

IOV REGISTERED VALUERS FOUNDATION
(Disciplinary Committee)

Ref. No.: DC/IOV-RVF/103/2021

ADMONISHMENT ORDER

This Order disposes of the Show Cause Notice (SCN) No. DC/IOV-RVF/102/2020 dated 04th August, 2020 issued to Mr. Ningappa Venkatesh, No. 2985 A, 2nd Stage, Near Kuvampu Metro Station, Rajaji Nagar, North, Bangalore, Karnataka-560021, who is a Member of the IOV Registered Valuer Foundation (IOV-RVF), the registered valuer organization and registered with the Insolvency and Bankruptcy Board of India (IBBI) as valuer in asset class of Land and Building with the Registration No. IBBI/RV/02/2019/12013.

1. Background

- 1.1. The IOV-RVF has been delegated by the Central Government to perform the functions as the "RVO" under the Companies (Registered Valuers and Valuation) Rules, 2017 (Valuer Rules). Mr. Ningappa Venkatesh who is a member of the IOVRVF, was registered with the IBBI as valuer in asset class of Land and Building with the Registration No. IBBI/RV/02/2019/12013 on 19th July, 2019.
- 1.2. A complaint was received from the Authority (IBBI) against Mr. Ningappa Venkatesh vide email dated 5th May 2020 that Mr. Ningappa Venkatesh has suppressed the fact of pendency of FIR (w.r.t. wrong valuation) in his Form A, the application for registration as a valuer with IBBI.
- 1.3. Upon consideration of the documents/clarifications sought from Mr. Venkatesh and the documents available on record, Show Cause Notice dated 04th August, 2020 was issued under the clause 23 of the Model Bye-Laws forming part of the Companies (Registered Valuers and Valuation) Rules, 2017 to Mr. Venkatesh, seeking his written reply and offering him an opportunity of a being heard to maintain the essence of natural justice.

2. Show Cause Notice

SCN dated 04th August, 2020 was issued under the clause 23 of the Model Bye-Laws forming part of the Companies (Registered Valuers and Valuation) Rules, 2017 to Mr. Venkatesh, seeking his written reply and offering him an opportunity of a being heard to maintain the essence of natural justice.

The alleged contraventions in the SCN is that Mr. Venkatesh has suppressed the information with regard to FIR lodged against him, in the prescribed application FORM -A while applying as registered Valuer with IBBI

3. Submission by Mr. Ningappa Venkatesh

- 3.1. Mr. Venkatesh in his correspondence dated May 07, 2020, expressed that he was not aware about the lodging of FIR at the time of filing of Form A application to IBBI. When he got intimation about the FIR from the CBI inspector, he provided clarification regarding the same and had given all the statements regarding this case, which satisfied the CBI Officer and they have included his name as a witness for this case.
- 3.2. Mr. Venkatesh responded to the SCN vide his reply dated 31st August, 2020 and provided documents which did not prove that he was witness in the case.
- 3.3. Reminder E-mail(s) dated March 05, 2021, March 12, 2021, March 19, 2021 have been sent to Mr. Venkatesh regarding submission of the requisite documents, however, no reply has been received from him till date.




4. Analysis and Findings

The Committee has perused the Complaint (Copy of FIR), documents available with IOVRVF as well as the Reply dated August 31, 2020. Mr. Ningappa Venkatesh was provided with ample opportunity to explain his case and support his statement with documentary evidence. Despite repeated reminders, till date, he has not shared any document to show or to suggest that he has become witness instead of accused in CBI case arising out of FIR No. RC 5(A)/2018 dated 29.03.2018 for the offences punishable under section 120B r/w 409, 406, 468, 471 IPC and 13(2) and 13 (1)(d) of Prevention of Corruption Act, 1988.

On consideration of documents available on record and after affording ample opportunities to Valuer Member, Disciplinary Committee holds that the Valuer Member is guilty of professional misconduct.

5. Order

Mr Ningappa Venkatesh, after knowing the fact that above mentioned FIR is pending against him, has suppressed the pendency of FIR in Form A and continued to breach, by not disclosing the same in the half yearly report submitted by Mr. Venkatesh to IOV-RVF till date.

In view of the above, the IOV-RVF, in exercise of powers conferred under clause 24(2)(c) of Para X of Part II (Model Bye-Laws of a Registered Valuers Organisation) of Annexure III of the Companies (Registered Valuers and Valuation) Rules, 2017, hereby, admonish the Valuer Member by issuing the following directions:

- i Mr Venkatesh again needs to undergo the 50 Hours educational programme with IOV Registered Valuers Foundation where Mr. Venkatesh is enrolled as a member.
- ii Mr. Venkatesh is hereby directed to complete all his pending compliances such as payment of Annual Membership Fees, filing of M-3 and M-4, complete his CEP Points, if any, since the date of registration with IOV-RVF.
- iii Mr. Venkatesh to provide the latest status report of the pending F.I.R.
- iv Mr. Venkatesh requires to complete all the above mentioned requirements within 4 weeks from the date of this order.
- v A copy of this order shall be forwarded to the Authority

7. Accordingly, the show cause notice is disposed of.

This order is issued under the directions of the Disciplinary Committee of the IOV Registered Valuers Foundation.

For IOV Registered Valuers Foundation

(CS DEEPAJI JAIN)

Disciplinary Officer, IOV-RVF

Date: May 31, 2021

Place: New Delhi

