

- (6) An order passed under sub-rule (5) cancelling the recognition of a registered valuers organisation, shall specify the time within which its members may take membership of another registered valuers organisation recognised for valuation of relevant asset class without prejudice to their registration.
- (7) The order passed under sub-rule (5) shall be issued to the concerned person immediately, and published on the website of the authority.
- (8) The order passed under sub-rule (5) shall not become effective until thirty days have elapsed from the date of issue of the order unless stated otherwise.
- (9) Any person aggrieved by an order of the authorised officer under sub-rule (5) may prefer an appeal before the authority.

Explanation.— For the purposes of this rule, the authorised officer shall be an officer as may be specified by the authority.

CHAPTER V VALUATION STANDARDS

- 18. **Valuation Standards.**— The Central Government shall notify and may modify (from time to time) the valuation standards on the recommendations of the Committee set up under rule 19.
- 19. **Committee to advise on valuation matters.**— (1) The Central Government may constitute a Committee to be known as “Committee to advise on valuation matters” to make recommendations on formulation and laying down of valuation standards and policies for compliance by companies and registered valuers.
 - (2) The Committee shall comprise of-
 - (a) a Chairperson who shall be a person of eminence and well versed in valuation, accountancy, finance, business administration, business law, corporate law, economics;
 - (b) one member nominated by the Ministry of Corporate Affairs;
 - (c) one member nominated by the Insolvency and Bankruptcy Board of India;
 - (d) one member nominated by the Legislative Department;

- (e) up to four members nominated by Central Government representing authorities which are allowing valuations by registered valuers;
 - (f) up to four members who are representatives of registered valuers organisations, nominated by Central Government.
 - (g) Up to two members to represent industry and other stakeholder nominated by the Central Government in consultation with the authority;
 - (h) ³⁰Presidents of the Institute of Chartered Accountants of India, the Institute of Company Secretaries of India, the Institute of Cost Accountants of India as ex-officio members.
- (3) The Chairperson and Members of the Committee shall have a tenure of three years and they shall not have more than two tenures.

CHAPTER VI MISCELLANEOUS

- 20. Punishment for contravention.-** Without prejudice to any other liabilities where a person contravenes any of the provision of these rules he shall be punishable in accordance with sub-section (3) of section 469 of the Act.
- 21. Punishment for false statement.—** If in any report, certificate or other document required by, or for, the purposes of any of the provisions of the Act or the rules made thereunder or these rules, any person makes a statement,—
- (a) which is false in any material particulars, knowing it to be false;
or
 - (b) which omits any material fact, knowing it to be material,
- he shall be liable under section 448 of the Act.

³⁰ Inserted by the Companies (Registered Valuers and Valuation) Second Amendment Rules, 2018, (w.e.f. 14-06-2018).

ANNEXURE-I
MODEL CODE OF CONDUCT FOR REGISTERED VALUERS

[See clause (g) of rule 7 and clause (d) of sub-rule (2) of rule 12]

Integrity and Fairness

1. A valuer shall, in the conduct of his/its business, follow high standards of integrity and fairness in all his/its dealings with his/its clients and other valuers.
2. A valuer shall maintain integrity by being honest, straightforward, and forthright in all professional relationships.
3. A valuer shall endeavour to ensure that he/it provides true and adequate information and shall not misrepresent any facts or situations.
4. A valuer shall refrain from being involved in any action that would bring disrepute to the profession.
5. A valuer shall keep public interest foremost while delivering his services.

Professional Competence and Due Care

6. A valuer shall render at all times high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment.
7. A valuer shall carry out professional services in accordance with the relevant technical and professional standards that may be specified from time to time
8. A valuer shall continuously maintain professional knowledge and skill to provide competent professional service based on up-to-date developments in practice, prevailing regulations/guidelines and techniques.
9. In the preparation of a valuation report, the valuer shall not disclaim liability for his/its expertise or deny his/its duty of care, except to the extent that the assumptions are based on statements of fact provided by the company or its auditors or consultants or information available in public domain and not generated by the valuer.

Technical Guide on Valuation

10. A valuer shall not carry out any instruction of the client insofar as they are incompatible with the requirements of integrity, objectivity and independence.
11. A valuer shall clearly state to his client the services that he would be competent to provide and the services for which he would be relying on other valuers or professionals or for which the client can have a separate arrangement with other valuers.

Independence and Disclosure of Interest

12. A valuer shall act with objectivity in his/its professional dealings by ensuring that his/its decisions are made without the presence of any bias, conflict of interest, coercion, or undue influence of any party, whether directly connected to the valuation assignment or not.
13. A valuer shall not take up an assignment if he/it or any of his/its relatives or associates is not independent in terms of association to the company.
14. A valuer shall maintain complete independence in his/its professional relationships and shall conduct the valuation independent of external influences.
15. A valuer shall wherever necessary disclose to the clients, possible sources of conflicts of duties and interests, while providing unbiased services.
16. A valuer shall not deal in securities of any subject company after any time when he/it first becomes aware of the possibility of his/its association with the valuation, and in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 or till the time the valuation report becomes public, whichever is earlier.
17. A valuer shall not indulge in “mandate snatching” or offering “convenience valuations” in order to cater to a company or client’s needs.
18. As an independent valuer, the valuer shall not charge success fee.
19. In any fairness opinion or independent expert opinion submitted by a valuer, if there has been a prior engagement in an unconnected

transaction, the valuer shall declare the association with the company during the last five years.

Confidentiality

20. A valuer shall not use or divulge to other clients or any other party any confidential information about the subject company, which has come to his/its knowledge without proper and specific authority or unless there is a legal or professional right or duty to disclose.

Information Management

21. A valuer shall ensure that he/ it maintains written contemporaneous records for any decision taken, the reasons for taking the decision, and the information and evidence in support of such decision. This shall be maintained so as to sufficiently enable a reasonable person to take a view on the appropriateness of his/its decisions and actions.
22. A valuer shall appear, co-operate and be available for inspections and investigations carried out by the authority, any person authorised by the authority, the registered valuers organisation with which he/it is registered or any other statutory regulatory body.
23. A valuer shall provide all information and records as may be required by the authority, the Tribunal, Appellate Tribunal, the registered valuers organisation with which he/it is registered, or any other statutory regulatory body.
24. A valuer while respecting the confidentiality of information acquired during the course of performing professional services, shall maintain proper working papers for a period of three years or such longer period as required in its contract for a specific valuation, for production before a regulatory authority or for a peer review. In the event of a pending case before the Tribunal or Appellate Tribunal, the record shall be maintained till the disposal of the case.

Gifts and hospitality

25. A valuer or his/its relative shall not accept gifts or hospitality which undermines or affects his independence as a valuer.

Explanation.— For the purposes of this code the term 'relative' shall have the same meaning as defined in clause (77) of Section 2 of the Companies Act, 2013 (18 of 2013).

Technical Guide on Valuation

26. A valuer shall not offer gifts or hospitality or a financial or any other advantage to a public servant or any other person with a view to obtain or retain work for himself/ itself, or to obtain or retain an advantage in the conduct of profession for himself/ itself.

Remuneration and Costs

27. A valuer shall provide services for remuneration which is charged in a transparent manner, is a reasonable reflection of the work necessarily and properly undertaken, and is not inconsistent with the applicable rules.
28. A valuer shall not accept any fees or charges other than those which are disclosed in a written contract with the person to whom he would be rendering service.

Occupation, employability and restrictions

29. A valuer shall refrain from accepting too many assignments, if he/it is unlikely to be able to devote adequate time to each of his/ its assignments.
30. A valuer shall not conduct business which in the opinion of the authority or the registered valuer organisation discredits the profession.

ANNEXURE-II

FORM-A

[See sub-rule (1) of rule 6]]

Application for registration as a valuer by an individual

To

The Authority

[Insert address]

From

[Name and address]

Subject: Application for registration as a valuer

Sir/Madam,

I, having been enrolled as a member with the (please write the name of the Registered valuers organisation), hereby apply for registration as a valuer under section 247 of the Companies Act, 2013 read with sub-rule (1) of rule 6 of the Companies (Registered Valuers and Valuation) Rules, 2017 for the following class(es) of assets:-

(a) _____

(b) _____

My details are as under:

A. PERSONAL DETAILS

1. Title (Mr/Mrs/Ms):
2. Name:
3. Father's Name:
4. Mother's Name:
5. Date of Birth:
6. PAN No.:
7. AADHAAR No.:
8. Passport No.:

Technical Guide on Valuation

- 9. Address for Correspondence:
- 10. Permanent Address:
- 11. E-Mail Address
- 12. Mobile No:

B. EDUCATIONAL, PROFESSIONAL AND VALUATION EXAMINATION QUALIFICATIONS

1. Educational Qualifications

[Please provide educational qualifications from Bachelor's degree onwards]

Educational Qualification	Year of Passing	Marks (Per cent.)	Grade/Classes	University/College	Remarks, if any

2. Professional Qualifications [excluding valuation specific courses]

Professional Qualification [excluding valuation specific education /courses]	Institute/ Professional Body	Membership No. (if applicable)	Date of enrolment	Remarks, if any

3. (a) Details of valuation examination passed

Date of examination	Asset class, if any	Marks secured	Percentage

(b) Valuation Qualifications

Valuation specific qualification/course	Recognised Registered Valuers Organisation		Asset class	Membershi p No. in Registered Valuers Organisation	Remarks , if any.
	Name	Recognitio n No			

C. WORK EXPERIENCE

1. Are you presently in practice / employment? (Yes or No)
2. Number of years in practice or of work experience in the relevant profession or in valuation (in years and months):
3. If in practice, address for professional correspondence:
4. Number of years in employment (in years and months):
5. Experience Details

Sl No .	From Date	To Date	Employment / Practice	If employed, Name of Employer and Designation	If in practice, experience in the relevant profession/ valuation	Area of work

D. REGISTERED VALUERS ORGANISATION

1. Please give details of the registered valuers organisation of which you are a member.
2. Please state your membership number.

E. ADDITIONAL INFORMATION

1. Have you ever been convicted for an offence? Yes or No.
If yes, please give details.
2. Are any criminal proceedings pending against you? (Yes or No)
If yes, please give details.
3. Have you ever been declared as an undischarged bankrupt, or applied to be adjudged as Bankrupt? (Yes or No)
If yes, please give details.
4. Please provide any additional information that may be relevant for your application.

F. ATTACHMENTS

1. Copy of proof of residence.
2. Copies of documents in support of educational qualifications, professional qualifications and Registered Valuation Examination qualifications.
3. Copies of documents demonstrating practice or work experience for the relevant period.
4. Copies of certificate of employment by the relevant employer(s), specifying the period of such employment.
5. Income Tax Returns for the last three years.
6. Copy of proof of membership with a registered valuers organisation.
7. Passport-size photo.
8. Evidence of deposit / payment of five thousand rupees.

G. AFFIRMATIONS

1. Copies of documents, as listed in section F of this application form have been attached/ uploaded. The documents attached/ uploaded are

I undertake to furnish any additional information as and when called for.

2. I am not disqualified from being registered as a valuer under the Companies (Registered Valuers and Valuation) Rules, 2017.
3. 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 cancelled.

I hereby undertake to comply with the requirements of the Companies Act, 2013, the rules made thereunder, the directions given by the authority, and the bye-laws, directions and guidelines issued or the resolutions passed in accordance with the bye-laws by the registered valuers organisation with which I am enrolled.

4. The applicable fee has been paid.

Name and Signature of applicant

Place:

Date:

VERIFICATION BY THE REGISTERED VALUERS ORGANISATION

We have verified the above details submitted by ... who is our member with membership no. ...and confirm these to be true and correct.

We recommend registration of ... as a valuer.

(Name and Signature)

Authorised Representative of the Registered Valuers Organisation

Seal of the Registered Valuers Organisation

Place:

Date:

FORM-B

(See sub-rule (2) of rule 6)

Application for registration as a valuer by a partnership entity/Company

To

The Authority,

[Insert address]

From

[Name and address]

Subject: Application for registration as a valuer

Sir/Madam,

I, being a partner/director (strike off whichever is not applicable), being duly authorised for the purpose by the partnership entity/company through a resolution/deed (strike out whichever is not applicable) apply on behalf of [name and address of applicant partnership entity/company], and on behalf of its partners/directors, for registration as a valuer under section 247 of the Companies Act, 2013 read with sub-rule (2) of rule 6 of the Companies (Registered Valuers and Valuation) Rules, 2017 for the following class(es) of assets :-

(a) _____

_____The details are as under:

A. DETAILS OF THE PARTNERSHIP ENTITY/COMPANY

1. Name:
2. Registration Number/ LLP Number/CIN Number:
3. PAN No.:
4. Address for Correspondence or registered office:
5. Permanent Address:

6. E-Mail Address

7. Telephone No.:

8. Others:

B. PERSONAL DETAILS OF EACH PARTNER/DIRECTOR

Title (Mr/Mrs/Ms):

1. Name:

2. Father's Name:

3. Mother's Name:

4. Date of Birth:

5. PAN No.:

6. AADHAAR No.:

7. Passport No.:

8. Address for Correspondence:

9. Permanent Address:

10. E-Mail Address

11. Mobile No.:

12. Others:

C. EDUCATIONAL, PROFESSIONAL AND VALUATION EXAMINATION QUALIFICATIONS OF PARTNERS/DIRECTORS

1. Educational Qualifications

[Please provide educational qualifications from Bachelor's degree onwards for each partner/director]

Educational Qualification	Year of Passing	Marks (per cent.)	Grade/ Class	University/College	Remarks, if any

Technical Guide on Valuation

2. Professional Qualifications for each partner/director

Professional Qualification	Institute/ Professional Body/ registered valuers organisation	Membership No. (If applicable)	Membership No. (if applicable)	Remarks, if any

3. (a) Details of valuation examination passed (for all partners/directors who are registered valuers)

Date of examination	Asset class, if any	Asset class, if any	Percentage

(b) Valuation Qualifications (for all partners/directors who are registered valuers)

Valuation specific qualification/course	Recognised Registered Valuers Organisation		Asset class	Membership No. in Registered Valuers Organisation	Remarks, if any.
	Name	Recognition No			

D. REGISTERED VALUERS ORGANISATION

- Please give details of the registered valuers organisation of which you are a member. Please state your membership number.

2. Please give details of the registered valuers organisations of which your partners are members. Please state your membership number.

E. ADDITIONAL INFORMATION

1. Have you or any of your partners/directors ever been convicted for an offence? (Yes or No).
If yes, please give details.
2. Are any criminal proceedings pending against you or your partners/directors? (Yes or No)
If yes, please give details.
3. Are you or any of your partners/directors undischarged bankrupt, or have applied to be adjudged as a bankrupt? (Yes or No)
If yes, please give details.
4. Please provide any additional information that may be relevant for your application.

F. ATTACHMENTS

1. Copy of proof of residence of itself and its partners/directors.
2. Copies of documents in support of educational qualifications, professional qualifications and valuation qualifications of partners/directors.
3. Financial statements/ Income Tax Returns for the last three years.
4. Copy of proof of membership with a registered valuers organisation .
5. Passport-size photo.
6. Evidence of deposit / payment of ten thousand rupees.

G. AFFIRMATIONS

1. Copies of documents, as listed in section F of this application form have been attached/ uploaded. The documents attached/ uploaded are

Technical Guide on Valuation

- I undertake to furnish any additional information as and when called for.
2. I am not disqualified from being registered as a valuer under the Companies (Registered Valuers and Valuation) Rules, 2017.
 3. This application and the information furnished by me along with this application is true and complete. If found false or misleading at any stage, the registration of the applicant shall be summarily cancelled.
 4. I hereby undertake that the partnership entity/company and its partners/directors shall comply with the requirements of the Companies Act, 2013, the rules made thereunder, the directions given by the authority, and the bye-laws, directions and guidelines issued or the resolutions passed in accordance with the bye-laws by the registered valuers organisation with which I am enrolled.
 5. The applicable fee has been paid.

Place: _____ Name and Signature of applicant's representative

Date: _____

VERIFICATION BY THE REGISTERED VALUERS ORGANISATION

We have verified the above details submitted by ... who is our member with membership no. ...and confirm these to be true and correct. We recommend registration of ... as a valuer.

(Name and Signature)

Authorised Representative of the Registered Valuers Organisation

Seal of the Registered Valuers Organisation

Place: _____

Date: _____

FORM-C

(See sub-rule (6) of rule 6)

CERTIFICATE OF REGISTRATION

VALUER REGISTRATION NO.

1. In exercise of the powers conferred by Section 247 of the Companies Act, 2013 read with sub-rule (6) of rule 6 of the Companies (Registered Valuers and Valuation) Rules, 2017 the Authority hereby grants a certificate of registration to *[insert name]*, to act as a valuer in respect of *[insert asset class]* in accordance with these rules.
2. This certificate shall be valid from *[insert start date]*.

Date:

(Name and Designation)

Place:

For and on behalf of the Authority

APPENDIX

FORM-D

(See sub-rule (1) of rule 13)

APPLICATION FOR RECOGNITION

To

The Authority

[Insert address]

From

[Name and address]

Subject: Application for grant of certificate of recognition as a registered valuers organisation

Madam/Sir,

1. I, being duly authorised for the purpose, hereby apply on behalf of *[name and address of the applicant]* for grant of certificate of recognition as a registered valuers organisation in respect of the following class(es) of assets:
 - (a)
 - (b)and enclose a copy of the board resolution authorising me to make this application and correspond with the authority in this respect.
2. Copies of the articles of association, memorandum of association, trust deed, bye-laws and code of conduct, as applicable, of the applicant are enclosed.
3. I, on behalf of *[insert name]*, affirm that the applicant is eligible to be recognised as a registered valuers organisation for the abovementioned class(es) of assets.
4. I, on behalf of *[insert name]*, hereby affirm that –
 - (a) all information contained in this application is true and correct in all material respects,

- (b) no material information relevant for the purpose of this application has been suppressed, and
 - (c) recognition granted in pursuance of this application may be cancelled summarily if any information submitted is found to be false or misleading in material respects at any stage.
5. If granted recognition, I, on behalf of [insert name], undertake to comply with the requirements of the Act, the rules, directions or guidelines issued by the authority, and such other conditions and terms as may be contained in the certificate of recognition or be specified or imposed by the authority subsequently, including the requirement to convert into a company registered under section 8 of the Companies Act, 2013 within the required period, if applicable.

Yours faithfully, Authorised Signatory

(Name)

(Designation)

Date:

Place:

APPENDIX TO FORM-D

PART

GENERAL

1. Name of the applicant.
2. Address of registered office and principal place of business of the applicant.
3. Corporate Identification Number (CIN)/ PAN/ Other Identification Number.
4. Name, designation and contact details of the person authorised to make this application and correspond with the authority in this respect.

PART II

STRUCTURE AND GOVERNANCE

1. Please provide brief details of the applicant's-
 - (i) form of establishment
 - (ii) ownership structure
 - (iii) governance structure

PART III

MEMBERSHIP AND EXAMINATION

1. Please provide brief details of the
 - (i) number of members who practice valuation and are already registered with the applicant
 - (ii) specific discipline (in terms of rule 4):
 - (iii) other criteria/ qualifications for and manner of registration with the applicant

Note: In case of organisations referred to in clause (ii) of sub-rule (1) of rule 12, in lieu of information at (i), they may provide brief details of the number of members who have passed the valuation specific course conducted by the organisation.

2. Please provide brief details of any examination conducted for registration of members with the applicant.
3. Please provide brief details of the requirements of continuous education of the applicant's members.

PART IV

CODE OF CONDUCT

1. Please state if the Code of Conduct of the applicant is in compliance with the Companies (Registered Valuers and Valuation) Rules, 2017.
2. Please specify the clause number of the provisions of the Code of Conduct which are in addition to the provisions of the model Code of Conduct specified in the Companies (Registered Valuers and Valuation) Rules, 2017 (if any).

PART V

MONITORING AND DISCIPLINE

1. Please provide details mechanisms employed by the applicant to monitor its members.
2. Please provide details of mechanisms employed by the applicant to redress grievances against its members and itself.
3. Please provide details of disciplinary mechanisms employed by the applicant.

Please provide any other details you consider relevant in support of the application.

Authorised Signatory.

(Name)

(Designation)

Date:

Place:

FORM-E

(See sub-rule (5) of rule 13)

**CERTIFICATE OF RECOGNITION REGISTERED VALUERS
ORGANISATION RECOGNITION NO.**

1. In exercise of the powers conferred by sub-rule (5) of rule 13 of the Companies (Registered Valuers and Valuation) Rules, 2017 the Registration hereby grants a certificate recognising *[insert name]*, as a registered valuers organisation for the valuation of *[insert class(es) of assets]*.

Conditions of Recognition

2. [Insert Name] shall admit as members who possess the educational qualifications and experience as specified herein under:
3. Conditions as laid down in rule 14 [give in detail]
4. This certificate of recognition shall be valid from *[insert start date]*.

(Name and Designation)

For and on behalf of the Authority

Date:

Place:

ANNEXURE - III

(See sub-rule (3) of rule 12 and clauses (f) and (g) of rule 14)

Governance Structure and Model Bye Laws for registered valuers organisation

Part I

1. Governance Structure

No person shall be eligible to be recognised as an registered valuers organisation unless it is a company registered under section 8 of the Companies Act, 2013 with share capital, and –

- (a) its sole object is to carry on the functions of a registered valuers organisation under the Companies Act, 2013;
- (b) it is not under the control of person(s) resident outside India,
- (c) not more than forty-nine per cent. of its share capital is held, directly or indirectly, by persons resident outside India; and
- (d) it is not a subsidiary of a body corporate through more than one layer:
- (e) Explanation: “layer” in relation to a body corporate means its subsidiary;
- (f) itself, its promoters, its directors and persons holding more than ten percent. of its share capital are fit and proper persons.

2. Registered Valuers Organisation to Have Bye-Laws

- 1. The registered valuers organisation shall submit to the authority its bye-laws along with the application for its registration as a registered valuers organisation.
- 2. The bye-laws shall provide for all matters specified in the model bye-laws in Part II.
- 3. The bye-laws shall at all times be consistent with the model bye-laws.
- 4. The registered valuers organisation shall publish its bye-laws, the composition of all committees formed, and all policies created under the bye-laws on its website.

3. Amendment of Bye-Laws

1. The Governing Board may amend the bye-laws by a resolution passed by votes in favour being not less than three times the number of the votes, if any, cast against the resolution, by the directors.
2. A resolution passed in accordance with sub-bye law (1) shall be filed with the authority within seven days from the date of its passing, for its approval.
3. The amendments to the bye-laws shall come into effect on the seventh day of the receipt of the approval, unless otherwise specified by the authority.
4. The registered valuers organisation shall file a printed copy of the amended bye-laws with the authority within fifteen days from the date when such amendment is made effective.

4. Composition of the Governing Board.

1. The Governing Board shall have a minimum of ____ [Insert number] directors.
2. More than half of the directors shall be persons resident in India at the time of their appointment, and at all times during their tenure as directors.
3. Not more than one fourth of the directors shall be registered valuers.
4. More than half of the directors shall be independent directors at the time of their appointment, and at all times during their tenure as directors:

Provided that no meeting of the Governing Board shall be held without the presence of at least one independent director.

5. An independent director shall be an individual –
 - (a) who has expertise in the field of finance, law, management or valuation;
 - (b) who is not a registered valuer;

- (c) who is not a shareholder of the registered valuers organisation; and
 - (d) who fulfils the requirements under sub-section (6) of section 149 of the Companies Act, 2013.
- 6. The directors shall elect an independent director as the Chairperson of the Governing Board.

Explanation - For the purposes of bye laws, any fraction contained in

 - (a) 'more than half' shall be rounded off to the next higher number; and
 - (b) 'not more than one- fourth' shall be rounded down to the next lower number.

PART II

MODEL BYE-LAWS OF A REGISTERED VALUERS ORGANISATION

I. GENERAL

- 1. The name of the registered valuers organisation is “_____” (hereinafter referred to as the ‘Organisation’).
- 2. The ‘Organisation’ is registered as a company under section 8 of the Companies Act, 2013 (18 of 2013) with its registered office situated at _____ [provide full address].
- 3. These bye-laws may not be amended, except in accordance with this Annexure.

II. DEFINITIONS

- 4. (1) In these bye-laws, unless the context otherwise requires -
 - (a) “certificate of membership” means the certificate of membership of the Organisation granted under bye-law 10;
 - (b) “Act” means the Companies Act, 2013 (18 of 2013);
 - (c) “Governing Board” means the Board of Directors or Board of the Organisation as defined under clause (10) of section 2 of Companies Act, 2013 (18 of 2013);

Technical Guide on Valuation

- (d) “relative” shall have the same meaning as assigned to it in clause (77) of section 2 of the Companies Act, 2013 (18 of 2013);
- (2) Unless the context otherwise requires, words and expressions used and not defined in these bye-laws shall have the meanings assigned to them in the Companies Act, 2013 (18 of 2013).

III. OBJECTIVES

- 5.
 - (1) The Organisation shall carry on the functions of the registered valuers organisation under the Companies (Registered Valuers and Valuation) Rules, 2017, and functions incidental thereto.
 - (2) The Organisation shall not carry on any function other than those specified in sub-clause (1), or which is inconsistent with the discharge of its functions as a registered valuers organisation .

IV. DUTIES OF THE ORGANISATION

- 6.
 - (1) The Organisation shall maintain high ethical and professional standards in the regulation of its members.
 - (2) The Organisation shall –
 - (a) ensure compliance with the Companies Act, 2013 and rules, regulations and guidelines issued thereunder governing the conduct of registered valuers organisation and registered valuers;
 - (b) employ fair, reasonable, just, and non-discriminatory practices for the enrolment and regulation of its members;
 - (c) be accountable to the authority in relation to all bye-laws and directions issued to its members;
 - (d) develop the profession of registered valuers;
 - (e) promote continuous professional development of its members;
 - (f) continuously improve upon its internal regulations and guidelines to ensure that high standards of professional and ethical conduct are maintained by its members; and
 - (g) provide information about its activities to the authority.

V. Committees of the Organisation

Advisory Committee of Members.

7. (1) The Governing Board may form an Advisory Committee of members of the Organisation to advise it on any matters pertaining to-
 - (a) the development of the profession;
 - (b) standards of professional and ethical conduct; and
 - (c) best practices in respect of Valuation.
- (2) The Advisory Committee may meet at such places and times as the Governing Board may provide.

Other Committees of the Organisation.

8. (1) The Governing Board shall constitute-
 - (a) one or more Membership Committee(s) consisting of such members as it deems fit;
 - (b) a Monitoring Committee consisting of such members as it deems fit;
 - (c) one or more Grievance Redressal Committee(s), with not less than three members,;
 - (d) one or more Disciplinary Committee(s) consisting of at least one member nominated by the authority.
- (2) The Chairperson of each of these Committees shall be an independent director of the Organisation.

VI. Membership

Eligibility for Enrolment.

9. No individual shall be enrolled as a member if he is not eligible to be registered as a registered valuer with the authority:

Provided that the Governing Board may provide additional eligibility requirements for enrolment:

Provided further that such additional requirements shall not discriminate on the grounds of religion, race, caste, gender, place of birth or professional affiliation.

Process of Enrolment as Member.

10. (1) An individual may apply for enrolment as a member by submitting an application in such form, in such manner and with such fees as may be specified by the Organisation.
- (2) The Organisation shall examine the application in accordance with the applicable provisions of the rules, regulations and guidelines thereunder.
- (3) On examination of the application, the Organisation shall give an opportunity to the applicant to remove the deficiencies, if any, in the application.
- (4) The Organisation may require an applicant to submit additional documents, information or clarification that it deems fit, within reasonable time.
- (5) The Organisation may reject an application if the applicant does not satisfy the criteria for enrolment or does not remove the deficiencies or submit additional documents or information to its satisfaction, for reasons recorded in writing.
- (6) The rejection of the application shall be communicated to the applicant stating the reasons for such rejection, within thirty days of the receipt of the application, excluding the time given for removing the deficiencies or presenting additional documents or clarification by the Organisation, as the case may be.
- (7) The acceptance of the application shall be communicated to the applicant, along with a certificate of membership.
- (8) An applicant aggrieved of a decision rejecting his application may appeal to the Membership Committee of the Organisation within thirty days from the receipt of such decision.
- (9) The Membership Committee shall pass an order disposing of the appeal in the manner it deems expedient, within thirty days of the receipt of the appeal.

Membership Fee

11. The Organisation may require the members to pay a fixed sum of money as its annual membership fee.

Register of Members

12. (1) The Organisation shall maintain a register of its professional members, containing their-
- (a) name;
 - (b) proof of identity;
 - (c) contact details;
 - (d) address;
 - (e) date of enrolment and membership number;
 - (f) date of registration with the authority and registration number;
 - (g) details of grievances pending against him with the Organisation;
 - (h) details of disciplinary proceedings pending against him with the Organisation; and
 - (i) details of orders passed against him by the authority or Disciplinary Committee of the Organisation.
- (2) The records relating to a member shall be made available for inspection to-
- (a) the authority,
 - (b) any other person who has obtained the consent of the member for such inspection.

VII. DUTIES OF MEMBERS

13. (1) In the performance of his functions, a member shall-
- (a) act in good faith in discharge of his duties as a registered valuer;
 - (b) discharge his functions with utmost integrity and objectivity;
 - (c) be independent and impartial;
 - (d) discharge his functions with the highest standards of professional competence and professional ethics;
 - (e) continuously upgrade his professional expertise;

Technical Guide on Valuation

- (f) comply with applicable laws in the performance of his functions; and
 - (g) maintain confidentiality of information obtained in the course of his professional activities unless required to disclose such information by law.
- 14. The Organisation shall have a Code of Conduct that shall be consistent with, and that shall provide for all matters in the Code of Conduct as specified in the Annexure-I.

VIII. MONITORING OF MEMBERS

- 15. The Organisation shall have a Monitoring Policy to monitor the professional activities and conduct of members for their adherence to the provisions of the Act, rules, regulations and guidelines issued thereunder, these bye-laws, the Code of Conduct and directions given by the Governing Board.
- 16. 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.
- 17. The Monitoring Committee shall review the information and records submitted by the members in accordance with the Monitoring Policy.
- 18. The Monitoring Policy shall provide for the following -
 - (a) the frequency of monitoring;
 - (b) the manner and format of submission or collection of information and records of the members, including by way of inspection;
 - (c) the obligations of members to comply with the Monitoring Policy;
 - (d) the use, analysis and storage of information and records;
 - (e) evaluation of performance of members; and
 - (f) any other matters that may be specified by the Governing Board.
- 19. The Monitoring Policy shall –
 - (a) have due regard for the privacy of members,

- (b) provide for confidentiality of information received, except when disclosure of information is required by the authority or by law, and
 - (c) be non-discriminatory.
- 20. The Organisation shall submit a report to the authority in the manner specified by the authority with information collected during monitoring, including information pertaining to -
 - (a) the details of the appointments made under the Act/these Rules,
 - (b) the transactions conducted with stakeholders during the period of his appointment;
 - (c) the transactions conducted with third parties during the period of his appointment; and
 - (d) the outcome of each appointment.

IX. Grievance Redressal Mechanism

- 21. (1) The Organisation shall have a Grievance Redressal Policy providing the procedure for receiving, processing, redressing and disclosing grievances against the Organisation or any member of the Organisation by-
 - (a) any member of the Organisation;
 - (b) any person who has engaged the services of the concerned members of the Organisation; or
 - (c) any other person or class of persons as may be provided by the Governing Board.
- (2) The Grievance Redressal Committee, after examining the grievance, may-
 - (a) dismiss the grievance if it is devoid of merit; or
 - (b) initiate a mediation between parties for redressal of grievance.
- (3) The Grievance Redressal Committee shall refer the matter to the Disciplinary Committee, wherever the grievance warrants disciplinary action.

Technical Guide on Valuation

22. The Grievance Redressal Policy shall provide for-
- (a) the format and manner for filing grievances;
 - (b) maximum time and format for acknowledging receipt of a grievance;
 - (c) maximum time for the disposal of the grievance by way of dismissal, reference to the Disciplinary Committee or the initiation of mediation;
 - (d) details of the mediation mechanism
 - (e) provision of a report of the grievance and mediation proceedings to the parties to the grievance upon dismissal or resolution of the grievance;
 - (f) action to be taken in case of malicious or false complaints;
 - (g) maintenance of a register of grievances made and resolutions arrived at; and
 - (h) periodic review of the Grievance Redressal Mechanism.

X. DISCIPLINARY PROCEEDINGS

23. The Organisation may initiate disciplinary proceedings by issuing a show-cause notice against members-
- (a) based on a reference made by the Grievances Redressal Committee;
 - (b) based on monitoring of members;
 - (c) following the directions given by the authority or any court of law; or
 - (d) *suo moto*, based on any information received by it.
24. (1) The Organisation shall have a Disciplinary Policy, which shall provide for the following -
- (a) the manner in which the Disciplinary Committee may ascertain facts;
 - (b) the issue of show-cause notice based on the facts;

- (c) disposal of show-cause notice by a reasoned order, following principles of natural justice;
 - (d) timelines for different stages of disposal of show cause notice; and
 - (e) rights and obligations of the parties to the proceedings.
- (2) The orders that may be passed by the Disciplinary Committee shall include-
 - (a) expulsion of the member;
 - (b) suspension of the member for a certain period of time;
 - (c) admonishment of the member;
 - (d) imposition of monetary penalty;
 - (e) reference of the matter to the authority, which may include, in appropriate cases, recommendation of the amount of restitution or compensation that may be enforced by the authority; and
 - (f) directions relating to costs.
- (3) The Disciplinary Committee may pass an order for expulsion of a member if it has found that the member has committed-
 - (a) an offence under any law for the time being in force, punishable with imprisonment for a term exceeding six months, or an offence involving moral turpitude;
 - (b) a gross violation of the Act, rules, regulations and guidelines issued thereunder, bye-laws or directions given by the Governing Board which renders him not a fit and proper person to continue acting as a registered valuer.
- (4) Any order passed by the Disciplinary Committee shall be placed on the website of the Organisation within seven days from passing of the said order, with one copy each being provided to each of the parties to the proceeding.
- (5) Monetary penalty received by the Organisation under the orders of the Disciplinary Committee shall be used for the professional development.

Technical Guide on Valuation

25. (1) The Governing Board shall constitute an Appellate Panel consisting of one independent director of the Organisation, one member each from amongst the persons of eminence having experience in the field of law and field of valuation, and one member nominated by the authority.
- (2) Any person aggrieved of an order of the Disciplinary Committee may prefer an appeal before the Appellate Panel within thirty days from the receipt of a copy of the final order.
- (3) The Appellate Panel shall dispose of the appeal in the manner it deems expedient, within thirty days of the receipt of the appeal.

XI. Surrender of Membership and Expulsion from Membership

Temporary Surrender of Membership.

26. (1) A member shall make an application for temporary surrender of his membership of the Organisation at least thirty days before he-
- (a) becomes a person not resident in India;
 - (b) takes up employment; or
 - (c) starts any business, except as specifically permitted under the Code of Conduct;
 - (d) and upon acceptance of such temporary surrender and on completion of thirty days from the date of application for temporary surrender, the name of the member shall be temporarily struck from the registers of the Organisation, and the same shall be intimated to the authority.
- (2) No application for temporarily surrender of membership of the Organisation shall be accepted if -
- (a) there is a grievance or disciplinary proceeding pending against the member before the Organisation or the authority, and he has not given an undertaking to cooperate in such proceeding; or
 - (b) the member has been appointed as a registered valuer for a process under the Companies Act, 2013, and the appointment of another registered valuer may be detrimental to such process.

- (3) A member may make an application to revive his temporarily surrendered membership when the conditions for temporary surrender as provided in sub-clause (1) cease to be applicable, and upon acceptance of the application for revival, the name of the member shall be re-inserted in the register of the Organisation, and the same shall be intimated to the authority.

Surrender of Membership

27. (1) A member who wishes to surrender his membership of the Organisation may do so by submitting an application for surrender of his membership.
- (2) Upon acceptance of such surrender of his membership, and completion of thirty days from the date of such acceptance, the name of the member shall be struck from the registers of the Organisation, and the same shall be intimated to the authority.
28. Any fee that is due to the Organisation from a member surrendering his membership shall be cleared prior to his name being struck from the registers of the Organisation.
29. The Organisation may refuse to accept the surrender of membership by any member if -
- (a) there is any grievance or disciplinary proceeding pending against the member before the Organisation or the authority; or
 - (b) the member has been appointed as a registered valuer process under the Companies Act, 2013, and the appointment of another registered valuer may be detrimental to such process.

Expulsion from Membership.

30. A member shall be expelled by the Organisation—
- (a) if he becomes ineligible to be enrolled under bye-law 9;
 - (b) on expiry of thirty days from the order of the Disciplinary Committee, unless set aside or stayed by the Appellate Panel;
 - (c) upon non-payment of membership fee despite at least two notices served in writing;
 - (d) upon the cancellation of his certificate of registration by the authority;
 - (e) upon the order of any court of law.

³¹ANNEXURE-IV

Indicative Matrix on requisite qualifications/experience in specified discipline

(See Explanation II to rule 4)

Asset Class	Eligibility	Experience in specified discipline
	Qualification	
(I)	(IV)	(V)
Land and Building	(i) Graduate in Mechanical, Electrical, Electronic and Communication, Electronic and Instrumentation, Production, Chemical, Textiles, Leather, Metallurgy, or Aeronautical Engineering, or Graduate in Valuation of Plant and Machinery or equivalent;	Five years
	(ii) Post Graduate on above courses.	Three years
Plant and Machinery	(i) Graduate in Civil Engineering, Architecture, or Town Planning or equivalent;	Five years
	(ii) Post Graduate on above courses and also in valuation of land and building or Real Estate Valuation (a two-year full time post-graduation course)	Three years
Securities or Financial Assets	(i) Member of Institute of Chartered Accountants of India, Member of Institute of Company Secretaries of India, Member of the Institute of Cost Accountants of India, Master of Business Administration or Post Graduate Diploma in Business Management (specialisation in finance). (ii) Post Graduate in Finance	Three years

Note.- The eligibility qualification means qualification obtained from a recognised Indian University or equivalent whether in India or abroad.

³¹ Subs. by the Companies (Registered Valuers and Valuation) Fourth Amendment Rules, 2018, w.e.f. 13-11-2018.