

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./31/2025

27.11.2025

ORDER

This Order disposes the Show Cause Notice (SCN) No. RV-13012/3/2024-IBBI/400, dated 06.05.2025 issued to Mr. Kollupalli Swaroop (RV) under rule 17 read with rule 15 of the Companies (Registered Valuers and Valuation) Rules, 2017 (Valuation Rules). Mr. Kollupalli Swaroop is registered with IBBI as a valuer of Securities or Financial Assets (SFA) with the registration number IBBI/RV/07/2020/13343.

1. Issuance of Show Cause Notice (SCN) and hearing before the Authority.

1.1 Rule 17(1) of the Valuation Rules provides that based on findings of an inspection, if the authorised officer is of the prima facie opinion that sufficient cause exists to cancel or suspend the registration of a valuer, it shall issue a SCN to the valuer.

1.2 IBBI has taken cognizance of valuation report submitted by Mr. Kollupalli Swaroop, Registered Valuer (hereinafter referred to as 'RV') which is available on the record in the Liquidation assignment of M/s. Uniply Industries Limited, Corporate Debtor (CD). From the valuation report dated 17.07.2023, and further clarifications submitted by the RV vide email dated 07.05.2024, several contraventions of the Valuation Rules have been observed with respect to assignment of RV in the Liquidation process of the CD and accordingly SCN dated 06.05.2025 was issued to Mr. Kollupalli Swaroop.

1.3 Mr. Kollupalli Swaroop submitted his reply to the SCN on 30.05.2025. The matter was referred to this Authority for disposal of the SCN where Mr. Kollupalli Swaroop availed the opportunity of personal hearing through virtual mode on 19.09.2025. Mr. Kollupalli Swaroop submitted his additional responses vide email dated 10.10.2025, 16.10.2025, 17.10.2025 and 06.11.2025 respectively.

2. Examination of contraventions alleged in the SCN

The contravention alleged in the SCN, the response of RV and the findings of the Authority are summarised as follows:

2.1 Non-inclusion of Brand Name/trademarks/licenses/intellectual properties in the Valuation Report:

2.1.1. The SCN notes that vide letter dated 12.06.2023, Mr. Kollupalli Swaroop was appointed as registered valuer to determine the fair value and liquidation value of the financial assets of the CD. There was a brand license agreement dated 01.11.2017 between M/s. Uniply

Industries Limited (CD/ Licensor) and UV Boards Limited (Licensee), granting the use of trade name 'UNIPLY' and other trademarks/licenses/intellectual properties, by Licensor to Licensee for consideration of ₹ 75.00 crore over 10 years as per the point 5.3 royalty payment under Article 5 of the of the aforesaid agreement. This constitutes a contractual right to receive future cash flows, making it a financial asset that should have been independently valued.

2.1.2. Mr. Kollupalli Swaroop in his reply dated 07.05.2024, submitted as under:

"... Also regarding the value of Brand Uniply, any intangible assets can be valued based on the future earning of the company. In the given case CD was admitted to CIRP in FY 2021-22 from there on there was no revival plan that is available and there was no business that was under taken from October 2021. In the given pretext its fair for valuer to assume that CD has no future earning as the liquidation procedure has been initiated. When there is no scope for future earnings then value of Brand "UNIPLY" would be zero or underminable".

2.1.3. As a registered valuer for SFA, the valuation of intangible assets, including brands and trademarks, falls within the RV's scope of assignment. Annexure A of the valuation report dated 17.07.2023 acknowledges the existence of this brand license agreement, which clearly indicates that the RV had sufficient knowledge about existence of the brand and its economic value.

2.1.4. It is alleged in the SCN that Mr. Kollupalli Swaroop has not assigned any value of the trade name 'UNIPLY' and other trademarks/licenses/intellectual properties. Further, Mr. Kollupalli Swaroop has completely ignored the above agreement with the assumption that the CD has no future earnings as the liquidation procedure has been initiated. The non- consideration of the asset while determining the fair and liquidation value of CD has led to undervaluation of the assets of the CD.

Submission of Mr. Kollupalli Swaroop.

2.1.5. Mr. Kollupalli Swaroop in his response to the SCN submitted that his appointment as a registered valuer was made on 12.06.2023, and the scope of his assignment, as per the appointment letter and the asset schedule provided by the Liquidator, was strictly limited to estimating the fair value and liquidation value of financial assets, namely loans, advances, receivables, and investments of the CD. There was no express or implied instruction to value brand names, trademarks, or any intellectual property rights. Mr. Kollupalli Swaroop further submitted that as a Registered Valuer, he is professionally and legally bound to operate within the defined scope of work, and including assets outside this scope would invalidate the exercise and undermine its statutory purpose.

2.1.6. Mr. Kollupalli Swaroop further submitted that the Trademark License Agreement dated 01.10.2017 as executed between Uniply Industries Limited (Corporate Debtor) and UV Boards Limited (now Uniply Decor Ltd.) was terminated on 10.03.2022 by the then Resolution Professional for non-payment of royalty. Since the agreement stood

terminated well before the valuation date, no enforceable contractual right existed, and there were no accruing royalties or revenue-generating streams linked to the trademark. Hence, the trademark could not be treated as a financial asset under Ind AS 32, as it no longer gave rise to a contractual right to receive cash or another financial asset and since, the trademarks, by nature, are intangible assets governed by Ind AS 38 and, unless linked to a valid and subsisting licensing arrangement, cannot be assigned realizable value.

- 2.1.7. Mr. Kollupalli Swaroop submitted that vide email dated 07.02.2024, he clarified the liquidator that the brand "Uniply" could not be valued and, given the CD's liquidation status and cessation of operations, any potential brand value would be negligible. Further, this clarification was provided only as an opinion in response to the Liquidator's email and not as part of the valuation exercise.
- 2.1.8. Mr. Kollupalli Swaroop further submitted that the brand licensing arrangement cannot be constituted a financial asset requiring independent valuation in the absence of any enforceable agreement post-termination and without any prospect of future cash flows or revival plans, the trademark could neither be valued as a financial asset nor fall within his valuation mandate.

Findings of the Authority

- 2.1.9. This Authority has perused the communication between Mr. Kollupalli Swaroop and the Liquidator – Mr. L V Shyam Sundar regarding the appointment of former as valuer for conducting valuation of the assets falling under asset class of 'Securities or Financial Assets'. It is observed that Mr. Kollupalli Swaroop was provided with the list of assets to be valued and consequently the said Liquidator vide his letter dated 12.06.2023 appointed Mr. Kollupalli Swaroop as valuer to determine the Fair Value and Liquidation Value of the Financial Assets of the Corporate Debtor. Mr. Kollupalli Swaroop in his valuation report has mentioned his scope of work as follows:

Engagement Overview:

Scope of Work:

Scope of the work, as per my engagement letter dated 12th June 2023 with the Liquidator, is to estimate the Fair Value and the Liquidation Value of the following Financial Assets of the Corporate Debtor as on date of signing engagement letter (12.06.2023) in accordance with Regulation 35 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 Regulations as below:

<i>Book Value as shared on 12th June 2023</i>	
<i>Current assets</i>	
<i>(i) Trade receivables</i>	<i>2,72,15,15,107.00</i>
<i>(c) Other current assets</i>	<i>43,70,48,817.00</i>
<i>(ii) Cash and cash equivalents</i>	<i>1,06,15,631.00</i>

<i>Sub-Total</i>	<i>3,16,91,79,555.00</i>
<i>Non-Current Assets</i>	
<i>(i) Investments</i>	<i>1,72,79,22,555.00</i>
<i>(0) Other non-current assets</i>	<i>67,13,05,816.00</i>
<i>(ii) Other financial Assets</i>	<i>4,03,61,30,038.00</i>
<i>Sub-Total</i>	<i>6,43,53,58,409.00</i>
<i>Total Book Value</i>	<i>9,60,45,37,964.00</i>

2.1.10. Therefore, it is seen that the scope of valuation of Mr. Kollupalli Swaroop was limited to the financial assets as mentioned in the balance sheet of the Corporate Debtor. The ‘brand’ of the CD was not mentioned in the balance sheet.

2.1.11. Further, this Authority notes that the ‘brand’ of the CD in the present case is internally generated and has not been acquired through any business combination and is therefore not reflected in the balance sheet of the CD. The para 63 of the Indian Accounting Standards states that the internally generated brands should not be recognized as intangible assets. The relevant extracts of para 63 is as follows:

“Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance shall not be recognized as intangible assets”

2.1.12. Since ‘brand’ is an intangible asset which is internally generated in this case, it is not part of the balance sheet and therefore will not find place in the assets referred for valuation as the RP is only referring the assets mentioned in the balance sheet for valuation. In any case, in the facts of this case the ‘brand’ does not find place in the financial assets referred for valuation by the Resolution Professional to the RV. Accordingly, this Authority accepts the explanation of the RV on this allegation.

2.1.13. Further, this Authority observes that the erstwhile liquidator Mr. L V Shyam Sundar had sent an email dated 25.01.2024 to Mr. Kollupalli Swaroop to confirm whether any value is ascertained for the brand UNIPLY and if so he requested to share the same. In response to this email, the RV had communicated to the said liquidator that UNIPLY as a brand value cannot be determined and possibly the value would be close to zero as the company is not into business from last many years and being in liquidation. It is seen that the RV had already submitted his valuation report on 17.07.2023 and this query from the Liquidator to the RV was made only after the notice of investigation was served to Mr. L V Shyam Sundar by IBBI on 07.11.2023. Besides, the email does not clearly ask the RV to value the ‘Brand’ and also does not bring out that this asset was part of the original reference.

2.1.14. Therefore, this Authority accepts the submission of the RV that clarification was provided only as an opinion in response to the Liquidator’s email and not as part of the valuation exercise.

2.2 **Issue regarding assigning zero value to the investment of the CD.**

2.2.1 It was observed from the valuation report dated 17.07.2023, that an investment of CD to the tune of 4,00,000 shares in M/s. Artmatrix Technology SDB BHD (Artmatrix), constituting 40% ownership of Artmatrix, having inferred value of RM (Malaysian Ringgit) 27.67 million as on 28.02.2018, is listed as an asset in the books of CD. In the valuation report, Mr. Kollupalli Swaroop mentioned that the proportionate valuation of the investment of the CD was equivalent to ₹19.44 crore.

2.2.2 In his reply dated 07.05.2024 to the Authority, it was submitted by Mr. Kollupalli Swaroop as under:

“...Value of shares held by CD in M/s ARTMATRIX TECHNOLOGY SDN BHD with 40% share in company which has a value of Rs INR 19.44 crore. However there was a share transfer agreement with KNN on 28th Feb 2018 and after that there was no movement in honouring the commitment as KNN was also under liquidation I was unable to place any reliance on the value of shares. Once there is a clarity on the share transfer agreement I was unable to assign value for the same.”

2.2.3 However, Mr. Kollupalli Swaroop has failed to provide any value to the said asset in his valuation report, stating that there is existence of a share transfer agreement with KKN Holdings Private Limited for purchase of these shares from the CD. Accordingly, the Fair Value and Liquidation Value of the CD has been mentioned as “0/Not determinable” in the valuation report which has led to the undervaluation of the assets.

Submission of Mr. Kollupalli Swaroop

2.2.4 Mr. Kollupalli Swaroop in his response to the SCN submitted that pursuant to a Share Purchase Agreement (SPA) dated 28.02.2018, CD had agreed to acquire 4,00,000 equity shares (representing 40% equity) in Artmatrix Technology SDN BHD. (‘Artmatrix’), Malaysia, from Foundation Outsourcing India Pvt. Ltd. (now known as KKN Holdings Pvt. Ltd.) for a total consideration of ₹260 crores. However, despite the SPA, the share certificates continued to reflect KKN Holdings Pvt. Ltd. as the legal owner, and no documentary evidence was available to confirm that the shares were ever transferred or registered in the name of the CD as on the valuation date. This position was supported by correspondence from the then Resolution Professional and the contents of the share certificate itself.

2.2.5 Mr. Kollupalli Swaroop further submitted that it is a settled accounting and legal principle that for an investment to be recognized as equity, the investor must be the registered holder of the shares as on the relevant valuation date. A mere agreement to purchase shares does not create legal ownership or an enforceable right in the absence of completion of share transfer formalities. Accordingly, since no such legal registration occurred, and no enforceable ownership rights were documented, the amount paid under the SPA could, at best, be classified as a loan or advance, pending transfer of ownership.

2.2.6 Mr. Kollupalli Swaroop further submitted that while the investment in Artmatrix was not expressly included within the defined scope of his engagement as per the Liquidator's asset schedule, the RV still made a limited and factual reference to the transaction in the valuation report in the spirit of professional due diligence and transparency. Relying on disclosures made to the BSE by the CD and the fact that RBI Unique Identification Number (UIN) compliance was still pending, it was confirmed that the share transfer had not been completed. The RV clarified that his observations were limited to stakeholder awareness and not intended to form any valuation conclusion. The extracted a paragraph from the valuation report is as follows:-

“However, we have no information if the share transfer procedure is completed or not and also Mis. Artmatrix Technology SDN BHD has got itself valued by M/s. Ferrier Hodgson MH Sdn Bhd vide valuation report dated 18.01.2023 and arrived at an enterprise value ranging between 27.67 Million to 36.13 Million Malaysian Ringgit (RM). From the range we can infer that RM 27.67 Million is the liquidation value of which 40% would be RM 11.068 Million on equating it to Indian Rupees it is INR 19.44 Crores.”

2.2.7 Mr. Kollupalli Swaroop in his response to the SCN reiterated that the transaction could not be valued due to unresolved legal impediments, the absence of enforceable rights, and pending regulatory compliances. Further, considering the ongoing forensic audit and the filing of a Section 66 application by the Resolution Professional concerning this transaction, any attempt to assign a value would have been speculative and professionally inappropriate.

Findings of the Authority.

2.2.8 Mr. Kollupalli Swaroop in his response has submitted that he was aware of the share purchase agreement dated 28.02.2018 between CD and Foundation Outsourcing India Pvt. Ltd. whereby the CD agreed to acquire 4,00,000 equity shares in Artmatrix for a total consideration of Rs. 260 crores. However, on examination he did not find any documentary evidence which could establish registration of the shares in the name of the CD as on the valuation date.

2.2.9 Mr. Kollupalli Swaroop in his reply dated 06.05.2025 to this Authority has submitted that he was made aware by the liquidator regarding the communication dated 13.08.2022 between the liquidator and the promoters of the KKN Holdings, whereby the latter had communicated their no objection to physical transfer of the shares of Artmatrix in the name of the CD. The same has been annexed as Annexure K in his reply dated 06.05.2025. Such communications from the liquidator to Mr. Kollupalli Swaroop reflect the intent of the liquidator to get it valued, in view of confirmation from promoters of KKN Holdings. In view of this, this Authority believes that it was not correct for the valuer not to value the shares of Artmatrix merely on the ground that the technical transfer formalities have not been completed. This Authority is of the view that Mr. Kollupalli Swaroop has not conducted adequate due diligence with respect to valuation of investment of CD in shares of Artmatrix.

2.3 **Issue regarding assigning Fair Value and Liquidation value for the assets of the CD as '0/not determinable':**

2.3.1 Under Para 2.4 of the valuation report, Mr. Kollupalli Swaroop has mentioned as under:

“The price and terms and conditions, on which the identified current and non-current assets from a willing seller (corporate debtor) and a willing buyer (say, prospective resolution applicant(s)) is outside the scope of this valuation exercise. The exact or agreed price is to be dependent upon the negotiation between the seller (corporate debtor which includes the Committee of Creditors and/or Resolution Professional) and buyer (say, prospective resolution applicant(s)) depends upon various factors including the knowledge, negotiating ability and motivation of the buyer and seller (of the identified current and non-current assets for which an estimate of fair and liquidation value is provided) and so on.”

2.3.2 Further, in para 2.5 under “Quality and Adequacy of Information”, it was also mentioned by Mr. Kollupalli Swaroop as under:

“Reasonable estimation of Fair and Liquidation Value is largely dependent on the availability and adequacy of information, both pertaining to the assets being valued as well as the information/data available in the public domain.”

2.3.3 It was further stated in Mr. Kollupalli Swaroop’s report that:

“it should be noted that the availability of some information say, the investments made by UNIPLY in UNIPLY DÉCOR LIMITED (‘Décor’) (associate) and VECOTR PROJECTS INDIA PRIVATE LIMITED (subsidiary) (‘Vector’ or ‘VPIPL’), are, as on 31st Mar 2021 and 31st Mar 2020 respectively, where the valuation date is 4th Oct 2021, means a significant lapse of time”

2.3.4 The above statements mentioned in the RV’s valuation report acknowledge that Mr. Kollupalli Swaroop, as the valuer has been provided with certain information/overview or data and records in connection with the valuation engagement. Further, in existence of the total current and non-current assets (financial assets), including trade receivables for the CD, which is shown as ₹ 960.45 crore, Mr. Kollupalli Swaroop has assigned 0/Not determinable value as the Fair and Liquidation Value for the CD.

2.3.5 Despite the existence of a trademark license agreement for a consideration of Rs.75 crore over 10 years, investment of the CD to the tune of 4,00,000 shares in M/s. Artmatrix technology, and total current and non-current assets shown as Rs. 960.45 crore, Mr. Kollupalli Swaroop has assigned ‘0/Not determinable value’, to the CD. This is in violation of clauses 3 and 6 of the Code of Conduct as specified in the Annexure I of the Companies (Registered Valuers and Valuation) Rules, 2017 (Code of Conduct), which state as under:

“3. A valuer shall endeavor to ensure that he/it provides true and adequate information and shall not misrepresent any facts or situations.

.....

6. A valuer shall render at all times high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment.”

Submission of Mr. Kollupalli Swaroop.

- 2.3.6 Mr. Kollupalli Swaroop, in his response to the Show Cause Notice, submitted that the cash and cash equivalents as reflected in the books of the CD showed a balance of ₹1,06,15,631, which included ₹1,04,22,303 as cash on hand and ₹1,93,328 as bank balances. However, upon professional scrutiny, he found that no physical verification of cash was ever conducted, and no supporting documents such as cash books or reconciliations were made available. The liquidator confirmed that no actual cash was available at the time of takeover. Additionally, for bank balances, no bank statements or confirmations were furnished for five out of six accounts. The HDFC account had transactions post the valuation cut-off and was excluded, while the UIL Final Dividend Account was held under fiduciary obligations and did not qualify as a realizable asset. Therefore, in the absence of verifiable data, the entire cash and bank balances were rightly classified as "Not Determinable" based on professional scepticism and in compliance with IVS 210.
- 2.3.7 Mr. Kollupalli Swaroop, further submitted that trade receivables of ₹272.15 crores were largely unsecured, overdue for over three years, and unsupported by confirmations or recovery evidence. Given their impaired recoverability, especially from KKN Holdings (under Section 66 and forensic audit), a value of 'Zero/Not Determinable' in line with Ind AS 109 and IFRS 9 was assigned.
- 2.3.8 Regarding other current assets of ₹43.70 crores, including GST credits and vendor advances, the RV noted that many were actually credit balances or lacked supporting documentation. Applying Ind AS 1 and professional scepticism, these were excluded from valuation due to non-verifiability. As for non-current investments worth ₹172.79 crores in Vector Projects and Uniply Decor (both under CIRP), the RV relied on audit qualifications and the absence of updated financials or supporting data to conclude that their valuation would be speculative. Accordingly, no value was assigned.
- 2.3.9 Mr. Kollupalli Swaroop further submitted that he examined related party transactions, including significant advances to KKN Holdings Pvt. Ltd. and individuals such as Mr. Keshav Narayan Kantamneni. For instance, ₹50 crores was advanced to KKN Holdings for the purchase of “Vector House,” but the title was never transferred. Similarly, advances of ₹5 crores and ₹12 crores were made for land and villa acquisitions, but again, no registered ownership documents or enforceable contracts were submitted. These transactions were either under PUFÉ investigation under Section 66 of the Code or lacked legal certainty. Therefore, they were appropriately treated as having 'Zero/Not Determinable' value.
- 2.3.10 Mr. Kollupalli Swaroop, in his response to the Show Cause Notice, submitted that a major financial asset entry of ₹403.61 crores recorded as an advance to KKN Holdings Pvt. Ltd., Accordingly, the transaction was under Section 66 of the Code, i.e., PUFÉ proceedings

and remained unresolved, with no cooperation from the counterparty and audit qualifications highlighting material uncertainty in recoverability. Accordingly, assigning any value without enforceable documentation would have contravened valuation standards and ethical duties.

Findings of the Authority.

2.3.11 This Authority after perusing the valuation report of Mr. Kollupalli Swaroop notes that the RV has valued the financial assets of the CD in the following manner

Component	Book value as on 31.3.20	Fair Value	Liq. Value	Reasoning given by valuer in valuation report/ reply
Cash and Cash Equivalents	1,06,15,631	Not Determinable	Not Determinable	No evidence provided for its physical existence means the value is not determinable.
YES Bank A/c NO:059481400002438	199			No bank statements as on insolvency commencement date provided
SBI A/C NO:31560648384	1,410			
YES BANK - 059481400001938	2,963			
State Bank Of India (36145727398)	7,603			
HDFC Bank Ltd -A/c 50200029088378	22,018			
UIL FINAL DIVIDEND A/C 2017 18-YB 000166400000976	1,59,135			Seems to be that corporate debtor has to return the unpaid dividends as per rules and regulations of Companies / SEBI Act/rules and regulations
Cash	1,04,22,303			Information not available
Trade Receivables	2,72,15,15,107			About 20 months has been elapsed since ICD and no money has been collected from these debtors nor any confirmation of balances provided nor there are any transactions (new or changes) on these accounts. Further, to the fact that these are the outstanding as per the last audited report (31st Mar 2020), debt is due for not less than 37/38 months. Hence, Fair value is taken at zero. The liquidation value is also taken at zero, as no money has been realized from the date of on insolvency commencement, reflecting a proportion that collections wasn't possible nor these dues have certain legal challenges. Non receipt of the information as per mentioned in 12.3.1.3 (which lists the process of valuation and documents required) indicating the challenges in understanding the
Cars 24 Service Pvt Ltd (CIN: U74999HR2015FTC056386)	36,498 31-03-2022	0	0	
MRJ Trading Pvt Ltd -Drs (CIN: U51393MH2004PTC 145757)	94,164 31-03-2022	0	0	
SADBHAV ENGINEERING LTD (CIN:L45400G11988PLC011322)	1,51,83,636 31-03-2022	0	0	
Sri Siddharth Infratech & Services (I) Pvt. Ltd. (CIN:U45203TG2009PTC066327)	1,06,83,38,941 31-03-2022	0	0	
Sri Kubera Constructions (CIN:U45200PN2008PTC131755)	4,32,67,000 31-03-2020	0	0	
A2Z Infra Engineering Ltd (CIN:L74999HR2002PLC034805)	49,21,07,390 31-03-2022	0	0	

				legality of the claim, whether it is barred by limitation, payment track record, and so on, it is observed that the information to conduct the valuation as 'NOT ADEQUATE'. (page 31 para 12.3.1.1) In continuation to the assumptions mentioned above in this report and as per IFRS 9 relevant to the extent of identifying lifetime expected credit loss on all financial assets the Fair Value and Liquidation value of the assets mentioned above which are outstanding for a period for more than 3 years are to be impaired and arrived at a value as mentioned above.
KKN HOLDINGS PVT LTD - DRS (CIN:U72900TN2013PTC090206)	1,10,24,87,478 31-03-2018	Not Determinable	0	The FV of outstanding of KKN Holdings is taken as not determinable because it is from a group company, which has come out of CIRP process. The RP had preferred a claim of INR 643 Crores as an operational creditor.
Other Current Assets	50,30,05,537			
IGST Payable A/c	6,07,76,755	Not Valued		These transactions reflect a credit balance, which indicates that the corporate debtor needs to make payments, rather than collect the same. Hence, valuation of the same is not attempted.
Input CGST@9%(Reverse Credit) Payable	21,17,437	Not Valued		
Input SGST @ 9% (Reverse Credit) Payable	20,49,937	Not Valued		
GST Payable A/c	7,27,629	Not Valued		
Input IGST@18%(Reverse Credit) Payable	75,203	Not Valued		
Central Depository Services (India) Limited	70,200	Not Valued		
Input SGST @ 2.5% (Reverse Credit) Payable	65,557	Not Valued		
Input CGST@2.5%(Reverse Credit) Payable	65,557	Not Valued		
Input IGST@5%(Reverse Credit) Payable	7,182	Not Valued		
Input IGST@18%(Reverse Credit) Payable (Uniply)	1,263	Not Valued		
Non-Current Assets				
(i) Investments	172,79,22,555			
Vector Projects India Private Limited (subsidiary)	57,25,00,000 31-03-2020	0	0	As referenced in paragraph 11.2, Preksha Enterprise has preferred a filling under Code against VPIPL the case has been allowed and admitted as on 27 Feb 2023.

				In the absence of information about its financial performances, etc pertaining to Vector Projects to a date either on ICD or near it, it is not possible to conclusive determine its value. Hence, information is considered NOT ADEQUATE. Hence, on consideration of above observations and facts, the fair and liquidation value of investments in Vector Projects by the corporate debtor is taken at zero and zero respectively.
Uniply Decor Limited (Formerly known as UV Boards Limited) (associate)	1,15,54,22,555 31-03-2021	0	0	UDL has been admitted into CIRP process as on 11t Mar 2022, Sec 53 of IBC Code provides last priority for Equity Shareholders in 'Distribution of Assets'. Hence, given the fact the holding company (UNIPLY) is in CIRP, Subsidiary (Vector Projects) is battling IBC proceedings implying larger challenges in the group, I have taken the fair and liquidation value of UNIPLY in Décor at zero.
Other Non-current assets				
TCS Received - 2017-18	10673	Not Determinable	Not Determinable	Non receipt of the information as per above (12.3.1.3) indicating the challenges in understanding the legality of the claim, whether it is barred by limitation, and so on, it is observed that the information to conduct the valuation as 'NOT ADEQUATE'. On consideration of above observations and facts, the fair and liquidation value of other current asset of non-current assets of the corporate debtor is taken a NOT DETERMINABLE.
Income Tax 2007-08	330380			
Refund Due AsstYr 2009-10	964763			
Advance for Purchase of Guesthouse™	12,00,00,000			
Advance for Purchase of Land*	5,00,00,000			
/Advance for Purchase of Vector House	50,00,00,000			
Non-Current Other Financial Assets				
KKN Holdings Private Limited	4,03,31,55,158	Not Determinable	Not Determinable	KKN Holdings P Ltd is a promotor group company which had filed its last annual return for the FY 2017-18. A sum of INR 4,661,767,741 is referenced as 'Other Advances' in Note 7 of 'Other Financial Assets', as per FY 2019-20 audit report. Valuation of Other Financials assets involves whether there exists a legally tenable claim which is recoverable in nature. A detailed
Deposit Rent - Maria Fernandas	1,07,700			
Interest Receivable	1,17,499			
Salary Advance - (HO)	1,30,000			
FSD (Further Security Deposit) (Bowrampet)	4,32,528			
FSD (Further Security Deposit) (Mallapur)	21,87,153			

				understanding of each of the component is important in understanding the nature of transactions and thus determination of its fair and liquidation value Due to Inadequate information, the valuation is Not Determinable
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2.3.12 This Authority notes that the RV in his valuation report has in detail provided the process of valuation adopted by him. The relevant excerpts from the valuation report is as follows:

“12.3.13 Valuation Process Adopted;

The unaudited Balance Sheet provided to me is not reflecting any change in outstanding when compared to the balances as on insolvency commencement date.

Any valuation of trade receivables typically involves the following:

- a. Identifying whether the claim is genuine i.e., goods or services have been delivered as per the contract or engagement terms with the customer*
- b. No dispute has been raised by the customer or all pending disputes on the quality of goods or services has been satisfactorily addressed*
- c. Understanding the payment pattern of the customer and also the payment terms*
- d. Any money has been realized from the commencing of insolvency proceedings*
- e. Continuation of business relationship say, after the commencement of insolvency proceedings*
- f. Any credit or any amount in the nature of credit has been accepted by both (supplier and customer)*
- g. Aging of customer debts (as on insolvency commencement date)*
- h. Analysis of customer account statement, say for the last 3 years to understand how the business relationship has been conducted*
- i. Audit working papers in terms of customer outstanding balances confirmation, especially if it pertains to a date nearer to the insolvency commencement date and*
- j. Correspondences or steps taken to realise the outstanding by the RP/IRP”*

2.3.13 It is further noted that the RV did not have the adequate document/information for valuation of the financial assets. The same is captured in his valuation report as under:

“Adequacy of Information - NOT ADEQUATE

Non receipt of the information as per above (12.3.1.3) indicating the challenges in understanding the legality of the claim, whether it is barred by limitation, payment track record, and so on, it is observed that the information to conduct the valuation as 'NOT ADEQUATE'.”

2.3.14 This Authority notes that in such a scenario of having inadequate document/information, according ‘zero’ value to the receivables is not appropriate. It is observed that with respect to certain other assets viz., Cash and Cash Equivalents, Other Non-current assets, and Non-Current Other Financial Assets, in absence of necessary documents/ information, the RV has mentioned the value of such assets as ‘Not Determinable’. It is not clear as to why with

respect to the 'Trade Receivables', the RV has accorded 'zero' valuation when the situation of unavailability of adequate documents/information persists here also.

2.3.15 In such a scenario, in the light of unavailability of adequate document/information and considering the effect of limitation period, the assigning of 'zero' value to the trade receivables, without any due justification, is not appropriate.

3. **Order**

3.1. The valuation report is based on the professional opinion of the valuer backed by his expertise and skills. Based on the valuation report, various critical decisions are taken during the CIRP and liquidation process, such as approving resolution plan for the CD or fixing the base price for auction of the assets of the CD. A valuation report is inherently subjective in nature. The reliability of the valuation report decreases with increase in subjectivity. Therefore, it is necessary for a valuer to exercise high degree of due diligence while preparing the valuation report.

3.2. In view of the foregoing, after considering the allegations made in the SCN, the detailed reply provided by Mr. Kollupalli Swaroop and the materials available on record, the Authority, in exercise of powers conferred vide notification of Central Government 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 suspends the registration of Mr. Kollupalli Swaroop for a period of three months.

3.3. In accordance with provisions of Rule 17(8) of the Valuation Rules, this Order shall come into force after 30 days from the date of issue of this order

3.4. A copy of this order shall be forwarded to PVAI Valuation Professional Organisation where the RV is enrolled as a member.

3.5. Accordingly, the show cause notice is disposed of.

Sd/-

(Sandip Garg)

Whole Time Member

Insolvency and Bankruptcy Board of India

Dated: 27.11.2025

Place: New Delhi