

**Insolvency and Bankruptcy Board of India**  
**7<sup>th</sup> Floor, Mayur Bhawan, Connaught Place, New Delhi-110001.**

**CIRCULAR**

No. IBBI/RVO/029/2020

28<sup>th</sup> January, 2020

To  
All Recognised Registered Valuer Organisations  
All Registered Valuers  
(By mail to registered email addresses and on website of the Board)

Dear Madam / Sir,

**Subject: Transfer of Membership from one RVO to another.**

The Companies (Registered Valuers and Valuation) Rules, 2017 (Rules) envisage Registered Valuer Organisations (RVOs) to act as front-line regulators for development and regulation of the valuation profession. They have the responsibility to admit, groom, monitor and discipline the members of the profession, and while doing so, they must follow well established norms of governance befitting a regulatory State. Keeping their responsibilities in view, the Rules prescribe the composition of Governing Board of an RVO, and manner of discharge of its powers and functions. The reputation of the valuation profession and the professional members hinges on the reputation of the RVO concerned. Being the new entities in the regulatory space, the conduct and performance of RVOs are being watched very closely by the stakeholders.

2. The Rules envisage a competitive industry of RVOs, where they compete with one another to provide better valuation services through their professional members, in the interest of the users, and other stakeholders of valuation services. The Rules also envisage that a member may shift membership from one RVO to another, subject to prior permission of the Authority, that is, the Insolvency and Bankruptcy Board of India (Board) for the same. The Rules further require an RVO to employ fair, reasonable, just and non-discriminatory practices for enrolment and regulation of its members.

3. It has been repeatedly brought up by the RVOs in the various meetings, the Board is having with MDs/CEOs of RVOs on 7<sup>th</sup> of every month, that a few RVOs are restricting transfer of membership by using dilatory tactics, charging unreasonable transfer fee, etc. It has been the endeavour of the Board that the RVOs mutually agree to a mechanism for seamless transfer of a member from one RVO to another. It has been impressed on them to avoid restrictive and unreasonable practices and to allow transfer of membership expeditiously, after recovering dues, if any, pending from the member concerned and charging a reasonable fee to cover the expenses on transfer. However, the problem persists.

4. In order to streamline the process of transfer of membership from one RVO to another, the RVOs are directed to follow the process as outlined under the Tables below:

**Table 1**  
**Transfer of Membership Before Registration as a Valuer with the Board**

Sl. No.	Action by	Particulars / Requirements	Maximum Timeline (Days)
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(1)	(2)	(3)	(4)
1	Member	<p>A Member applies to the RVO (RVO-1), where he is enrolled as a Member, seeking no objection to transfer his membership to another RVO (hereafter RVO-2), along with:</p> <p>(a) a transfer fee, as may be specified by RVO-1, which shall not exceed Rs.500/-,</p> <p>(b) any other amount due from the member to RVO-1, and</p> <p>(c) membership certificate, if any.</p>	T
2	RVO-1	<p>If the application complies with the requirements against Serial Number 1, RVO-1 shall issue:</p> <p>(a) no objection to transfer of his membership, and</p> <p>(b) a statement of educational course undergone by the Member under rule 5 of the Rules,</p> <p>within seven days of receipt of the application;</p> <p>Or</p> <p>If the application does not comply with the requirements against Serial Number 1, RVO-1 shall inform the deficiency in the application to the applicant within seven days of receipt of the application.</p> <p>If no response is received from RVO-1 within seven days of the receipt of application, it shall be deemed that RVO-1 has issued no objection to transfer of membership.</p>	T+7
3	Member	<p>Where RVO-1 has informed the deficiency in the application, the applicant shall address the same. If he does not address the deficiency within seven days of being informed about deficiency, the application shall stand closed at RVO-1.</p>	T+14
4	RVO-1	<p>After a Member has addressed the deficiency in the application in accordance with the requirement against serial number 3, RVO-1 shall issue:</p> <p>(a) no objection to transfer of his membership, and</p> <p>(b) a statement of educational course undergone by the Member under rule 5 of the Rules,</p> <p>within seven days of addressing the deficiency in the application.</p> <p>If no response is received from RVO-1 within seven days of addressing the deficiency in the application, it shall be deemed that RVO-1 has issued no objection to transfer of membership.</p>	T+21
5	Member	<p>The Member shall apply to RVO-2 for enrolment in the manner prescribed under the Rules, along with:</p> <p>(a) no objection to transfer of his membership, and</p> <p>(b) a statement of educational course undergone by the Member under rule 5 of the Rules,</p> <p>as issued by RVO-1, within seven days of receipt of no objection.</p> <p>Where no objection is deemed to be issued, the Member shall apply to RVO-2 for enrolment in the manner prescribed under the Rules, along with:</p>	T+28  T+14 (Deemed no objection under Serial Number 2)

		<p>(a) evidence of submission of application to RVO-1 seeking transfer of membership,</p> <p>(b) evidence of addressing deficiency in the application, if any, required by RVO-1,</p> <p>(c) evidence of educational course undergone by him under rule 5 of the Rules, and</p> <p>(d) an undertaking that he has met all the requirements of transfer of membership of RVO-1,</p> <p>within seven days of issue of deemed no objection under the requirements against Serial Number 2 or that of Serial Number 4, as the case may be.</p>	T+28 (Deemed no objection under Serial Number 4)
<b>6</b>	RVO-2	RVO-2 shall process application for enrolment in accordance with the Rules and shall inform the date of enrolment to RVO-1. The Member shall cease to be a member of RVO-1 from such date of enrolment.	As per Rules

**Table 2**

**Transfer of Membership of a Registered Valuer (RV)**

<b>Sl. No.</b>	<b>Action by</b>	<b>Particulars</b>	<b>Timeline</b>
(1)	(2)	(3)	(4)
<b>1</b>	RV	<p>An RV applies to RVO-1, where he is enrolled as a Member, seeking no objection to transfer his membership to RVO-2, along with:</p> <p>(a) a transfer fee, as may be specified by RVO-1, which shall not exceed Rs.1000/-,</p> <p>(b) any other money due from the Member to RVO-1,</p> <p>(c) his membership certificate,</p> <p>(d) his registration certificate,</p> <p>(e) his certificate of practice, if any,</p> <p>(f) a statement of assignments as an RV he is having on hand under the Rules,</p> <p>(g) a statement that no disciplinary proceeding, if any, initiated by RVO-1 or the Board, is pending against him, and</p> <p>(h) a statement of complaints pending against him.</p>	NA
<b>2</b>	RVO-1	<p>If the application complies with the requirements against Serial Number 1, RVO-1 shall forward the application to the Board along with its views on transfer of membership to RVO-2 and endorse a copy of the same to the applicant, within seven days of receipt of the application;</p> <p>Or</p> <p>If the application does not comply with the requirements Serial Number 1, RVO-1 shall inform the deficiency in the application to the applicant within seven days of receipt of the application.</p>	T+7

		If no response is received from RVO-1 within seven days of the receipt of application, it shall be deemed that RVO-1 has no objection to transfer of membership.	
3	RV	Where RVO-1 has informed the deficiency in the application, the applicant shall address the same. If he does not address the deficiency within seven days of being informed about deficiency, the application shall stand closed at RVO-1.	T+14
4	RVO-1	After the RV has addressed the deficiency in the application in accordance with the requirement against Serial Number 3, RVO-1 shall forward the application to the Board along with its views on transfer of membership to RVO-2 and endorse a copy of the same to the applicant, within seven days of addressing the deficiency in the application. If no response is received from RVO-1 within seven days of addressing the deficiency in the application, it shall be deemed that RVO-1 has issued no objection to transfer of membership.	T+21
5	RV	Where no objection is deemed to be issued, the RV shall forward his application to the Board for transfer of membership along with: (a) evidence of submission of application to RVO-1 seeking transfer of membership, and (b) evidence of addressing deficiency in the application, if any, required by RVO-1, within seven days of issue of deemed no objection under the requirements against Serial Number 2 or that of Serial Number 4, as the case may be.	T+14 (Deemed no objection under Serial Number 2)  T+28 (Deemed no objection under Serial Number 4)
6	Board	The Board may: (a) grant permission to transfer of membership from RVO-1 to RVO-2 or (b) refuse permission to transfer of membership along with reasons for refusal,  within seven days of receipt of the application and the views of RVO-1 on transfer of membership to RVO-2 as referred to in the requirements against Serial Number 2 or 4, as the case may be.  The Board may: (a) grant permission to transfer membership from RVO-1 to RVO-2 or (b) refuse permission along with reasons for refusal,  within seven days of receipt of the application from the applicant for transfer of membership to RVO-2, as referred to in the requirements against Serial Number 5.	T+21 (Application in pursuance to Serial Number (2))  T+35 (Application in pursuance to Serial Number (4))
7	RV	The RV shall apply to RVO-2 for enrolment in the manner prescribed under the Rules, along with the permission	T+28 / T+42

		issued by the Board, within seven days of the receipt of the permission.	
<b>8</b>	RVO-2	RVO-2 shall process application for enrolment in accordance with the Rules.	As per Rules
<b>9</b>	RVO-2	RVO-2 shall inform the Board and RVO-1 immediately on enrolment of the RV, confirming therein the date of enrolment. RV shall cease to be a member of RVO-1 from such date of enrolment.	NA
<b>10</b>	Board	Upon receipt of information from RVO-2 as referred to in the requirement against Serial Number 9, the Board shall update its records, issue fresh Certificate of Registration to RV and confirm the same to RV, RVO-1 and RVO-2.	
<b>11</b>	RV	RV shall not take up any new assignment from the date he applies for transfer to RVO-1 till the date he is enrolled as a member by RVO-2.	NA

5. In case an RV, which is an entity, seeks transfer of membership from RVO-1 to RVO-2, the process outlined under Table 2 shall be followed in respect of the RV entity.

6. The respective timelines stated above, if ending on a Public Holiday, will stand extended to the next working day. However, public holidays falling in between the timelines shall not result in any extension of timeline.

7. All correspondences for this purpose among and between a Member, RV, RVOs and the Board shall be made only by e-mail from the email address registered with and displayed on the website of the Board. Further, the e-mail id for correspondence with the Board shall be valuer@ibbi.gov.in.

8. This is issued in exercise of the powers under clause (d) of rule 7, and clauses (e) and (i) of rule 14 of the Companies (Registered Valuers and Valuation) Rules, 2017.

Yours faithfully,  
 -Sd-  
 (Debajyoti Ray Chaudhuri)  
 Chief General Manager