

INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

[Authority delegated by the Central Government vide notification no. GSR 1316(E) dated 18.10.2017 under section 458 of the Companies Act, 2013 read with rule 2(1)(b) of the Companies (Registered Valuers and Valuation) Rules, 2017]

IBBI/Valuation/Disc.(A)/09/2026

08 April 2026

ORDER

This Order disposes the appeal preferred by Assessors and Registered Valuers Foundation (AaRVF) against the Order dated 22.01.2026 passed by Whole Time Member, Insolvency and Bankruptcy Board of India. The AaRVF is recognised by Insolvency and Bankruptcy Board of India (IBBI) as a Registered Valuer Organisation (RVO), in all the three asset classes vide Recognition No. IBBI/RVO/2021/016 dated 15.04.2021.

1. Brief Background

- 1.1 The Whole-Time Member, IBBI, acting as an authorised officer under sub-rule (5) of Rule 17 of the Companies (Registered Valuers and Valuation) Rules, 2017 (Valuation Rules) for disposal of Show Cause Notice (SCN) No. COMP-11015/85/2024-IBBI/984, dated 01.07.2025, had vide Order dated 22.01.2026 suspended the AaRVF's recognition as an RVO for a period of two years and also directed for refund of fees to the complainant.
- 1.2 In terms of Rule 17(9) of the Valuation Rules, AaRVF has now preferred an appeal against the Order dated 22.01.2026. Mr. Saurabh Gupta, Managing Director of AaRVF availed the opportunity of personal hearing before this appellate authority on 05.03.2026.

2. IBBI Order dated 22.01.2026.

- 2.1 The SCN dated 01.07.2025 had alleged that AaRVF had enrolled the complainant Mr. Manish Bohra as a valuer member in the asset class of 'Securities or Financial Assets (SFA)' under the pretext of getting him registered with IBBI as Registered Valuer, although his qualification of Chartered Financial Analyst was not an eligible educational/professional qualification, in terms of Rule 4 of the Valuation Rules.
- 2.2 After detailed examination of the allegations mentioned in the SCN *vis-à-vis* the reply of the AaRVF, the WTM, IBBI had concluded that AaRVF had incorrectly provided 'provisional' enrolment to an ineligible applicant against the rule position and after mentioning incorrect facts. Further, based on such 'provisional' enrolment, he was allowed to undergo 50 hours education course and later appear in the valuation examination. Thereafter, the AaRVF recommended the application of such ineligible applicant to IBBI for registration as valuer. The conducts of AaRVF were found to be in clear contravention of the Valuation Rules.
- 2.3 Accordingly, following directions were made in the Order dated 22.01.2026 –

“3.2 In view of the foregoing, after considering the allegations made in the SCN, the detailed reply provided by AaRVF and other materials available on record, this Authority, in exercise of powers conferred vide notification of Central Government bearing no. GSR 1316(E) dated 18.10.2017 under Section 458 of the Companies Act, 2013 and in pursuance of rule 15 and rule 17 of the Valuation Rules hereby

a) suspends the recognition of Assessors and Registered Valuers Foundation (AaRVF) (Recognition No. IBBI/RV0/2021/016) for a period of two years, and

b) directs the AaRVF to refund all the payments made by Mr. Manish Bohra to AaRVF

3.3 To ensure that the existing members of AaRVF do not face any hardship, such members who are already enrolled with AaRVF as on the date of this Order may choose to retain their membership with AaRVF in which case their eligibility to be a registered valuer shall not be affected solely on the ground of being member of AaRVF. However, the AaRVF shall not enrol any new members during this period of suspension. Further, AaRVF can provide its services during the period of suspension only to the members already enrolled with it.”

3. Appeal by AaRVF.

3.1 The AaRVF has now filed appeal before this appellate authority submitting that it had already informed the complainant Mr. Manish Bohra that foreign qualifications mandatorily require an equivalence certificate from the Association of Indian Universities (AIU) under Rule 4 read with Annexure IV of the Valuation Rules, 2017, and enrolled him only on a conditional and provisional basis, with a system-generated timestamped remark on his dashboard that he was "provisionally registered subject to submission of equivalence certificate." This remark was non-editable and continuously visible to the Complainant. Despite not possessing the AIU certificate, the Complainant persisted in seeking enrolment, and AaRVF forwarded his application to IBBI only at his insistence and after fully disclosing all deficiencies. The AaRVF has further submitted that Mr. Manish Bohra had deliberately concealed the fact from AaRVF that his application was earlier rejected by another RVO. The AaRVF has further submitted that the Order dated 22.01.2026 has erroneously construed a routine courtesy WhatsApp exchange as an admission or assurance on AaRVF's part.

3.2 The AaRVF has sought to challenge the issuance of SCN dated 01.07.2025 as it was issued by a General Manager of IBBI whereas the Delegation of Powers Order vests the power to issue SCN in a Deputy General Manager. Further, it has been contended that since Valuation Rules gives power to RVOs to process grievances internally through a Grievance redressal Committee, the IBBI cannot issue SCN ignoring the GRC's findings. Further, since the Disciplinary Committee of AaRVF had expelled Mr. Manish Bohra and his appeal was already rejected by the AaRVF's Appellate Authority on 21.08.2025, IBBI cannot exercise supervisory or appellate jurisdiction on the disciplinary findings of the AaRVF.

3.3 The AaRVF has further contended that the impugned Order dated 22.01.2026 is the reproduction of the SCN without any analysis which demonstrates that the conclusions were predetermined. It has further contended that principles of natural justice was not followed and it was not afforded a fair hearing as required by law.

4. Analysis and findings

4.1 On perusal of the appeal by AaRVF, it is observed that AaRVF has apart from raising grounds on the merit of the issue, has also challenged the validity of the whole Order on technical and procedural grounds. This appellate authority deems it appropriate to deal with these technical issues at first. In respect of the SCN being issued by General Manager instead of Deputy General Manager, it is observed that clause 2(2) of the Insolvency and Bankruptcy Board of India (Delegation of Powers and Functions) Order, 2017 provides that the powers and functions delegated to any Member or Officer of the Board may be exercised by an Officer or Authority higher in grade or position to him in reporting hierarchy. Accordingly, there is no infirmity in the issuance of SCN by General Manager who is a higher grade officer than Deputy General Manager.

4.2 Further, with respect to the contention of pre-determined conclusion made before issuance of Order dated 22.01.2026, this appellate authority observes that in the said order a detailed analysis with respect to the allegation in the SCN and the reply of AaRVF has been done from para 2.14 to para 2.41, before giving its conclusion in para 2.42. Accordingly, this Appellate Authority notes that the impugned order is a detailed speaking order containing independent analysis of the contravention alleged in the SCN. Further, it is also observed that prior to issuance of the said order, an opportunity of personal hearing was accorded to Mr. Saurabh Gupta, Managing Director of AaRVF and additional submissions post personal hearing was also considered. Therefore, the contention of AaRVF that principles of natural justice has not been followed, cannot be accepted.

4.3 With respect to the contentions raised on merits of the impugned order, it is observed that AaRVF has submitted that the admission of Mr. Manish Bohra was provisional and conditional subject to his submission of an equivalence certificate with AIU. However, Rule 14(c) of the Valuation Rules is unambiguously clear in this regard that an RVO must admit only such individuals who possess the educational qualifications and experience requirements, in accordance with Rule 4 and as specified in its recognition certificate. There is no provision of granting any provisional or conditional membership. This has further consequence as only the members of RVO are provided mandatory educational course by the RVO and such members thereafter become eligible to appear for valuation examination and subsequently proceed for registration. However, in this case, the AaRVF had proceeded to allow an ineligible member to undergo mandatory education course basis the provisional membership granted to him. This procedure is against the provisions of Valuation Rules.

4.4 Further, with respect to the submission of AaRVF regarding reliance on Whatsapp communication in the impugned order dated 22.01.2026 being improper, it is observed from the said order that such communication was perused for the purpose of analysing the

complete chain of events concerning the membership given to Mr. Manish Bohra, in order to examine the conduct of AaRVF. Therefore, it cannot be termed as improper as these are relevant facts relating to allegation made against AaRVF in the SCN.

4.5 This Appellate Authority finds that the records clearly demonstrate failure of due diligence on the part of the AaRVF, resulting in significant hardship to Mr. Bohra. Despite Mr. Bohra's explicit communication of eligibility concerns on 29.09.2023, the AaRVF acted negligently by hastily granting a so-called "provisional" enrolment—an arrangement lacking any statutory basis—and proceeded to collect fees without proper verification. This undue haste led Mr. Bohra to invest substantial time and resources in attending mandatory educational course and appearing for examination for which he was not legally eligible. As a frontline regulator, the RVO is entrusted with a gatekeeping function to uphold the integrity of the valuation profession; however, by creating non-existent enrolment categories and accommodating ineligible candidates, the AaRVF has fundamentally undermined its responsibility. Accordingly, the findings in the Impugned Order regarding misrepresentation and contravention of Rule 14(c) and Rule 4 are well-founded, supported by documentary evidence, and reflect a clear compromise of regulatory duty by the AaRVF. This Appellate Authority on perusal of the Order dated 22.01.2026 notes that the said order is a speaking and reasoned order where all the contentions raised on merit in the present appeal have been examined in detail. Therefore, this Authority agrees with the conclusion in the Order dated 22.01.2026, that the conduct of AaRVF was in violation of the Valuation Rules.

5. Order

5.1 In view of the foregoing, this Appellate Authority does not find any reason to interfere with the Order dated 22.01.2026. Accordingly, this Appellate Authority in exercise of powers conferred vide notification of Central Government no. GSR 1316(E) dated 18th October 2017, under Section 458 of the Companies Act, 2013 and in pursuance of Rule 17(9) of the Valuation Rules, dismisses the appeal.

Sd/-

(Ravi Mital)
Chairperson

Dated: 08.04.2026
Place: New Delhi

Insolvency and Bankruptcy Board of India