

**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**

(Authority specified by the Central Government under section 458 of the Companies Act, 2013)

17<sup>th</sup> September, 2020

**ORDER**

**IN THE MATTER OF APPLICATION OF ██████████ FOR GRANT OF CERTIFICATE OF REGISTRATION AS A REGISTERED VALUER UNDER RULE 6 OF THE COMPANIES (REGISTERED VALUERS AND VALUATION) RULES, 2017.**

██████████ (applicant) had submitted an application under section 247 of the Companies Act, 2013 read with rule 6 (1) of the Companies (Registered Valuers and Valuation) Rules, 2017 (Rules) seeking a certificate of registration as a Registered Valuer (RV) in the asset class 'Land and Building' (L&B). ██████████, where the applicant is enrolled as a valuer member, forwarded the application on 14<sup>th</sup> February, 2019, with a recommendation for registration of the applicant as an RV.

2. Rule 4 read with Annexure IV of the Rules require that an individual must possess the following educational qualification and experience in the relevant discipline to be eligible for registration as a valuer in the asset class of L&B:

- a. Graduate in Civil Engineering, Architecture, or Town Planning or equivalent and five years of experience thereafter, or
- b. Post-Graduate in Civil Engineering, Architecture, Town Planning or equivalent, valuation of land and building, or real estate valuation and three years of experience thereafter.

3. While considering the application for registration, it was observed that the applicant has made a declaration in Part C of the form, stating that he is in "Practice" for a period of 10 years and 11 months. Further, under the Experience Details section (C-5), he has detailed his time period of practice as 4<sup>th</sup> April, 2006 to 22<sup>nd</sup> May, 2018. Additionally, he has also given an undertaking dated 07<sup>th</sup> January 2019 to this effect stating that – "I ██████████

██████████, do hereby declare that I am not employed and am engaged in valuation practice and/or consulting business of Individual in the specified discipline valuer since 10 years 11 months till date..." However, from perusal of the Income Tax Return for the Financial Year 2017-18 (Assessment Year 2018-19), it appears that he has derived income from salary only and TDS on salary has also been deducted by ██████████. In the Income Tax Return, income from other sources has been shown as zero. Further, as per details in Form 26 AS for the Financial Year, 2018-19 (Assessment Year 2019-20) TDS under section 192 of the Income Tax Act has been deducted and deposited by ██████████. Thus, to ascertain the true status, a clarification was sought from the applicant through ██████████, however, despite repeated follow-ups, no response was received from the applicant.

4. Therefore, the Authority formed a *prima facie* opinion that the registration ought not to be granted to the applicant because of his failure to establish the eligibility criteria prescribed under the Rules. It communicated, vide email dated 25<sup>th</sup> April 2020, its *prima facie* opinion along

with reasons for the same and provided an opportunity to explain why his application should be accepted. However, again no response was received from the applicant.

5. In compliance of the principles of natural justice, an opportunity to seek personal e-hearing was offered by the Authority vide e-mail dated 15<sup>th</sup> July 2020 and 22<sup>nd</sup> July 2020. However, the applicant failed to attend the personal e-hearing on the scheduled date i.e. 23<sup>rd</sup> July, 2020. Another opportunity of attending personal e-hearing on 27<sup>th</sup> July 2020 was offered to the applicant vide e-mail dated 24<sup>th</sup> July 2020, however, the applicant again failed to attend the personal e-hearing. In the interest of justice, another opportunity of hearing was given to the applicant vide e-mail and letter dated 28<sup>th</sup> July 2020 offering an opportunity of personal e-hearing on 10<sup>th</sup> August 2020 to which the applicant finally responded and requested postponement of the e-hearing to 17<sup>th</sup> August 2020 at 11:00 AM which was accepted by the Authority. However, again on 17<sup>th</sup> August 2020, although the Authority waited for 10 minutes i.e. from 11:00 AM to 11:10 AM, the applicant failed to attend the e-hearing without any prior or post intimation to the Authority. During the entire phase i.e. from 15<sup>th</sup> July 2020 to 17<sup>th</sup> August 2020, several calls were made to the applicant and several messages (text messages and WhatsApp messages) were sent to him on his mobile number [REDACTED], however, the applicant failed to respond to them.

6. In view of the above, it appears that the applicant does not wish to make any further submissions in support of his application.

7. The application and the material available on record have been considered. It is observed that the declaration made by the applicant in his application, regarding his professional experience, is not corroborated by the documents available on record. This goes against the following affirmation made by the applicant under section G3 of the application form - *“This application and the information furnished by me along with this application is true and complete. If found false or misleading at any stage, my registration shall be summarily rejected.”* Since the applicant has not been responding to the clarifications sought by the Authority from time to time, the factual information provided by the applicant in his application, to establish his eligibility to be in accordance with the Rules, cannot be verified.

8. In view of the foregoing, it is found that the eligibility of the applicant for registration as Valuer, as prescribed under the Rules, is not established. Therefore, in exercise of the powers conferred on the Authority under rule 6 (9) (b) of the Companies (Registered Valuers and Valuation) Rules, 2017, the application of [REDACTED] for registration as valuer in the asset class of L&B stands rejected.

Date: 17<sup>th</sup> September, 2020  
New Delhi

Sd/-  
(Dr. Navrang Saini)  
Whole Time Member  
Insolvency and Bankruptcy Board of India