

DC/IOVRVF/2024-25/5017

DATE: 20.03.2025

[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 the Show Cause Notice (SCN) No. DC/IOV-RVF/2023-24/4661 dated 03.10.2023 issued Charan Jeet who is a member of the IOV Registered Valuer Foundation ("IOV RVF"), having Membership No. IOVRVF/VM/F&SA/356 and registered with the Insolvency and Bankruptcy Board of India ("IBBI"/"Authority"), as valuer in asset class Securities and Financial Asset with the registration no. IBBI/RV/02/2019/12665.

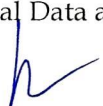
1. Background

- 1.1. It has come to the notice of the Monitoring Committee of IOVRVF is/was falling under the category of 'non-Compliant' from the last three years as he has failed to adhere to compliances procedure/framework laid down by IBBI and IOV RVF. In this regard, matter was referred by Monitoring Committee to the Disciplinary Committee of IOVRVF.
- 1.2. Charan Jeet was given ample opportunities to put forth his defense/reply and along with a personal hearing keeping in mind the principles of Natural Justice.

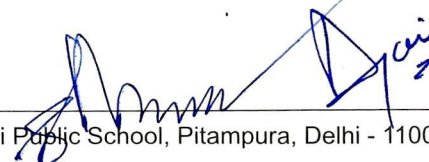
2. Examination of contraventions alleged in the SCN

2.1. The contravention alleged in the SCN is summarized as under: -

- i. **Non-payment of Annual Membership Fee:** 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. 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. Despite repeated reminders, the member has not paid the annual membership fee for the relevant year(s).
- ii. **Non-filing of M3 i.e. CEP Annual Data and M-4 i.e. Valuation Activity Data:** - 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 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. 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 M-3 i.e. CEP Annual Data and M-4 i.e. Valuation Activity Data.



#VALUATIONMATTERS



- iii. The member has failed to submit the M-3 and M-4 for the relevant periods.
- iv. **Non-attendance of CPE Programs:** The member has not attended the required number of Continuing Professional Education (CPE) programs for the relevant periods.

2.2. A summary Chart is also re-produced as under: -

COMPLIANCE STATUS FOR F.Y. 2019 - 2024

Financial Year	Annual Membership Fee	M3 Status	M4 (Apr-Sep) Status	M4 (Oct-Mar) Status	CEP Status	Compliance Status
2023-24	NO	Not Filled	Not Filled	Not Filled	Pending	Non Compliant
2022-23	NO	Not Filled	Not Filled	Not Filled	Pending	Non Compliant
2021-22	NO	Not Filled	Not Filled	Not Filled	Pending	Non Compliant
2020-21	NO	Not Filled	Not Filled	Not Filled	Pending	Non Compliant
2019-20	YES	Not Filled	Not Applicable	Not Filled	Pending	Semi Compliant

CEP STATUS FOR F.Y.2019-2024

Year	Maximum CEP Required	Minimum CEP Required	CEP Earned	Pending
2019-20	5	5	4	1
2020-21	16	10	0	16
2021-22	16+16 = 32	10	0	32
2022-23	32+16= 48	10	0	48
2023-24	48+16= 64	64	0	64

3. Reply from the Registered Valuer

In response to the reminder to the SCN dt. 03.10.2024, the Member in his reply via email dated November 28, 2024 stated as under :-

In Response to your mail dated 27/12/2023, I would like to submit that I am not actively involve & has not executed any valuation assignment since beginning of MY COP and I also requested via a mail to RVO in May 2020 to provide the guidance for surrendering My COP, they had provided the same but the guidance were only related to the temporary surrender of COP with partial payment of COP every year. As I was not actively involved in the Valuation assignment therefore, I had not renewed my COP. so my humble request to please provide your valuable guidance to surrender my COP permanently.

4. Findings of the Disciplinary Committee

[Handwritten signatures]

Disciplinary committee has found that the Registered Valuer is in default of the following provisions of the Valuation Rules:

- 4.1. 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.
- 4.2. 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.
- 4.3. Rules 12(2)(e) of the Rules, an RVO is required to provide continuing education to its individual members. Also, as per IBBI directions on CEP requirement, The RV shall undertake a minimum of 10 CEP credit hours in each Financial Year (FY) and 48 credit hours of CEP in the rolling block of 3 years. The year pertains to the Financial Year i.e. 1st April to 31st March.
- 4.4. In the present case, Registered Valuer was given an ample opportunity to complete his pending compliances and renew his Certificate. Further, in response to his reply in respect of surrender of membership, vide email dt. December 17, 2024 he was informed that to permanently or temporarily surrender his membership, he needs to first clear his pending dues and after which he can surrender. He was further asked to give his final decision. However, despite reminders, he has failed to file any reply nor he informed about his final decision as to whether he wishes to permanently or temporarily surrender his membership.
- 4.5. **Based on the findings of the material on records, it has been observed from the conduct of the Registered Valuer that he does not have any plausible explanation for pendency of the compliances from his end..**

5. Decision

Based on the above finding, the Disciplinary Committee in exercise of power conferred under Clause 24 sub clause 2 (b) 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: -

- a) **Suspend the membership of Charan Jeet till the time he completes his pending compliances; and**
- b) **Refer the matter to the Authority for further appropriate actions as deemed fit.**

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

7. Appeal

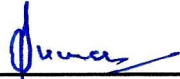
In case the Registered Valuer is aggrieved by the order passed by the Disciplinary Committee, he may prefer an appeal before the Appellate Authority of IOV RVF within thirty days from the receipt of the order.



8. IBBI

A copy of this order shall be forwarded to IBBI ("Authority") for future course of action.

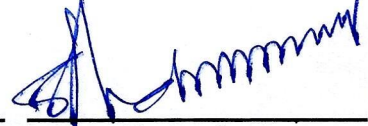
Given under seal of the Disciplinary Committee of IOV-RVF, this the day of
20th March, 2025



Shri Sunil Kumar
Khosla
Chairman



Shri Ramesh Kumar
Meena
Member-IBBI
Representative



Shri Pichaiya
Subramaniam
Member



Shri Anand Raju
Member



CS Deepali Jain
Disciplinary Officer

CC :-

1. Insolvency and Bankruptcy Board of India
2. Registered Valuer, Charan Jeet
3. IOV RVF- Record