owner/Lessee /Assignee, title deed/lease deed no. (if any), asset no. (if any), machine name/make/capacity (installed capacity and operational capacity, wherever applicable), year of manufacturing, year of purchase, country of manufacturing, current use of the asset(s), date of put to use, quantity, units of measurement, and any other relevant information.

h) Background and Other relevant information about the Asset Being Valued

Ownership history, legal status, encumbrances, usage, approvals, development potential and other relevant information

i) Valuation Currency(ies) and Measurement

The valuation shall ordinarily be expressed in Indian Rupees (INR). Where, owing to the nature of the assets, business operations, transactions, or market practices, any value is expressed in a currency other than INR, the Registered Valuer shall provide reasons for the use of such currency. In such cases, the valuation report shall also disclose the applicable exchange rate used for conversion into INR, the date as of which such exchange rate has been considered, and the source from which the exchange rate has been obtained.

The units for measurement of Plant and Machinery used in the report should be mentioned.

j) Sources of Information

- Financials of the Corporate Debtor (P&L, Cash flow, Balance Sheet to understand the utilization of P&M assets);
- Fixed Asset Register;
- List of Plant and Machinery;
- Maintenance schedules;
- Purchase documents;
- Site inspection;
- Market data, comparables;
- Discussions with manufacturers, agents; and
- Cost indices (reproduction cost/replacement cost).

k) Basis(es) and Premise of Value adopted

The Registered Valuer shall select the most appropriate ‘Basis(es) of Value’ and the ‘Premise(s) of Value’ for the purpose of IBC. The relevant definitions of the adopted Basis of value, Premise of value, must be stated with pertinent discussions in the following format:

Basis Adopted

Valuation Purpose	Basis

**The basis of valuations under IBC is to determine the fair value and liquidation value as per relevant regulations*

Premise Adopted

Asset Type	Premise Adopted	Remarks/Justification

**The premise of valuations shall be as per the provisions of relevant regulations or the applicable provisions of the Valuation Standards notified by the Board in this regard.*

l) Valuation Standards Followed

The Registered Valuer shall explicitly state that the Valuation Standards as notified by the Board have been followed in the valuation assignment. Further, the Registered Valuer shall also specify the relevant standards along with the relevant sections of the standards applied in the preparation of the valuation report.

m) Valuation Approaches and Methods or Valuation Model(s) Applied

Details of the approaches considered:

- Market Approach
- Income Approach
- Cost Approach

The valuation report must contain a conceptual description of each of these approaches with simultaneous discussion as to its applicability or non-applicability to the assignment on hand and reasoning for the selected approach(es).

Out of the various methods available to estimate the value of the subject plant and Machinery within the approach(es) selected, the method(s) adopted by the Registered Valuer with reasons thereof must be provided in the report.

Further, while certain data such as physical characteristics and social infrastructure are common across all types of real estate, additional data requirements may vary depending on the specific method adopted. The Registered Valuer shall collect such method-specific data and disclose the same in the valuation report.

In addition to this, the Registered Valuer shall also provide brief details about the meetings held with members of the Committee of Creditors to explain the methodology being adopted to arrive at valuation as per the requirement of Regulation 35 (1)(b) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

n) Relevant discounts and premiums

The Registered Valuer shall provide a detailed description of all relevant discounts and premiums considered during the valuation process along with the rationale for each adjustment.

o) Sources of Data and Inputs Used along with rationale/justification.

- Market quotes;
- Manufacturer/supplier data;
- Online portals;
- Fixed Asset Register;
- Local trends, macro-economic & micro-economic indicators;
- Legal, Social, Physical and technological factors; and
- Any other source, to be specified.

p) Description of Inspections and/or Investigations Undertaken

- Date of visit [dd/mm/yyyy];
- Machines verified against fixed asset register/ list of items;
- Availability of raw materials, labour, market/purchase agreement, lease validity etc.;
- Conditions noted;
- Photographs taken;
- Maintenance schedules;
- Process chart, machine layout;
- Observations recorded (usage, wear & tear, obsolescence);

- Any intangibles associated with P&M; and
- Any other details as considered necessary for the purpose of valuation.

q) Assessment of Sustainability and Functional Factors Considered

- Environmental/ Pollution Control compliance;
- Safety standards (approvals for boiler operations, factory license, fire safety approvals etc.);
- Proximity to sensitive zones;
- Compliance with relevant laws;
- Category of supplier/vendor;
- Type of Plant & Machinery
 - Imported or indigenous; and
- Any other factor affecting the asset's ability to generate net economic outcome.

r) Significant or Special Assumptions, and/or Limiting Conditions

- Title clear unless otherwise mentioned;
- Condition as seen on inspection date;
- Usable as-is, unless maintenance (capital/ regular) required;
- Pending litigation, if any, and its impact on valuation etc.

s) Value and Rationale for Valuation

- Fair Value: INR X crore
- Liquidation Value: INR Y crore

The Registered Valuer shall specify the rationale for arriving at the above values on the basis of analysis of comparable transactions, market trends, property conditions, regulatory constraints and known disputes, etc. in accordance with the applicable provisions of the Valuation Standards notified by the Board in this regard.

- Book Value: INR Z crore (Asset wise)
- Replacement Cost: INR R crore (Asset wise)

Where the cost approach has been adopted, the Registered Valuer shall disclose the replacement cost of the asset(s) as on the valuation date in accordance with the applicable provisions of the Valuation Standards notified by the Board in this regard.

t) Caveats, Limitations and Disclaimers

Caveats, limitations and disclaimers as per the IBBI (Use of Caveats, Limitations, and Disclaimers in Valuation Reports) Guidelines, 2020 as updated from time to time.

u) Summary of Conclusions

The valuation report in this section would conclude the identified rights, the approach and method adopted, data availability and provide the final calculation workings (to be supported with Annexures)

v) Annexures

- Appointment letter
- Engagement terms
- Site photographs
- Machine specs & registers
- Title/supporting documents
- Market data extracts
- Calculation sheets
- Minutes of the meetings/discussions held with Committee of Creditors
- Copy of engagement letter of expert, if involved whose input was used in the valuation report.

Note: (1) This is a basic format of valuation report. Additional information items may be included for specific asset classes as required.

(2) It may be noted that where any parameter is not applicable or data is unavailable, the Registered Valuer shall disclose and record appropriate justification for the same in the Valuation Report.

(3) The VRIN shall be mentioned in the footer on the left side of each page of the report

VALUATION REPORT FORMAT FOR SECURITIES OR FINANCIAL ASSETS

Executive Summary of the Valuation Report

Item	Details
Client / Appointing Agency	[Name and registration number of the insolvency professional acting as Interim Resolution Professional (IRP), Resolution Professional (RP), Liquidator or Bankruptcy Trustee as the case may be,]
Details of the Corporate Debtor	[Name] including business profile, CIN/ LLP No., Legal Entity Identifier (LEI) No. (if available), Address of the registered office and principal office (if any) of Corporate Debtor, Date of incorporation of Corporate Debtor etc.
Purpose of Valuation	[Add details]
Class of Asset	Securities or Financial Assets
Subject Asset	[Brief Description, e.g., Equity Shares of XYZ Ltd. etc.]
Scope of Work	[Scope Summary]
Insolvency commencement date (ICD)	[dd/mm/yyyy]
Date of appointment	[dd/mm/yyyy]
Inspection Date	[dd/mm/yyyy]
Report Date	[dd/mm/yyyy]
Fair Value	INR XX crore
Liquidation Value	INR YY crore
Details of the Registered Valuer	[Name of the Registered Valuer (RV)/Registered Valuer Entity (RVE)]
Registration Number	IBBI/RV/XXXX/YYYY
Status of CoP as on appointment date	[active/inactive]
Valuation Date	[dd/mm/yyyy]
VRIN as generated from the website of the Authority.	[Valuation Report Identification Number]

a) Purpose and Scope of Work

The purpose of this valuation is to estimate the *Fair Value* and/or *Liquidation Value* of the Securities & Financial asset(s), as required under the Insolvency and Bankruptcy Code, 2016 and rules & regulations made thereunder. The scope of work as agreed upon in the engagement/appointment letter for the intent and purpose of the assignment should be elaborated.

b) Details of the Registered Valuer & Registration Number

[Name of the Registered Valuer (RV)/Registered Valuer Entity (RVE)] – Securities or Financial Assets

Registration Number:

The VRIN shall be mentioned in the footer on the left side of each page of the report.

c) Details of any other experts involved in the valuation process

Provide name, qualifications, and role of any expert, if involved whose input was used in the valuation report.

d) Disclosure of Valuer Interest or Conflict, if Any

The registered valuer shall declare personal, financial, or professional interest in the valuation or any conflict of interest with the client or stakeholders, as per the Companies (Registered Valuers & Valuation) Rules, 2017.

e) Identity of Client/Appointing Authority and Other Intended Users

Client/Appointing Authority: Name and registration number of the insolvency professional [acting as Interim Resolution Professional (IRP), Resolution Professional (RP), Liquidator or Bankruptcy Trustee as the case may be,] other intended users: [if any, e.g., Creditors]

f) Intended Use

This report is intended to determine valuation as per the provisions of the Insolvency and Bankruptcy Code, 2016 and rules and regulations made thereunder.

g) Details of Assets and/or Liabilities being valued

Details may include Classification and Type of assets including intangible assets, quantity, ownership, issuer details, rights, marketability, legal agreements, financial metrics, and regulatory compliance.

h) Background and Other Relevant Information about the Asset Being Valued

- Type of assets/Instruments;
- Issuer: Company or entity details;
- Quantity and Characteristics: No. of units, face value, rights, preferences, covenants etc;
- Ownership Details: Legal holder, beneficial interest, lien/pledge if applicable etc.;
- Historical Performance & Marketability: Trading frequency, market capitalization, volatility, liquidity etc.;
- Loans and Advances extended by Corporate Debtor, KYC of debtors of the Corporate Debtor, business characteristics of debtors, past recovery trends etc.;
- Intangibles including goodwill, customer relationships, intellectual property, domain names, licenses etc.;
- Inventories; and
- Receivables – nature, age, past recovery trends, KYC of debtors of Corporate Debtor, ongoing litigations/ results etc.

i) Valuation Currency(ies) and Measurement

The valuation shall ordinarily be expressed in Indian Rupees (INR). Where, owing to the nature of the assets, business operations, transactions, or market practices, any value is expressed in a currency other than INR, the Registered Valuer shall provide reasons for the use of such currency. In such cases, the valuation report shall also disclose the applicable exchange rate used for conversion into INR, the date as of which such exchange rate has been considered, and the source from which the exchange rate has been obtained.

j) Sources of Information

- Financials of the Corporate Debtor including explanatory notes to accounts;
- Prospective financial information;
- Summary of Cash and Bank Balance;
- Shareholding patterns;
- Relevant Income Tax Returns, TDS statements;

- GST Cash and Credit Ledgers;
- Information on compensation for owners including benefits and personal expenses;;
- Industry reports;
- Forecasts (where available/projected) to be discussed with Committee of Creditors during the meeting to explain methodology;
- Discussions with management along with RP; and
- Other relevant information: related party transactions, any personal expenses recorded in business account etc.

k) Basis(es) and Premise of Value Adopted

The registered valuer shall select the most appropriate ‘Basis(es) of Value’ and the ‘Premise(s) of Value’ determining fair and Liquidation Value under IBC. The relevant definitions of the adopted Basis of value, Premise of value, must be stated with pertinent discussions in the following format:

Basis Adopted

Valuation Purpose	Basis

**The basis of valuations under IBC is to determine the fair value and liquidation value as per relevant regulations.*

Premise Adopted

Asset Type	Premise Adopted	Remarks/Justification

**The premise of valuations shall be as per the provisions of relevant regulations or the applicable provisions of the Valuation Standards notified by the Board in this regard.*

l) Valuation Standards Followed

The Registered Valuer shall explicitly state that the Valuation Standards as notified by the Board have been followed in the valuation assignment. Further, the Registered Valuer shall also specify the relevant standards along with the relevant sections of the standards applied in the preparation of the valuation report.

m) Valuation Approaches and Methods or Valuation Model(s) Applied

Details of the approaches considered:

- Market Approach
- Income Approach
- Cost Approach

The valuation report must contain a conceptual description of each of these approaches with simultaneous discussion as to its applicability or non-applicability to the assignment on hand and reasoning for the selected approach(es).

Out of the various methods available to estimate the value of the securities or financial assets within the approach(es) selected, the method(s) adopted by the Registered Valuer with reasons thereof must be provided in the report.

In addition to this, the Registered Valuer shall also provide brief details about the meetings held with members of the Committee of Creditors to explain the methodology being adopted to arrive at valuation as per the requirement of Regulation 35 (1)(b) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

n) Relevant discounts and premiums

The Registered Valuer shall provide a detailed description of all relevant discounts and premiums considered during the valuation process along with the rationale for each adjustment.

o) Sources of Data and Inputs used along with rationale/justification

- Industry reports;
- Financial Databases;
- Comparable listed entity data;
- Forecasts (where available);
- Management discussions;
- Relevant capital markets information in case of listed entity (Stock market, merger and acquisition data);
- Local trends, macro-economic & micro-economic indicators;
- Key customers and suppliers, etc.; and
- Any other source, to be specified.

p) Description of Inspections and/or Investigations Undertaken

- Site visits (if applicable – dd/mm/yyyy);

- Management interviews;
- Review of contracts/agreements;
- Observations about economic/industry environment; and
- Any other details as considered necessary for the purpose of valuation.

q) Assessment of Sustainability and Functional Factors Considered

- Environmental: Compliance with ESG investing principles;
- Social: Impact on stakeholders or societal factors;
- Governance: Promoter integrity, board strength, audit history;
- Information on major customers, suppliers, contracts and relationships that affect the business continuity and revenue generation;
- Business risks, future outlook, strategy, and future plans;
- For intangible assets, this includes legal rights, licensing agreements, sublicense agreements, non-disclosure agreements, development rights, software, patents commercialization rights, etc.; and
- Any other relevant factors considered necessary by the Registered Valuer.

r) Significant or Special Assumptions, and/or Limiting Conditions

- Reliance on representations;
- Material assumptions (e.g., no contingent liabilities unless disclosed);
- Pending litigation, if any, and its impact on valuation etc.

s) Value and Rationale for Valuation

- Fair Value: INR X crore
- Liquidation Value: INR Y crore

The Registered Valuer shall specify the rationale for arriving at the above values on the basis of analysis of comparable transactions, market trends, property conditions, regulatory constraints and known disputes, etc. in accordance with the applicable provisions of the Valuation Standards notified by the Board in this regard.

- Book Value: INR Z crore (Asset wise)
- Replacement Cost: INR R crore (Asset wise), if available.

Where the cost approach has been adopted, the Registered Valuer shall disclose the replacement cost of the asset(s) as on the valuation date in accordance with the applicable provisions of the Valuation Standards notified by the Board in this regard.

t) Caveats, Limitations and Disclaimers

Caveats, limitations and disclaimers as per the IBBI (Use of Caveats, Limitations, and Disclaimers in Valuation Reports) Guidelines, 2020 as updated from time to time.

u) Summary of Conclusions

The valuation report in this section would conclude the identified rights, the approach and method adopted, data availability and provide the final calculation workings (to be supported with Annexures).

v) Annexures

- Appointment letter
- Engagement terms
- Comparable company analysis
- Financial statement extracts
- Computation sheets
- Photographs or screenshots (if applicable)
- Minutes of the meetings/discussions held with Committee of Creditors
- Copy of engagement letter of expert, if involved whose input was used in the valuation report.

Note: (1) This is a basic format of valuation report. Additional information items may be included for specific asset classes as required.

(2) It may be noted that where any parameter is not applicable or data is unavailable, the Registered Valuer shall disclose and record appropriate justification for the same in the Valuation Report.

(3) The VRIN shall be mentioned in the footer on the left side of each page of the report

PART – III: GUIDELINES FOR COORDINATING VALUER FOR DETERMINATION OF FAIR VALUE OF THE CORPORATE DEBTOR UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

1.1 These Guidelines shall be applicable to the Coordinating Valuer designated for the purpose of determination of the Fair Value of the Corporate Debtor under the provisions of the *Insolvency and Bankruptcy Code, 2016 (Code)* and the regulations made thereunder.

1.2 These Guidelines prescribe the framework governing the scope of work, responsibilities, documentation requirements, and reporting obligations of the Coordinating Valuer in the valuation process.

1.3 The objective of appointing a Coordinating Valuer is to ensure that the Fair Value (FV) of the Corporate Debtor, as envisaged under IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) and IBBI (Pre-Packaged Insolvency Resolution Process) Regulations, 2021 (PPIRP Regulations), is captured in a holistic manner, thereby reflecting its true commercial worth, value attributable to operational and business synergies, and overall economic value.

1.4 The Coordinating Valuer shall seek to achieve the following objectives:

- a) improve consistency and reliability in valuation outcomes under the Code;
- b) ensure integration and coherence of valuations across three asset classes;
- c) capture holistic value, including synergy, tangible and intangible assets;
- d) facilitate the Committee of Creditors to make informed decisions based on a comprehensive valuation of the Corporate Debtor;; and
- e) enhance transparency and confidence in the valuation process.

1.5 These guidelines shall be read in conjunction with Part I (General Content) and Part II (Asset Specific Format of Valuation Reports) of the Valuation Guidelines.

1.6 These guidelines shall apply to the Coordinating Valuer designated under the applicable provisions of the regulations for estimating the Fair Value of the Corporate Debtor.

2. Independence of the Coordinating Valuer

2.1 The Coordinating Valuer shall comply with the eligibility, independence and disclosure requirements applicable to Registered Valuers under the Code, the regulations made thereunder, and the Companies (Registered Valuers and Valuation) Rules, 2017, as amended

from time to time, and maintain objectivity and professional integrity while performing the functions assigned under these Guidelines.

2.2 The Coordinating Valuer shall disclose to the Insolvency Professional any conflict of interest or circumstances that may impair independence or objectivity, as soon as such circumstances become known.

2.3 The Coordinating Valuer shall perform the assigned functions with due diligence, professional competence and in accordance with the applicable valuation standards and regulatory requirements.

3. Designation and Engagement of Coordinating Valuer

3.1 The Coordinating Valuer shall be designated by the Insolvency Professional, in consultation with the Committee of Creditors, from amongst the Registered Valuers appointed for the set of asset classes, in accordance with the applicable regulations.

3.2 The engagement shall be formalised through a written engagement letter issued by the Insolvency Professional specifying the scope of work, responsibilities, deliverables, and reporting requirements.

3.3 The appointment shall be made sufficiently early in the valuation process to ensure effective coordination among the Registered Valuers.

3.4 The engagement letter shall, *inter alia*, clearly specify:

- a) purpose of the assignment;
- b) scope of coordination and review responsibilities;
- c) reporting obligations;
- d) timeline for completion of the assignment;
- e) access to information and documentation required for valuation;
- f) maintenance of confidentiality of valuation; and
- g) any limitations or special assumptions relevant to the assignment.

4. Role of the Coordinating Valuer

4.1 The Registered Valuers appointed for different asset classes shall determine the fair value and liquidation value within their respective asset classes, in accordance with the applicable regulations.

4.2 The asset-wise valuation reports submitted by the Registered Valuers in a set, shall be provided to the Coordinating Valuer for determination of the fair value of the Corporate Debtor.

4.3 The Coordinating Valuer shall act as the overall integrator and explore inherent synergies to provide Fair Value of the Corporate Debtor as mandated under the Code and Regulations made thereunder.

4.4 The Coordinating Valuer shall, *inter alia*, perform the following functions:

- a) consider the valuation reports prepared by asset-class Registered Valuers;
- b) analyse valuation methodologies and assumptions adopted;
- c) integrate asset-class level valuations to derive holistic value of Corporate Debtor along-with their underlying synergies; and
- d) estimate the Fair Value of the Corporate Debtor as a whole.

5. Scope of Work

The scope of work of the Coordinating Valuer shall include, but shall not be limited to, the following:

5.1 Report of Asset Class Valuations

The Coordinating Valuer shall consider the valuation reports prepared by Registered Valuers of their set for all asset classes of the Corporate Debtor such as:

- a) Land and Building;
- b) Plant and Machinery; and
- c) Securities or Financial Assets.

5.2 Determination of Fair Value

5.2.1 The Coordinating Valuer shall determine the fair value of the Corporate Debtor after considering the valuation reports submitted by the Registered Valuers of his set, for the respective asset classes.

5.2.2 In determining the fair value of the Corporate Debtor, the Coordinating Valuer shall assess the integrated value of the business as a whole, rather than merely aggregating the values of individual assets of their set, and shall consider, *inter alia*:

- a) the operating business of the Corporate Debtor;
- b) expected future cash flows;
- c) industry outlook and macroeconomic conditions;
- d) business synergies arising from integrated operations; and
- e) tangible and intangible assets associated with the business.

5.2.3 The Coordinating Valuer shall also evaluate whether such synergies would reasonably influence the value that a market participant may attribute to the Corporate Debtor.

5.3 Treatment of Intangible Assets

5.3.1 The Coordinating Valuer shall assess the presence and contribution of intangible assets that may significantly influence the value of the Corporate Debtor.

5.3.2 In this regard, the Coordinating Valuer may consider, *inter alia*, the following intangible assets:

- a) brand value;
- b) trademarks and copyrights;
- c) patents and proprietary technology;
- d) licences and regulatory approvals;
- e) customer relationships and contracts;
- f) distribution networks; and
- g) goodwill and reputation associated with the business, etc.

5.3.3 The Coordinating Valuer shall clearly document the basis for the identification, recognition, and valuation of such intangible assets.

5.4 Integration of Valuation Outputs

5.4.1 The Coordinating Valuer shall integrate the outputs of asset-level valuations submitted by individual Registered Valuers after considering both tangible and intangible assets, along with the underlying synergies to arrive at a Fair Value of the Corporate Debtor.

5.4.2 For conceptual clarity, an indicative representation for the determination of the fair value of the Corporate Debtor is provided below:

$$FV_{CD} = \sum(V_{RV}) + S$$

Where:

FV_{CD} = Fair Value of the Corporate Debtor

V_{RV} = Values of individual asset classes determined by Registered Valuers

S = Synergistic value adjustment reflecting the additional value arising from the integrated operation and interaction of the tangible and intangible assets and business activities of the Corporate Debtor, including operational efficiencies, business synergies, market positioning, and expected future earning potential.

6. Documentation

6.1 The Coordinating Valuer shall maintain documentation that clearly records the valuation process undertaken, in the manner specified in Part – I (a) of these guidelines.

7. Coordinating Valuation Report

7.1 The Coordinating Valuer shall prepare a Coordinating Valuation Report presenting the determination of the Fair Value of the Corporate Debtor as per the manner specified in these guidelines.

7.2 The report shall contain the minimum contents as specified in Part–I(b) of these Guidelines.

7.3 The Coordinating Valuation Report shall, *inter alia*, include the following:

- a) background, purpose and scope of valuation;
- b) details of the Registered Valuers whose reports have been considered;;
- c) valuation methodologies applied;
- d) key assumptions adopted;
- e) assessment of holistic value and business synergies;
- f) treatment of tangible and intangible assets;
- g) the basis and methodology adopted for integrating the valuation reports submitted by the individual Registered Valuers;
- h) key information, data sources, and documents relied upon; and
- i) final estimate of Fair Value of the Corporate Debtor.

7.4 Where special assumptions have been adopted, the Coordinating Valuer shall clearly explain their nature and impact on the valuation outcome.

7.5 The Coordinating Valuer shall prepare an executive summary as per the format placed at Annexure A of these guidelines.

8. Professional Responsibility

8.1 The Coordinating Valuer shall exercise professional judgment, independence, and objectivity in conducting the assignment.

8.2 The Coordinating Valuer shall ensure that the valuation exercise is conducted with integrity, transparency, and due diligence.

8.3 The Coordinating Valuer shall remain responsible for the conclusions drawn in the Coordinating Valuation Report.

8.4 The Coordinating Valuer shall maintain the confidentiality of the valuation process.

9. Compliance with Valuation Standards

9.1 The Coordinating Valuer shall conduct the assignment in accordance with the valuation standards as notified by the Board.

10. Reporting and Communication Requirements

10.1 The Coordinating Valuer shall prepare a Coordinating Valuation Report that is clear, comprehensive, and understandable to the intended users.

10.2 The Coordinating Valuer shall meet the Committee of Creditors to explain the methodology being adopted to arrive at the valuation, before computation of estimates as required under the relevant regulations.

11. Timelines and Deliverables

11.1 The Coordinating Valuer shall endeavour to complete the valuation assignment within the timelines specified in the engagement letter issued by the Insolvency Professional or as per applicable regulations.

12. Record Keeping

12.1 The Coordinating Valuer shall maintain proper records and documentation as per Part I of these guidelines.

12.2 Such records shall be preserved in accordance with applicable legal, regulatory, and professional requirements.

Note:

These guidelines provide a standard framework for valuations conducted by the Coordinating Valuer. Additional sections or details may be included, as necessary, to address specific issues, complexity, or regulatory requirements, and to enhance the clarity and comprehensiveness of the report.

EXECUTIVE SUMMARY	
Item	Details
Client / Appointing Authority	[Name and registration number of the Insolvency Professional acting as IRP / RP / Liquidator]
Corporate Debtor	[Name, CIN/LLP No., Legal Entity Identifier (LEI No.), Registered Office Address, Principal Place of Business, Brief Business Profile]
Purpose of Valuation	Determination of Fair Value of the Corporate Debtor under the Insolvency and Bankruptcy Code, 2016
Insolvency Commencement Date (ICD) / Liquidation Commencement Date (LCD)	[dd/mm/yyyy]
Valuation Date	[dd/mm/yyyy]
Inspection Date(s)	[dd/mm/yyyy]
Report Date	[dd/mm/yyyy]
Registered Valuer – Land & Building	[Name of RV/RVE, Registration No., Date of Appointment, CoP Status, VRIN, Date of submission of Report]
Registered Valuer – Plant & Machinery	[Name of RV/RVE, Registration No., Date of Appointment, CoP Status, VRIN, Date of submission of Report]
Registered Valuer – Securities / Financial Assets	[Name of RV/RVE, Registration No., Date of Appointment, CoP Status, VRIN, Date of submission of Report]
Fair Value – Land & Building	INR X crore
Fair Value – Plant & Machinery	INR X crore
Fair Value – Securities / Financial Assets	INR X crore
Synergistic Value Adjustment (as assessed by the Coordinating Valuer)	INR X crore
Final Fair Value of the Corporate Debtor (Integrated Value)	INR X crore
Coordinating Valuer	[Name, Registration Number, Registered Valuer Entity (if any)]
VRIN of Coordinating Valuation Report	[VRIN]