

Step by Step Guide to Transfer Membership of Valuer Member before registration with IBBI/Authority from Other RVO to ICAI RVO

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.

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. The Rules further require an RVO to employ fair, reasonable, just, and non-discriminatory practices for enrolment and regulation of its members.

The Authority/Insolvency and Bankruptcy Board of India (IBBI/Board) vide Circular No. IBBI/RVO/029/2020 dated 28th January 2020 outlines the process of transfer of membership from one RVO to another RVO before registration as valuer with the Board. i.e., the *Primary Member.

The **Step-by-Step Guide to Transfer of Membership** from one RVO to ICAI RVO before registration as valuer with the board are as follows:

STEP 1: *Primary Member shall apply to transfer his/her membership from the RVO, where he/she is enrolled as a member (in short 'RVO-1') to ICAI RVO, seeking No Objection Certificate (NOC) along with the following documents:

- (a) a transfer fee, as may be specified by RVO-1, which shall not exceed Rs. 500/-,
- (b) any other amount due from the member to RVO-1, and
- (c) membership certificate, if any.

STEP 2:

- (i) If the application complies with the requirements against **Step 1**, RVO-1 shall issue a NOC & a statement of educational course undergone by the Member under rule 5 of the Rules, within **seven days** of receipt of the application.
- (ii) If the application does not comply with the requirements against **STEP 1**, RVO-1 shall inform about the deficiency in the application to the applicant within **seven days** of receipt of the application.

* Primary Member is a member who is enrolled with any of the RVOs to attend the 50-hours Educational Course which is mandatory as per Rules to appear for the Valuation Examination conducted by IBBI. Primary Member become a Registered Valuer Member when he passes the Valuation Examination and gets enrolled with an RVO and IBBI as a Registered Valuer.

- (iii) If no response is received from RVO-1 within **seven days** of the receipt of the application, it shall be deemed that RVO-1 has issued NOC to transfer of membership.

STEP 3: On receiving the deficiency in the application from RVO-1, the applicant shall address the same within **seven days** of being informed about the deficiency.

If the applicant does not address the deficiency within **seven days** of being informed about the deficiency, the application shall stand closed at RVO.

STEP 4:

- i. After a Member has addressed the deficiency in the application in accordance with the requirement against Step 3, RVO-1 shall issue the following within **seven days** of addressing the deficiency in the application:
 - a. no objection certificate to transfer his membership, and
 - b. a statement of educational course undergone by the Member under rule 5 of the Rules.
- ii. 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 the transfer of membership.

STEP 5:

Option 1: After getting the NOC from RVO-1, the applicant shall apply to ICAI RVO for enrolment, within **seven days** from the receipt of the no objection in the manner prescribed under the Rules, along with:

- (a) no objection certificate to transfer his membership, and
- (b) a statement of educational course undergone by the member under rule 5 of the Rules.

Option 2: Where no objection certificate is deemed to be issued, the Member shall apply to ICAI RVO for enrolment, within **seven days** of issue of deemed no objection under the requirements at Step 2 (iii) or Step 4 (ii), as the case may be, in the manner prescribed under the Rules, along with:

- (a) evidence of submission of application to RVO-1 seeking transfer of membership,
- (b) evidence of addressing deficiency in the application, if any, required by RVO-1,
- (c) evidence of educational course undergone by him under rule 5 of the Rules, and
- (d) an undertaking that he has met all the requirements of transfer of membership of RVO-1

Option 3: After a Primary Member clears the valuation examination and after getting the NOC form RVO-1 he can directly file an application (Form A) at IBBI portal to become a Registered Valuer Member with ICAI RVO. ICAI RVO after verifying the

relevant documents shall forward the application to IBBI for registering the applicant as a Registered Valuer.

STEP 6: ICAI RVO shall process the application for enrolment in accordance with the Rules and shall inform the date of enrolment to RVO-1. The member shall cease to be member of RVO-1 from such date of enrolment.

Notes:

1. 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.
2. All correspondence for this purpose among and between a member and RVOs shall be made only by e-mail.
3. The e-mail id for correspondence with ICAI RVO is rvocourse@icai.in
4. Fees to be paid to ICAI RVO in case of transfer of membership.
 - Transfer of Membership Fee - **NIL**
 - Where a Primary Member of RVO-1 transfers his membership to ICAI RVO and to enrol as it's Primary Member, the membership fees will be charged @ Rs. 5,900/- (Rs. 5,000/- + Rs. 900/- GST @ 18%)
 - Where a Primary Member after passing the Valuation Examination applies to register as a Registered Valuer through ICAI RVO then he has to pay the fees to ICAI RVO as per the following details:
 - i. Enrolment fee (Individual): Rs. 2360/- (Rs. 2,000/- + Rs. 360/- GST @ 18%)
 - ii. Annual membership fee (Individual): Rs. 11,800/- (Rs. 10,000/- + Rs. 1,800/- GST @ 18%)
 - iii. Annual membership fee (Individual): Rs. 5,900/- (Rs. 5,000/- + Rs. 900/- GST@ 18%), will be paid if the application for enrolment is filed between 1st October to 31st March of the year.