



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

IA(IBC)(LIQ.)/24/CHE/2025

in

CP(IB)/65(CHE)/2024

[filed under Section 33(1) and (2) of the Insolvency and Bankruptcy Code, 2016]

In the matter of KMP Spinners Private Limited

1. Beleyur Resolutions Private Limited,

Represented by its Director Mr. Ravindra Beleyur

Resolution Professional of KMP Spinners Private Limited

Having office at "Shreevathsa"

No. 428, 19th B Cross, 3rd Block, Jayanagar,

Bengaluru – 560 011.

Email: ravi@beleyur.com

. . . Applicant/Resolution Professional

Present:

For Applicant : T. Ravichandran, Advocate

CORAM:

SANJIV JAIN, MEMBER (JUDICIAL)

VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

Order Pronounced on 18th November, 2025



ORDER

(Heard through Hybrid Mode)

This application IA(LIQ)/24(CHE)/2025 has been filed by the Resolution Professional of KMP Spinners Private Limited, the Corporate Debtor for seeking liquidation of the Corporate Debtor and to appoint Beleyur Resolutions Private Limited represented by its Director Shri. Ravindra Beleyur as the Liquidator.

2. Briefly the facts are that on the petition filed by the Financial Creditor Aditya Birla Finance Limited under Section 7 of IBC, CIRP was initiated against the Corporate Debtor vide an order dated 11.07.2025. The Applicant was appointed as the RP. He made the publication inviting the claims from the Creditors. He verified the claims and constituted the CoC comprising of Indian Overseas Bank (75.60% voting share) and Aditya Birla Capital Limited (24.40% voting share). He took the custody of the industrial unit of the Corporate Debtor. In the 1st CoC meeting held on 14.08.2025, the CoC resolved to appoint the Applicant as the RP. An application in this respect was moved which was allowed vide an order dated 25.09.2025. The Suspended Director preferred an appeal against the order of CIRP which is yet to be numbered. The RP sent a



mail to the Directors requesting them to hand over the assets and documents of the Corporate Debtor. It was followed by a mail dated 21.07.2025. It is stated that despite request RP was not provided with the necessary information. He moved an application under Section 19 of IBC which is yet to be numbered.

3. It is stated that the RP called for the 2nd CoC on 06.09.2025 where issues relating to publication of Form G, demarcation of factory land and mortgage land, verification of missing machineries from the factory, status of litigation and appointment of valuers etc., were discussed. The CoC decided for the liquidation of the Corporate Debtor with 100% voting for the following reasons.

- i. The company has been non-operational and is currently in a defunct status;*
- ii. There are no employees or workmen associated with the company;*
- iii. Production records indicate that no production has taken place since July 2022;*
- iv. GST Returns do not reflect any sales activity after December 2022;*
- v. The company has not filed its Annual Accounts since the financial year 2018-19;*



- vi. Substantial machineries that are essential for running the factory are found missing evident from valuation reports;*
- vii. There are complications regarding land ownership; which pose significant challenges for any potential revival through a resolution plan.*

The CoC also resolved to appoint the Applicant as the Liquidator who also gave his consent. As regards manner of sale of the Corporate Debtor during the liquidation process and possibility of compromise and arrangement under Section 230 of the Companies Act and contribution by Financial Creditors, the CoC deferred the matter to be taken up by the SCC to be conducted within 7 days from the liquidation order. The Applicant prepared Form H (Annexure A11) and a table setting out the dates and events as Annexure A12. He also submitted his consent along with the consent form and AFA as Annexure A13.

- 4. We have heard Ld. Counsel for the Applicant / RP and the RP in person including the Financial Creditors.
- 5. In the present case, there is one industrial unit of the Corporate Debtor situated at Elanthakuttai. The industrial unit of the Corporate Debtor is land locked. It is surrounded by the lands of the Guarantors of the



Corporate Debtor which have been mortgaged by the Guarantors with the Financial Creditors. The RP has already taken the steps for demarcation of the land of the Corporate Debtor and possibility of resolution / sale of assets of the Corporate Debtor jointly with the assets of the Guarantors under the SARFAESI Act. The RP has submitted that there is every possibility of sale of assets of the Corporate Debtor through the joint sale under the provisions of IBC and the SARFAESI Act.

6. The CoC in the meeting after discussions with 100% voting has resolved to liquidate the Corporate Debtor considering the fact that the Corporate Debtor has been non-operational and is currently in a defunct status; there are no employees or workmen associated with the Corporate Debtor; no production has taken place since July 2022; GST Returns do not reflect any sales after December 2022; the Corporate Debtor has not filed the annual accounts since the FY 2018-19; substantial machineries essential for running the unit are missing and there are complications regarding land ownership posing significant challenges for a potential revival through the resolution process.



7. Considering the reasoning the resolution which has been passed with 100% voting and that there is no possibility of revival of the Corporate Debtor through a resolution plan, we allow the application and order for the initiation of liquidation process against the Corporate Debtor KMP Spinners Private Limited.

8. In the present case, the CoC has resolved to appoint the RP as the Liquidator. He has also given his consent and AFA as Annexure A13. The Liquidator has also filed Form H in compliance with the requirements under Code and Regulations as Annexure A11. **We therefore appoint Beleyur Resolutions Private Limited having IBBI registration No. IBBI/IPE-0163/IPA-1/2023-24/50073 whose AFA is valid till 30.06.2026 (Email ID: ravi@beleyur.com)** as the Liquidator of the Corporate Debtor. His initial fee for taking up the liquidation process is fixed as Rs. 2,00,000/- to be paid by the CoC forthwith. As resolved, the issue as to the manner of sale during the liquidation process and compromise and arrangement under Section 230 of the Companies Act and contribution by the Financial Institutions be taken up in the 1st SCC which is to be conducted within 7 days from the liquidation order.



9. The Liquidator is directed to carry out the liquidation process subject to the following terms of the directions.

- a) The Liquidator shall strictly act in accordance with the provisions of IBC, 2016 and the attendant Rules and Regulations including Insolvency and Bankruptcy (Liquidation Process) Regulations, 2017 as amended upto date enjoined upon her.
- b) The Liquidator shall issue the public announcement that the Corporate Debtor is in liquidation. In relation to officers/ employees and workers of the Corporate Debtor, taking into consideration Section 33(7) of IBC, 2016, this order shall be deemed to be a notice of discharge.
- c) The Liquidator shall investigate the financial affairs of the Corporate Debtor particularly, in relation to preferential transactions/ undervalued transactions and such other like transactions including fraudulent preferences and file suitable application before this Adjudicating Authority.
- d) The Liquidator is directed to proceed with the process of liquidation in a manner laid down in Chapter III of Part II of the Insolvency and Bankruptcy Code, 2016.
- e) The Liquidator is directed to investigate the financial affairs of the Corporate Debtor in terms of the provisions of Section – 35(1) of IBC, 2016 read with relevant rules and regulations and also file its



response for disposal of any pending Company Applications during the process of liquidation.

f) The Liquidator shall submit a Preliminary report to this Tribunal within 75 (seventy-five) days from the liquidation commencement date as per regulation 13 of the Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016. Further such other or further report as are required to be filed under the relevant Regulations, in addition, shall also be duly filed by him with this Adjudicating Authority.

10. The Registry is directed to communicate this order to the Registrar of Companies, concerned and to the Insolvency and Bankruptcy Board of India;

11. The order of Moratorium passed under Section 14 of the Insolvency and Bankruptcy Code, 2016 shall cease to have its effect and that a fresh Moratorium under section 33(5) of the Insolvency and Bankruptcy Code shall commence.

12. Copy of this order be sent to the financial creditors, Corporate Debtor and the Liquidator for taking necessary steps and for extending the



necessary co-operation in relation to the Liquidation process of the Corporate Debtor.

13. With the above said directions, this **IA(IBC)(LIQ.)/24/CHE/2025** filed for Liquidation of the Corporate Debtor stands **allowed**.

Sd/-

VENKATARAMAN SUBRAMANIAM
MEMBER (TECHNICAL)

Sd/-

SANJIV JAIN
MEMBER (JUDICIAL)