



**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

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

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**IN THE MATTER OF** : K N Interior Designs and Engineering Pvt Ltd

**MAIN PETITION NUMBER** : CP(IB)/87(CHE)/2021

**(IA/MA) APPLICATION NUMBERS**

IA/1382(CHE)/2023

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**ORDER**

Present: Ld. Counsel Shri. Bathrinarayan for the Applicant / Liquidator.

Vide separate order pronounced in Open Court, the company K N Interior Designs and Engineering 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**

**IA (IBC)/1382 (CHE)/2023 in CP/IB/87/2021**

*(Filed under Section 54 of the Insolvency and Bankruptcy Code, 2016 read  
with Rule 11 of NCLT Rules, 2016)*

*In the matter of KN Interior Designs and Engineering Private Limited*

**M.Murugesan**

Liquidator of KN Interior Designs and Engineering Private Limited  
New No.41, Old No. 17,  
16<sup>th</sup> Avenue, Ashok Nagar,  
Chennai – 600 083

*... Applicant*

***Order Pronounced on 08<sup>th</sup> August 2024***

**CORAM**

**SANJIV JAIN, MEMBER (JUDICIAL)**

**VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)**

*For Applicant: S.Sathiyarayanan, Advocate*

**ORDER**

**(Hearing Conducted through Hybrid Mode)**

This Application has been filed under Section 54 of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of NCLT Rules, 2016 by the liquidator of the Corporate Debtor herein seeking for Dissolution of the Corporate Debtor viz., ***K N INTERIOR DESIGNS AND ENGINEERING PRIVATE LIMITED.***



**BRIEF FACTS:**

2. On an Application filed by Corporate Applicant under Section 10 of IBC, 2016, this Tribunal vide order dated 03.12.2021 initiated Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor viz. KN Interior Designs and Engineering Private Limited.

3. The Liquidation of the Corporate Debtor was ordered by this Tribunal on 19.09.2022 in IA/699/CHE/2022 and the Applicant herein was appointed as the Liquidator.

4. In compliance with Section 33 (1) (b) (ii) / Regulation 12 (1, 2, 3), paper advertisement in Form B of Schedule II of Liquidation Process Regulations was given by the Liquidator in The Times of India (English) and Malai Malar (Tamil) dated 24.09.2022. The paper publication was also uploaded in IBBI web website. The Corporate Debtor was not having any website. In response to the paper advertisement, the liquidator received 22 claims and the details are:



(Amount in ₹)						
S. No	Category of stakeholders	Summary of claims received		Summary of claims admitted		% Share in total amount t of claims admitte d
		No. of claims	Amount	No. of claims	Amount	

1	Secured financial creditors	1	3,25,27,576	1	3,25,27,576	59.05
2	Unsecured financial creditors	3	32,00,751	3	32,00,751	5.81
3	Operational creditors (Government Dues)	3	24,09,335	2	2,14,590	0.39
4	Operational creditors (other than Workmen, Employees and Government Dues)	15	2,00,71,859	15	1,91,43,082	34.75
	<b>TOTAL</b>	<b>22</b>	<b>5,82,09,521</b>	<b>21</b>	<b>5,50,85,999</b>	<b>100.00</b>



5. The Liquidation Bank Account in the name of K N Interior Designs and Engineering Private Limited in Liquidation bearing Account No.801020110000533 was converted on 23.09.2022 with Bank of India, Adyar Branch.

6. It is stated that the Liquidator, after several attempts and efforts, realized a sum of Rs.22,59,290.78 from the sundry debtors of the Corporate Debtor. The amount realized was distributed to the stakeholders of the Corporate Debtor in accordance with Section 53 of the Code after providing for the liquidation cost incurred by the Applicant.

7. It is stated that the Corporate Debtor, in liquidation, has no business, and no assets except some receivables (mostly doubtful) from sundry debtors. In the SCC Meeting held on 30.05.2023, the Stakeholders, after considering the bleak prospects of further recovery for the doubtful trade receivables due to quality and other issues, have decided that it is not worthwhile to pursue recovery of the receivables. Further, the SCC decided to move an Application for dissolution of the Corporate Debtor. For the dissolution resolution, out of 5 SCC members,



2 members viz. ESI & One Operational Creditor abstained from voting; and the other members at the meeting unanimously voted in favour of filing an application for dissolution of the Corporate Debtor.

8. It is stated that since the Corporate Debtor had no assets other than some doubtful sundry debtors, the requirement to appoint Registered Valuers under the IBBI (Liquidation Process) Regulations, 2016 did not arise.

9. It is stated that as on the date of filing the application, the following applications relating to the Corporate Debtor were pending before the Tribunal:

S.no	Case No.	Particulars	Remark
1.	IA/387/2023	M. Murugesan Liquidator of KN Interior Designs and engineering Pvt Ltd Vs. Kannan Narayanan & Ors	In the SCC meeting held on 30.05.2023, IA/387/2023 will be pursued by Bank of India after the dissolution of the Corporate Debtor and proceeds if any thereof shall be distributed to Bank of India only.



2.	Contempt.P.no.3 /2023	M. Murugesan Liquidator of KN Interior Designs and engineering Pvt Ltd Vs. Kannan Narayanan & Ors	-
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10. The details of the relevant compliances as mandated under Section 54 of the IBC, 2016 read with the IBBI (Liquidation Process) Regulations, 2016 are hereunder:-

S. No	COMPLIANCE	AVERMENTS	PAGE NO. IN THE APPLICATION
1	Regulation 12	Public Announcement in Form B in The Times of India and Malai Malar dated 24.09.2022	26-27
2	Regulation 35(2)	Appointment of Registered Valuers where no valuation conducted during CIRP	Para 9 of the application at Page No. 5
3	Regulation 31(2)	List of Stakeholders within 45 days of the Liquidation Commencement Date	39-43
4	Regulation 31A	Constitution of Stakeholders Consultation Committee (SCC)	97
5	Regulation 13	Preliminary Report dated 09.11.2022	30-35
6	Regulation 34	Preparation of Asset Memorandum within Seventy-Five days from LCD dated 11.11.2022	36-38
7	Regulation 41	Opening of Bank Account in the name of the company in Liquidation in "Bank of India"	Serial No.15 at Page No.97
8		Proof of Closure of the above Bank Account and other account in the name of the Company	90



9	Regulation 15	Quarterly Progress Reports and proof of filing the same before this Tribunal	Para 12 of the Application and Page Nos.6
10	Regulation 36	Asset Sale Reports after sale of Reports	N/A
11	Regulation 42(2)	Proof of Distribution within Ninety days from the receipt of realization	Serial No.16 at Page No.102
12	Regulation 45 (3)	Final report dated 21.06.2023	Page Nos.44-88 and 97-106
13	Regulation 5 (1) (e)	Compilation of Minutes of SCC	67-73
14	Regulation 15	Audited Accounts of receipts and Payments	91-96
15	Regulation 37	Completion of Liquidation Process within one year from Liquidation Commencement Date or extension if any, date of the order & period	17-26
16		Form-H –Compliance Certificate	97-106

11. We have heard Ld. Counsel for the Applicant and perused the report and synopsis filed by the Liquidator.

12. It is stated in Form H that IA/IBC/387/CHE/2023 and Cont.Appl/3(CHE)/2023 are pending before this Tribunal for avoidance, Preferential, Undervalued or Fraudulent Transactions. However, it is seen from the records that the above two applications i.e. IA/IBC/387/CHE/2023 and Cont.Appl/3(CHE)/2023 have been disposed of by this Tribunal vide order dated 19.07.2024 and 06.06.2024 respectively. Hence, there are no applications pending relating to the Corporate Debtor.





13. The liquidator has filed the synopsis showing the realization and the distribution which are reproduced as under:

**Realization:**

**18. REALISATION:**

S. No.	Assets	Mode of Sale	Estimated Liquidation Value (Rs.)	Realisation Amount (Rs.)	Date of Transfer to Liquidation Account
(1)	(2)	(3)	(4)	(5)	(6)
1	Sundry Debtors	Recovery from Sundry Debtors	25,00,000	22,59,290.78	06.08.2022, 13.10.2022, 21.10.2022, 02.11.2022, 03.11.2022, 08.02.2023



## Distribution:

(Amount in Rs. Lakh)						
Sl. No.	Stakeholders* under section 53 (1)	Amount Claimed in Rs.	Amount Admitted in Rs.	Amount Distributed in Rs.	Amount Distributed to the Amount Claimed (%)	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	(a) CIRP Costs	-	-	-	-	-
2	(a) Liquidation Costs	-	-	10.59	-	This includes an amount of Rs.24,038 /- being the reimbursement to the Liquidator, due to non-availability of internet banking facility, the Liquidator used his account for payment and got the reimbursement.
3	(b)(i) Workmen	-	-	-	-	No Claim
4	(b)(ii) Secured Financial Creditor	325.28	325.28	12.24	3.76	-
5	(c) wages and any unpaid dues owed to employees	-	-	-	-	No Claim
6	(d) Financial debts owed to Unsecured Creditor	32.01	32.01	0	0	-
7	(e)(i) (i) any amount due to Central Government and the State Government	24.09	2.14	0	0	-
8	(e) (ii) Debt owed to	-	-	-	-	No Claim



	secured creditor					
9	(f) Remaining debts and dues	200.71	191.43	0	0	-
10	(g) Preference Shareholders	-	-	-	-	No Claim
11	(h) Equity shareholders	-	-	-	-	No Claim
<b>TOTAL</b>		582.09	550.86	22.83	3.76	-

14. From the averments made in the Application and on a perusal of final report and the Compliance Certificate filed in Form-H, it is seen that the Corporate Debtor has been completely liquidated. In the circumstances as averred and as prayed for by the Applicant, an order for dissolution is required to be passed by this Tribunal under Section 54 of the IBC, 2016. Accordingly, we order for the dissolution of the Corporate Debtor viz., *K N INTERIOR DESIGNS AND ENGINEERING PRIVATE LIMITED*. The Liquidator is directed to forward the copy of this Order to the RoC concerned and also to the IBBI for its records within a period of 7 days from the date of this Order.



15. In terms of the above, this IA/(IBC)/1382/CHE/2023 stands **allowed** and CP/IB/87/CHE/2021 also stands **disposed of**.

16. File be consigned to records.

**-Sd-**

**VENKATARAMAN SUBRAMANIAM**  
MEMBER (TECHNICAL)

**-Sd-**

**SANJIV JAIN**  
MEMBER (JUDICIAL)

*SriramAnanth.V*