

DC/IOVRVF/2024-25/5014

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/2023-24/4653** dated **03.10.2023** issued **Sakthivel** who is a member of the IOV Registered Valuer Foundation ("**IOV RVF**"), having Membership No. **IOVRVF/VM/L&B/8029** and registered with the Insolvency and Bankruptcy Board of India ("**IBBI**" "**Authority**"), as valuer in asset class Land and Building with the registration no. **IBBI/RV/02/2020/13605**.

1. Background

- 1.1. It has come to the notice of the Monitoring Committee of IOVRVF, **Sakthivel** 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. Sakthivel was given ample opportunities to put forth his defence/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

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	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	YES	Filled	Not Applicable	Filled	Completed	Compliant
2019-20	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

CEP STATUS FOR F.Y. 2019-2024

Year	Maximum CEP Required	Minimum CEP Required	CEP Earned	Pending
2019-20	NA	NA	NA	NA
2020-21	6	4	8	0
2021-22	16-2=14	10	0	14
2022-23	16+14 =30	10	0	30
2023-24	16+30 =46	46	0	46

3. Reply from the Registered Valuer

- 1) Member in his reply via email dated October 16, 18 and 19, 2023 and October, 20, 2023 stated as under

"Respected sir/madam I'm sakthivel (IOVRVF/VM/L&B/8029). I received your letter regarding not payment of annual membership fee and cep points not completed. since I'm not practicing valuation now i m not in the position to pay the fee or attend the cep class .i don't know what do to please guide me regarding this matter"

- 2) Vide email dated 19th December, 2024, he expressed his desire to surrender his membership.

- 3) Vide email dated 20th December, 2024, he expressed that he is not willing to pay any fee.

4. Findings of the Disciplinary Committee

- 4.1. Disciplinary committee has found that the Registered Valuer is in default of the following provisions of the Valuation Rules:
- a. 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.
 - b. 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.
 - c. 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.
- 4.2. In the present case, Registered Valuer was in his replies stated above has confirmed that he is not practising valuation profession, he is not in a position of pay the Annual Membership Fee or to attend the CEP Classes. He further requested for surrender of his Certificate of Practice. He was also telephonically contacted but he did not responded to the calls. However, vide email dated 19th December, 2024, he was informed and advised to apply for temporary surrender as it will exempt him from obligations until he resumes or activate his membership again. He was also advised and explained the procedure of Temporary Surrender but vide email dated 20th December, 2024 he stated that he is not in a situation to pay the fee.
- 4.3. **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 Sakthivel till the time he completes his pending compliances; and
- b) Refer the matter to the Authority for further appropriate actions as deemed fit.

Page 3 of 4

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



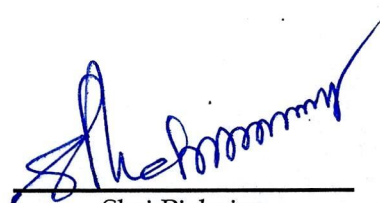

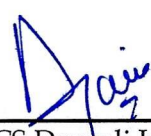
7. **Appeal**

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. **Sakthivel**, Registered Valuer
3. IOV RVF- Record