

DC/IOVRVF/2024-25/ 4570

DATE: 23/12/2024

[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/2023-24/4667 dated 03.10.2023 issued to Mr. Purnabrat Shankar Das who is a member of the IOV Registered Valuer Foundation ("IOVRVF"), a Registered Valuer Organization having Membership No. IOVRVF/VM/P&M/560 and registered with the Insolvency and Bankruptcy Board of India ("IBBI"/"Authority"), as valuer in asset class Plant & Machinery with the registration no. IBBI/RV/02/2019/11782.

1. Background

- 1.1. It has come to the notice of the Monitoring Committee of IOVRVF that Mr. Purnabrat Shankar Das 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. 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. 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.

T. Sa

Shm

Dance

R

Page 1 of 4



- 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	Pending	Not filled	Not filled	Not filled	Pending	Non-Compliant
2022-23	Pending	Not filled	Not filled	Not filled	Pending	Non-Compliant
2021-22	Pending	Not filled	Not filled	Not filled	Pending	Non-Compliant
2020-21	Pending	Not filled	filled	Not filled	Pending	Semi-Compliant
2019-20	Success	Not filled	Filled	Filled	Completed	Semi-Compliant

CEP STATUS FOR F.Y.2019 - 2024

Financial Year	Maximum CEP Required	Minimum CEP Required	CEP Earned	Pending/Extra
2019-20	13	13	19	6
2020-21	16	10	7	9
2021-22	16+9=25	10	0	25
2022-23	16+25=41	10	0	41
2023-24	41+16=57	57	0	57

3. Reply from the Registered Valuer

Registered Valuer via email dated September 15, 2024 stated in response to SCN that "I have written multiple time to IOVRVF since 2020 and specifically talked to Jyoti madam and others to suspend my membership from IOVRVF as I am not able to devote time to practice as an IBBI registered valuer.

I have not received any communication regarding the same.

REQUEST YOU TO KINDLY "SUSPEND" MY MEMBERSHIP Since 2020 asap. As and when I will find time to practice as an IBBI regd valuer i will connect back with your good self."

4. Findings of the Disciplinary Committee

T. A

[Signature]

[Signature]

[Signature]


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, it is observed that the Registered Valuer has repeatedly failed to fulfill mandatory compliance requirements, including payment of outstanding dues and completion of CEP points, despite multiple reminders and a 25% concession offered. He has explicitly stated his inability to practice as a registered valuer and requested suspension without addressing the pending obligations, demonstrating a lack of commitment to professional standards. His continued non-compliance undermines the integrity of the Authority and IOVRVF's regulatory framework.
- 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) Expel the member from IOV RVF; and
- b) Refer the matter to the Authority for the further appropriate action 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 this order.

T. AS

AS

Deena

R



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 23rd December, 2024

 _____ 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. Purnabrat Shankar Das, Registered Valuer
3. IOV RVF- Record