



**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT- I) CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **08.08.2024** THROUGH VIDEO CONFERENCING

PRESENT: HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI. VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

APPLICATION NUMBER :

PETITION NUMBER : CP(IB)/187(CHE)/2023

NAME OF THE PETITIONER(S) : Liquidator of M/s KCMT Machinery India
Pvt Ltd

NAME OF THE RESPONDENTS :

UNDER SECTION : Sec 59 of IBC, 2016

ORDER

Present: None for the Petitioner / Liquidator.

Vide separate order pronounced in Open Court, the company
KCMT Machinery India Pvt Ltd is dissolved.

File be consigned to records.

Sd/-

(VENKATARAMAN SUBRAMANIAM)
MEMBER (TECHNICAL)

MG

Sd/-

(SANJIV JAIN)
MEMBER (JUDICIAL)



**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH – I, CHENNAI**

CP(IB)/187/(CHE)/2023

*(Filed under Sec. 59(7) of the Insolvency and Bankruptcy
Code, 2016)*

**In the matter of M/s. KCMT Machinery India Private Limited
(In member's voluntary liquidation)**

KCMT Machinery India Private Limited

CIN: U29309TN2018FTC120663

70/2A, 126 PH Road Velapanchavadi

Chennai – 600 077

....Applicant

Present:

For Applicant : Shri. Rengarajan, PCS

CORAM

SANJIV JAIN, MEMBER (JUDICIAL)

VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

Order Pronounced on 8th August, 2024

ORDER

(Heard through Hybrid mode)

This is a Company Petition filed by the Applicant in relation to
the voluntary liquidation of M/s. KCMT Machinery India Private Limited
under Section 59(7) of the Insolvency and Bankruptcy Code, 2016



(hereinafter referred to as “IBC, 2016”), seeking dissolution of the Company.

2. The Applicant Company was incorporated on 29.01.2018 under the provisions of the Companies Act, 2013. The main object of the Company was manufacturing, wholesale trading, trading, buying, selling, importing and exporting of machineries, industrial machineries, material handling equipment, tools, components, parts, engineering goods, accessories and other related products.

3. The authorised share capital of the Company is Rs.6,00,000/- (Six Lakhs only) divided into 60,000 (Sixty Thousand) equity shares of Rs. 10/- (Rupees Ten only) each. The issued, subscribed and paid-up share capital of the Company is Rs.6,00,000/-(Rupees Six Lakhs only) consisting of 60,000 (Sixty Thousand) equity shares of Rs. 10/- (Rupees Ten only) each.

4. It is stated that the Company had not been carrying on its business from the preceding 2 years and not earning any profits. The Board of Directors considered the matter and was of the opinion that due to non-availability of business prospect and long term financial



resources it is not financially viable to carry on the business activities of the Company and proposed to close down the company by way of voluntary liquidation.

5. It is stated that, the Board of Directors of the Company in the meeting held on 12.11.2019 passed a proposal to liquidate the Company voluntarily.

6. It is stated that as required under the provisions of Section 59 of the IBC, 2016, majority of directors made a declaration of solvency on 12.11.2019. (Copy of declaration of solvency along with the statement of Company assets and liabilities as at 31.10.2019 is marked and annexed as **Annexure B**).

7. It is stated that as per the proposal of Board of Directors, the members of the Company in their Extra General Meeting held on 25.11.2019 passed a special resolution required under Section 59 of IBC, 2016 read with the Insolvency and Bankruptcy Board of India (Voluntary Liquidation process) Regulations, 2019 to liquidate the



Company Voluntarily and appointed Mr. G. Porselvam Insolvency Professional as liquidator of the Company.

8. It is stated that as required under regulations, the liquidator opened a Bank account in the name of "KCMT MACHINERY INDIA PRIVATE LIMITED (UNDER LIQUIDATION)" with Shinhan Bank, Kancheepuram Branch, Sriperambudur, Chennai for realisation and payment to the creditors and Members. (Copy of the Opening of the Bank account is attached **Annexure E**)

9. It is stated that the Liquidator published Form A Public announcement dated 29/11/2019 in both regional news paper Makkal Kural, Chennai Edition dated 29/11/2019 and English paper Trinity Mirror, Chennai Edition dated 29/11/2019. (**Annexure F**- copy of the advertisements)

10. It is stated that as per provisions of Section 178 of the Income Tax Act, 1961, the liquidator intimated the commencement of liquidation and appointment of liquidator to the Income Tax Authority on 05.12.2019.



(Copy of No objection certificate from the Income tax, dtd. 22.03.2021 is enclosed and Marked as **Annexure G**)

11. It is stated that on the sad demise of Mr. G. Porselvam on 23.05.2021, the members of the company at an Extraordinary General Meeting held on 14.07.2021 appointed Ms. Usha Balasubramanian, an Insolvency Professional. (**Annexure H** – appointment of Ms. Usha Balasubramanian as liquidation of the Company)

12. It is stated that due to the sad demise of Ms. Usha Balasubramanian due to ill health on 26.12.2021, the members of the company at an Extraordinary General Meeting held on 21.01.2022 appointed Mr. K K Balasubramanian, an Insolvency Professional, having IP registration No.IBBI/IPA-001/IP/P-P01544/2018-19/12401 to act as liquidator of the Company in order to complete the winding up process. (Copies of special resolution along with notice of extraordinary general meeting are enclosed herewith and marked as **Annexure I**)



13. It is stated that the Applicant has filed an additional document of minutes of shareholders approving the extension of liquidation timeline till 24.11.2023.

14. It is stated that, there are no creditors and as such their consent confirming their special resolution passed by the members of the Company for the liquidation is not required. It is further stated that the liquidator has not received any claims from the creditors of the Company.

S.No	COMPLIANCE	AVERMENTS	PAGE NO. IN THE APPLICATION
1	Sec. 59 (3)(a)	Declaration by way of an Affidavit by Directors	41-44
2	Sec. 59 (3)(b)(i)	Audited Financial statements for the years 2019-2020, 2020-2021,2021-2022	90-132
3	Sec.59(3)(b)(ii)	Valuation report to be filed	NOT APPLICABLE –SINCE NO ASSETS
4	Sec 59 (3) (c)(i) And Reg 3 (1)(c)	EGM approving the voluntary liquidation and appointment of liquidator dated 21.01.2022	Three separate special resolutions passed due to demise of first and second liquidator. 1. Porselvam – as per EGM



			25.11.2019 2. Usha Balasubraman ian – EGM- 14.7.2021 3. KK Balasubraman ian – EGM dated 21.01.2022
5	Section 59 (4) and Reg 3 (2)	Declaration of solvency filed with ROC in Form GNL-2	45-48
6	Section 59(4)	Intimation to IBBI dated 29.05.2023	136
7	Section 59 (4) and Reg 3	Special Resolution for voluntary liquidation passed by shareholders in EGM vide Form MGT- 14	61-75
8	Regulation 14	Form A Public Announcement dated 29.11.2019	53-54
9	Section 178 of IT Act, 1961	Intimation and obtaining No objection certificate from IT department dated 22.03.2021	55
10	Reg 9	Preliminary report dated 06.01.2020	76-79
11	Reg34	Opening of Voluntary Liquidation Bank Account “701 000 027226 – Shinhan Bank”	52
12		Proof of Closing of Liquidation Bank	141



		Account of Shinhan Bank - 701 000 027226 - 06.10.2022	
13	Reg 38	Final report dated 25.10.2022	133-135
14	Reg 38	Final report in GNL-2 filed with the ROC	137-140
15	Reg 38	Submission of Final Report to IBBI – 29.05.2023	136
16	Reg 38	Form-H – Compliance certificate	10-19

15. The details of Realization during the Voluntary Liquidation Process are as below;

Sl.No.	Particulars	Amount (Rs)
(1)	(2)	(3)
1	Sale of Assets	0
2	Refund from Statutory Authorities	3,850
3	Cash/Bank balance	1,62,383
4	Realisation of uncalled/unpaid capital contribution	0
5	Distribution of unsold asset	0
6	Any other (Please specify)	
Total		1,66,233

16. The details of Distribution to the stakeholders during the Voluntary Liquidation Process are as below;



(Amount in Rs.lakh)

Sl. No.	Stakeholders* under section 52 and 53(1)	Amount Claimed	Amount Admitted	Amount Distributed	Amount Distributed to the Amount Claimed (%)	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Realization of Security Interest [Sec. 52(1)(b)]	0	0	0	0	NA
2	Liquidation Cost [Sec. 53(1)(a)]	43769	43769	43769	100%	
3	Workmen's Dues [Sec. 53(1)(b)(i)]	0	0	0	0	
4	Debts of Secured Creditors [Sec. 53(1)(b)(ii)]	0	0	0	0	
5	Wages and Unpaid Dues to Employees [Sec. 53(1)(c)]	0	0	0	0	
6	Debts of Unsecured Financial Creditors [Sec. 53(1)(d)]	0	0	0	0	
7	Government Dues + Amount Unpaid following Enforcement of Security Interest [Sec. 53(1)(e)]	20,000	20,000	20,000	100%	TDS Payment
8	Any remaining Debts and Dues [Sec. 53(1)(f)]	102,464	102,464	102,464	100%	
9	Preference Shareholders [Sec. 53(1)(g)]	0	0	0	0	



10	Equity Shareholders[Sec.53(1)(h)]	0	0	0	0	
	Total	1,66,233	1,66,233	1,66,233	100%	

17. We have perused the documents. From the Auditors Certificate on receipts and payments pertaining to voluntary Liquidation, we find that the details of receipts are matching with the details of payments and the same are reproduced hereunder:-

Receipts and payments pertaining to liquidation since the liquidation commencement date 01-04-2019 to 25-10-2022:

Years	2020	2021	2022		2020	2021	2022
RECEIPTS	VALUE REALIZED Rs.	VALUE REALIZED Rs.	VALUE REALIZED Rs.	PAYMENTS	PAYMENTS Rs.	PAYMENTS Rs.	PAYMENTS Rs.
Balance at Bank	1,62,383	11,969	11,969	Legal, Liquidation Fee and other incidental payments			
				1 Liquidator Fee			
				2 Payment of TDS/Advance Tax	20,000		
				3 Payment of dividend Distribution Tax			
				4 Liquidation expenses (Newspaper advertisement, filings fee etc)			
Interest received against of Bank Guarantee for Customs accounted.				5 Payment to Creditors	3,894		
Packing & Forwarding Charges				6 Loan given	98,570		
Income Tax Refund	3,850			7 Payment of consultancy fees for Accounting, Finance and other support services			11,969
				8 Expenses for winding up	20,000		



				9	Payment of Auditors fee for audit of liquidation account	11,800		
					Payment to Members			
				a	Dividend			
				b	Refund of share capital			
					(including mutual adjustments)			
				13	Balance at bank	11,969	11,969	
Net Realization (Rs.)	1,66,233	11,969	11,969		Net Payment Rs.	1,66,233	11,969	11,969

For B.P. Rao & Co.,
Chartered Accountants
Reg No: 0031165

B. Prasanna Achar
Partner
M.No. 202100
Chennai
UDIN: 22202100BCYJEN2237
25th October 2022



18. Thus, on examining the submissions made by the Applicant and perusing the documents annexed to the Application we find that the affairs of the Company have been completely wound up and the assets of the Applicant Company have been completely liquidated and as such the Applicant Company deserves to be dissolved. Accordingly, in exercise of the powers conferred under Section 59(8) of IBC, 2016, we order dissolution of **KCMT Machinery India Private Limited (CIN - U29309TN2018FTC120663)**. The Applicant Company shall stand dissolved from the date of this order. Accordingly, the CP(IB)/187/CHE/2023 stands **allowed**.



19. The *Registry* and the Liquidator are directed to serve a copy of this order upon the Registrar of Companies concerned, and also to IBBI, within 14 days from the date of this Order.

-Sd-

VENKATARAMAN SUBRAMANIAM
MEMBER (TECHNICAL)

-Sd-

SANJIV JAIN
MEMBER (JUDICIAL)

Kishore P