

REF NO:- DC/IOVRVF/2023-24/164

**[AUTHORITY DELEGATED BY THE MINISTRY OF CORPORATE AFFAIRS UNDER
CLAUSE X, SUB CLAUSE-24(2) OF THE PART-II OF ANNEXURE III OF THE COMPANIES
(REGISTERED VALUERS AND VALUATION) RULES, 2017]**

ORDER

This order disposes of the Show Cause Notice (SCN) dated **03.09.2021** issued to Mr. P. Kumanan who is a member of the IOV Registered Valuer Foundation (IOV RVF), Registered Valuer Organization and registered with the Insolvency and Bankruptcy Board of India (IBBI), as valuer in asset class Land and Building with the registration no. IBBI/RV/02/2019/10853

1. Background

1.1 It has come to the notice of the Monitoring Committee of IOV Registered Valuer Foundation (“**IOV RVF**”) that Mr. P. Kumanan (“**Respondent**”) is/was falling under the category of ‘non-Compliant’ as he has failed to adhere Compliances procedure/framework laid down by IBBI (“**Authority**”) and IOV Registered Valuer Foundation. In this regard, matter was referred by Monitoring Committee to the Disciplinary Committee of IOV Registered Values Foundation and based on the findings of the committee, Show Cause Notice (“**SCN**”) dated **03.09.2021** was issued wherein it was mentioned that you are falling under the category of “**Non-Compliant**” and compliances mentioned below were/are pending: -

- **Payment of Annual Membership Fee** for the Financial Year 2019-20, 2020-21 and 2021-22;
- **Submission of M3 Form for the year** of April 2019 to March 2020 and April 2020 to March 2021;
- **Submission of M4 Form for the period** of April 2019 to September 2019, October 2019 to March 2020, April 2020 to September 2020 and October 2020 to March 2021;
- **CEP Points** for the Financial Year April 2019 to March 2020 and April 2020 to March 2021;

1.2 Respondent was given ample opportunities to put forth his defense/reply and along with a personal hearing keeping in mind the principles of Natural Justice.

2. Submission on behalf of Registered Valuer

Despite of ample opportunities and repeated reminders to the Registered Valuers, he did not pay any heed to the SCN, reminder email(s) and letter(s) and was not able to provide any satisfactory response for the same.

3. Analysis and Findings

3.1 As per Rule 11 of Annexure III of Companies (Registered Valuers and Valuation) Rules, 2017 (“**Rules**”), an organization may require the members to pay a fixed sum of money as its annual membership fee. As per Rule 16 of Annexure III of Rules, a member shall submit information about ongoing and concluded engagements as a registered valuer, in the manner and format specified by the Organization, at least twice a year stating inter alia, the date of assignment, date of completion and reference number of valuation assignment and valuation report. Further, IOV-RVF also provides procedural framework comprising of collection of the information, record(s) and document(s) both from the Valuer Member(s) and from independent sources to monitor the performance of Valuer Member(s) in form of Annual Data i.e. M-3 E-Form and Activity Data i.e. M-4 E-Form. It would not be improper to mention here that IBBI time and again has laid emphasis on Educational Course and Continuing Professional Education as per Rules 12(2)(e) of the Rules.

- 3.2 The above-mentioned compliances are necessary in order to renew Certificate of Membership and Practice.
- 3.3. In the present case, it is observed that the Respondent was given ample opportunities to come forward and submit the response to the Show Cause Notice. However, Respondent did not submit any reply or provide any satisfactory response.
- 3.4. Based on the findings of the material on records, it has been observed from the conduct of the Respondent that he does not have any plausible explanation for pendency of the compliances from his end.

4. Decision

Based on the above finding, the Disciplinary Committee in exercise of power conferred under Clause 24 sub clause 2 (b) (d) and (e) of the Para X of Part II (Model Bye-Laws of a Registered Valuers Organization) of Annexure III of the Companies (Registered Valuers and Valuation) Rules, 2017, hereby: -

- suspend the membership of Respondent till the time he completes his pending compliances;
- impose a penalty of 12% p.a. on Annual Membership Fee which is due from 01.04.2019 till the date he clears his dues;
- Refer the matter to the Authority for appropriate action

5. Show Cause Notice, accordingly, is disposed of.

6. Appeal

In case the Respondent is aggrieved by the order passed by the Disciplinary Committee, he may prefer an appeal before the Appellate Authority within thirty days from the receipt of the copy of such order.


Given under seal of the Disciplinary Committee of IOV-RVF, this the day of April 12, 2023


Shri Pichaiya Subramaniam
Member


Shri Sunil Kumar Khosla
Chairman


Shri Anand Raju
Member


Shri Ramesh Kumar Meena.
Member-IBBI Representative


CS Deepali Jain
Disciplinary Officer

Place:- Delhi

Date:- 27.04.2023

CC :-

- Insolvency and Bankruptcy Board of India
- Registered Valuer
- IOV-RVF- Members Record