

The Institute of Chartered Accountants of India (ICAI) issues Valuation Standards as a benchmark for Valuation Practices applicable for Chartered Accountants:

Recognising the need to have the consistent, uniform and transparent valuation policies and harmonise the diverse practices in use in India, the Council of the Institute of Chartered Accountants of India (ICAI) at its 375th meeting has issued the Valuation Standards which are 1st of its kind in India.

With a vision to promote best practices in this niche area of practice, the Standards lay down a framework for the chartered accountants to ensure uniformity in approach and quality of valuation output.

The following Valuation Standards have been issued by ICAI:

- 1. Preface to the Indian Valuation Standards**
- 2. Framework for the Preparation of Valuation Report in accordance with the Indian Valuation Standards**
- 3. Indian Valuation Standard 101 - Definitions**
- 4. Indian Valuation Standard 102 - Valuation Bases**
- 5. Indian Valuation Standard 103 - Valuation Approaches and Methods**
- 6. Indian Valuation Standard 201 - Scope of Work, Analyses and Evaluation**
- 7. Indian Valuation Standard 202 - Reporting and Documentation**
- 8. Indian Valuation Standard 301 - Business Valuation**
- 9. Indian Valuation Standard 302 - Intangible Assets**
- 10. Indian Valuation Standard 303 - Financial Instruments**

The Valuation Standards have been issued by the Institute of Chartered Accountants of India to set up concepts, principles and procedures which are generally accepted internationally having regard to legal framework and practices prevalent in India.

Applicability of Valuation Standards:

These Indian Valuation Standards will be applicable for all valuation engagements on mandatory basis under the Companies Act 2013. In respect of Valuation engagements under other Statutes like Income Tax, SEBI, FEMA etc, it will be on recommendatory basis for the members of the Institute. These Valuation Standards are effective for the valuation reports issued on or after 1st July, 2018.

In formulating the Valuation Standards, ICAI considered best valuation practices followed globally as well as in India, uniqueness of Indian conditions, current practices in India alongwith their advantages and disadvantages and various purposes for which valuations might be required over and above the requirements of Companies Act.

These standards come as ICAI's consistent drive to guide its members for ensuring high quality

work and standards.

Note: *These Indian Valuation Standards will be effective till Valuation Standards are notified by the central Government under Rule 18 of the Companies (Registered Valuers and Valuation) Rules, 2018.*

Read the standards as attached here : [**INDIAN VALUATION STANDARDS 2018**](#)