

**Monitoring Policy
of
ICSI Registered Valuers Organisation**

MONITORING POLICY OF ICSI REGISTERED VALUERS ORGANISATION

(Pursuant to Bye-Law 15 of ICSI Registered Valuers Organisation)

DEFINITIONS

In this policy, unless the context otherwise requires

- (1) 'Committee' means Monitoring Committee of the ICSI RVO;
- (2) 'Governing Board' means the Board of Directors as defined under Section 2 (10) of Companies Act, 2013 (18 of 2013) of ICSI RVO;
- (3) 'IBBI' means the Insolvency and Bankruptcy Board of India;
- (4) 'IBBI Model Bye Laws' means model bye laws as contained in Annexure III, Part II, to the Companies (Registered Valuers and Valuation) Rules;
- (5) 'ICSI RVO' means Registered Valuers Organisation;
- (6) 'Monitoring Officer' means nodal officer of the ICSI RVO designated for handling monitoring work;
- (7) 'Member(s)' means an Individual or Partnership firm or Company, whether registered or not, under the Partnership Act, 1932; or any Limited Liability Partnership under the Limited Liability Partnership Act 2012; or any company incorporated under the Companies Act, 2013 or under any previous company law; who or which is a member of ICSI RVO.
- (8) 'Rules' means the Companies (Registered Valuers and Valuation) Rules, 2017
The words and expressions used and not defined in this Policy, but defined in the Rules, shall have the same meaning as assigned to them in the Rules.

INTRODUCTION

ICSI RVO is a Section 8 company incorporated under the Companies Act, 2013 and recognised under Rule 13(5) of the Companies (Registered Valuers and Valuation) Rules, 2017 ('Rules'), with Insolvency and Bankruptcy Board of India ('IBBI').

Model Bye-Laws of a Registered Valuers Organisation has been prescribed in the Rules ('Model Bye Laws') which mandates every Registered Valuers Organisation' to have a Governing Board and frame its Bye Laws to regulate its own procedure. ICSI RVO has framed its own Bye-Laws ('ICSI RVO Bye Laws') which are in consonance with the Model Bye Laws.

In terms of the Bye Laws 15 and 8(1)(b) of ICSI RVO Bye Laws, it is necessary to formulate a Monitoring Policy, to constitute a Monitoring Committee to monitor the professional activities and conduct of Member(s) for their adherence to the provisions of the Companies Act, 2013 (Act), rules, regulations, guidelines issued thereunder, bye-laws, code of conduct and directions given by the Governing Board.

Pursuant to the provisions of Bye Law 8(1)(b) of ICSI RVO Bye Laws, the Governing Board of the ICSI RVO has constituted a Committee to monitor the professional activities and conduct of its members enrolled with it by virtue of the provisions of Bye Laws 15, 16, 17, 18 and 19 of ICSI RVO Bye Laws . The members of Committee shall be appointed by the Governing Board of the ICSI RVO from time to time.

The Committee, through this Policy shall monitor the Member(s) of ICSI RVO in the manner defined hereinafter.

OBJECTIVE

The purpose of this Monitoring Policy is to enable ICSI RVO to gather relevant information pertaining to the conduct and performance of its Member(s) for their adherence to the provisions of the Act, rules, regulations, guidelines issued thereunder, bye-laws, code of conduct and directions given by the Governing Board. The Policy aims to help ICSI RVO to collect adequate information and develop a mechanism to review, monitor and evaluate the members.

APPLICABILITY

This Policy shall be applicable to all members of ICSI RVO, irrespective of the fact whether they have undertaken assignments or not.

SCOPE

The Policy is in conformity with the provisions set out in Bye Law 15 of ICSI RVO Bye Laws to 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.

MONITORING COMMITTEE

Pursuant to the provisions of Bye Law 8(1) of ICSI RVO Bye Laws in line with the Model Bye Laws, a Monitoring Committee has been set up to review the information and records submitted by the members in accordance with the Monitoring Policy.

PRINCIPLES OF MONITORING

While carrying out the monitoring process of the Member(s), the Committee shall be guided by the following principles:

- 1) It shall conduct monitoring with due regard to the privacy of Member(s).
- 2) It shall maintain confidentiality with regard to the information received from Member(s), except when disclosure of any such information is required by IBBI or by or under due process of law.
- 3) Monitoring shall be carried out on a non-discriminatory basis.

FREQUENCY OF MONITORING

ICSI RVO may carry out a periodic inspection when deemed fit of all the Member(s) registered with it in the following two ways:

- a) Desktop Monitoring
- b) Monitoring Visits

(a) Desktop monitoring

ICSI RVO has set a series of indicators which will be used for selecting Member(s) in the desktop monitoring process. The indicators are as follows:

- Failure to report complete details in any document/information prescribed by ICSI RVO;
- Complaint(s) against Member(s) from any third party of Insolvency and Bankruptcy Board of India;
- Non-response to correspondences sent by ICSI RVO to the Member(s); and
- Any other circumstance, which may warrant such action, as per the discretion of Monitoring Committee.

Each indicator has a trigger which will automatically activate the issuance of a letter to the Member(s) on their failure to comply with their obligations. The triggers for each indicator are as under:-

- Second failure to report complete details in any document/information prescribed by ICSI RVO
- Automatic reference of any complaint received from any third party
- Second failure to respond to correspondence sent by ICSI RVO to the Member(s).

The Member(s) so flagged by Desktop Monitoring, shall be required to complete a compliance questionnaire and to submit various documents and records, if required, to the Monitoring Officer for inspection. After assessing this documentation, Monitoring Officer shall consider whether a monitoring visit is necessary. The purpose of the visit shall be to confirm the accuracy of the information supplied on the compliance questionnaire. Member(s) that fail to supply the requested information will also be scheduled for a monitoring visit.

(b) Monitoring visits

ICSI RVO has set a series of indicators which will be used for selecting Member(s) for monitoring visits. The indicators are as follows:

- Member(s) flagged under Desktop Monitoring
- On the direction of IBBI or Governing Board or Committee

Targeted interim visits should be made if the Committee becomes aware of concerns about a member's activities. Such concerns may arise from previous monitoring visits, from desktop monitoring, from complaints or otherwise.

Member(s) not engaged in any valuation assignment during the relevant period will not be subject to monitoring visits normally. However, such a visit may be undertaken if the Monitoring Committee considers it appropriate to do so. The Monitoring visit shall be undertaken by Monitoring Officer and such other competent persons authorised by the Committee in this behalf.

Monitoring Visit Report

On completion of monitoring visit, the Monitoring Officer undertaking the monitoring visit, shall prepare a detailed written report covering the following information:

- (a) Scope of the monitoring visit.
- (b) Details on whether the all compliances under the Act, Rules, Regulations Act, Guidelines issued thereunder, bye-laws, Code of

Conduct and directions given by the Governing Board are being adhered to by the Member(s).

- (c) Irregularities with regard to conduct of duties or adherence to compliances, if any.
- (d) Details on difficulties faced by the Member(s) in conduct of his duties under the Act, Rules, Regulations, Guidelines issued thereunder, bye-laws, Code of Conduct and directions given by the Governing Board.

A copy of the report must be provided to the Member(s) seeking his observations on the same. Subsequently, it must also be forwarded to the members of the Committee for their reference and views.

REPORTING OBLIGATIONS OF MEMBERS

(A) COMPLIANCE BASED REPORTING

Rule 7 of the Rules states that "Every Registered Valuer shall abide by the Code of Conduct of Registered Valuers organisation of which he is a member.

Bye Law 18 (b) of ICSI RVO Bye Law states that the Monitoring Policy shall provide for the manner and form of submission or collection of information and records of the members, including by way of inspection.

(B) HALF YEARLY RETURN

Regulation 16 of ICSI RVO Bye Laws states that "A member shall submit information, including records of on-going and concluded engagements as 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."

The half yearly return shall be submitted within 15 days from end of 31st March and 30th September every year.

OBLIGATIONS OF MEMBERS

Every Member(s) will have the following obligations:

- 1) to comply with the provisions of the Act, Rules, Regulations, Guidelines issued thereunder, bye-laws, Code of Conduct and directions given by the Governing Board in true letter and spirit, at all the times, during which he continues to act as a Registered Valuer.
- 2) to maintain record of its on-going and concluded assignments on regular basis.

3) to mandatorily submit to ICSI RVO, the documents, reports etc. as laid down in the Monitoring Policy

USE, ANALYSIS AND STORAGE OF INFORMATION AND RECORDS

The information collected and the records maintained of the Member(s) shall be solely for the use and analysis of ICSI RVO. ICSI RVO shall maintain privacy with regard to such information subject to the statutory provisions of submission of information to IBBI or any other authority under the Act for the time being in force.

The information and records may be maintained and stored by ICSI RVO, either in physical form or electronically on its database and shall also be constantly revised and updated as and when any information is received from the Member(s).

EVALUATION OF PERFORMANCE OF MEMBER(S)

The Member(s) shall be evaluated in the manner as may be approved by the Committee.

REVIEW OF INFORMATION AND RECORDS

ICSI RVO shall review the information and records submitted by the Member(s) on an on-going basis. Any discrepancies or disqualifications that may arise during the review process must be addressed to the Committee.

REVIEW OF THE POLICY

The implementation of the Policy will be monitored and reviewed by the Committee and the Governing Board at regular intervals.

ANNEXURE – I
HALF YEARLY RETURN

BASIC INFORMATION

Name of the Member:

Enrolment Number:

Address for Correspondence:

Email & Mobile:

HALF YEARLY RETURN

Half Yearly Return as on _____ (31st March,
___/30thSeptember, ___)

S. No.	Reporting Parameter	Comments of Member
1.	Date of membership	
2.	Changes in Registration details of the Member, if any, for the period under review	
3.	Total number of valuation assignments undertaken for the period under review	
4.	Date of Assignment	
5.	Date of completion of assignment	
6.	Reference no. of valuation assignment	
7.	Attach a copy of Valuation Report	
8.	Schedule for submission of Reports to NCLT/Others (Please provide separately for each assignment)	
9.	Any Warnings/Strictures/Penalties imposed or any observations/adverse orders passed by IBBI or other statutory authority till date of report (Please provide in detail)	
10.	Initiation of legal action against the member by third parties	
11.	Is there any material event that would affect your membership with ICSI RVO? If yes, kindly state in detail.	
12.	Have you been adhering to the provisions of the Companies (Registered Valuers and Valuation Rules) 2017	

Separate sheets may be attached if there are more than one assignment.

DECLARATION:

I/We, Mr./Mrs./Ms./M/s. _____,
with ICSI RVO Membership No. _____,
resident of/having its principal place of business/registered office at

_____, do hereby declare that all the requirements
under the Companies Act, 2013 and the rules and regulations made
thereunder have been complied with.

I/We also declare that all the information provided herein is true, correct and
complete to my/our knowledge and belief and nothing material has been
suppressed.

SIGNATURE:

NAME:

DESIGNATION:

ICSI RVO MEMBERSHIP NO.:

Date:

Place:

For Office Use:

This Form is hereby registered

Signature of the authorising officer:

Date of signing:
