



Institution of Valuers
ISO 9001:2015 | ISO 26000:2010

Case History - Upholding Fair Process in Valuation Practice

In the domain of valuation, where professional integrity is paramount, it is equally essential to uphold the principles of fairness and due process. The Institution of Valuers (IOV) has consistently stood as a guardian of these principles, especially when its members face scrutiny that could impact their professional standing.

One recent example that underscores this commitment involves a practicing valuer whose reputation was challenged following actions initiated by a major nationalized bank—**Punjab National Bank (PNB)**.

Background

In **October 2022**, IOV received a communication from PNB along with a list of **63 valuers** (members of IOV and empaneled Valuers with the Bank), who were depaneled from the bank due to their misconduct in Valuation. The bank informed that they had already sent a communication to IBA for putting their names on IBA caution list, so that other banks, where these Valuers may have been empanelled, also blacklist them and stop giving them the Valuation assignments. The Bank requested IOV to take disciplinary action against such erring Valuers.

IOV's Response: Ensuring Procedural Fairness

In order to ensure fair and neutral view of the matter, IOV promptly issued letters to all 63 valuers individually, requesting them to submit relevant documents in their defense within 15 days, including:

- Copies of show-cause notices issued by PNB and their replies
- Records of any hearings or opportunities for personal representation
- Bank assessments that formed the basis of alleged misconduct
- Any other relevant documents or explanations

Simultaneously, IOV also wrote to PNB in **November 2022**, seeking additional clarity and documents to ensure an informed and impartial review. This included:

- Detailed allegations and the basis of the depanelment of these Valuers
- Copies of disputed valuation reports
- Methodology adopted for determining deficiencies
- Rationale for de-panelment
- Membership records of the concerned valuers

IOV also informed PNB that each case would be placed before an internal review panel, which would forward its recommendations to the Grievance Redressal Committee for final decision.

A reminder sent in **January 2023**, was not responded by the bank.

Mr. A's Case: A Stand for Due Process

Among the 63 valuers, one—**Mr. A**—responded promptly and proactively. He submitted a detailed written reply in **March 2023**, followed by a personal visit to IOV Head Office the same month, where he presented his case in a dedicated hearing.

During the hearing, Mr. A clarified that although the bank had filed **two FIRs**, both were directed **against the loan defaulters**, and **his name was not mentioned** either as an accused or otherwise. There was no legal or professional culpability attributed to him.

IOV conducted a thorough review of:

- The FIRs
- The relevant valuation reports
- Mr. X's written and verbal representations

Finding no specific allegations or evidence against Mr. A, IOV opined that there were **no grounds for any disciplinary action**. Accordingly, IOV requested the Bank to **remove his name from their caution list and depanelment records**.

Legal Recourse and High Court Intervention

Despite IOV's decision, Mr. A's name remained in the caution list maintained by the **Indian Banks' Association (IBA)**, severely impacting his professional opportunities. He approached the **Hon'ble High Court** under **Article 226/227** of the Constitution, challenging:

- PNB's circular in **March 2020**, which listed his name
- The bank's rejection of his reconsideration request in **September 2021**

In **July 2025**, the Hon'ble High Court ruled in favour of Mr. A, directing PNB to:

- Delete his name from the IBA's caution list
- Communicate this decision to the IBA within **two weeks** of receiving a certified copy of the order

The Hon'ble Court also permitted PNB to take further action, if necessary, but only **in compliance with the IBA Procedural Guidelines (July 2009)**.

Upholding Ethics and Fairness: A Valuer's Right to Justice

The recent case of Mr. A stand as a powerful reminder of how crucial procedural justice is in the valuation profession. It wasn't just a disciplinary matter, it was a test of integrity, fairness, and trust.

Throughout this journey, the Institution of Valuers remained firm in its commitment to protect not just a name, but the principle that every member deserves to be heard with dignity and defended with principles: -

1. Fair and transparent procedures must be the norm—not the exception.
2. Members deserve a platform where they can respond, explain, and clarify.
3. Professional bodies must be neutral yet ethically alert, grounded in legal understanding.

This isn't only about protection during crises. It's about prevention through Best Professional Practices in Valuation, which IOV strongly advocates through its official advisory. These include:

1. Clear communication with clients or banks (preferably documented).
2. Understanding the exact scope and purpose of each valuation assignment.
3. Gathering complete data and verifying information about the asset.
4. Personally, inspecting the asset when feasible.
5. Using fair and justifiable assumptions only.
6. Preparing a comprehensive valuation report in line with standards—with all assumptions, disclaimers, and evidence documented.
7. Maintaining records and communication for future reference and defense.

At IOV, we treat every concern with utmost confidentiality. We believe every valuer deserves support when faced with professional challenges.

Whenever you find yourself unsure, unheard, or under scrutiny—don't stay silent. Reach out to your institution. We are here to stand by you, guide you, and uphold your right to fair process.