

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH, HYDERABAD-1**

CP (IB) No.95/10/HDB/2021

Petition under section 9 of IBC, 2016

Read with Rule 7 of I & B (AAA) Rules, 2016

IN THE MATTER OF M/s. UNICORN ORGANICS LIMITED

M/s.Unicorn Organics Limited
2nd Floor Tirumala Complex, S D Road,
Secunderabad-500 003,
Telangana.

**...Applicant Company/
Corporate Applicant**

Date of order: 13.08.2021

Coram:

Hon'ble Madan Bhalchandra Gosavi, Member (Judicial)

Hon'ble Veera Brahma Rao Arekapudi, Member (Technical)

Parties / counsels present:

For the Petitioner: Mr.Tapasvilal Deora, PCS

Heard on: 05.08.2021

PER BENCH

This petition is filed by M/s. Unicorn Organics Limited (Corporate Applicant) to initiate fast track corporate insolvency resolution process under Section 10 read with Section 55 of the Insolvency and Bankruptcy Code, 2016.

2. The averments made in the petition are as follows:
 - a. The Corporate Applicant is an unlisted public limited Company with total assets not exceeding one crore rupees and hence is falling within the



ambit of notification dated June 14, 2017. The total assets of the Applicant Company as on March 31, 2020 was Rs.52,17,894/-.

- b. It is averred that Stressed Assets Stabilization Fund (SASF), Kotak Mahindra Bank and IFCI are the financial creditors (Consortium arrangement) of the applicant Company.
- c. The Applicant Company had taken a consortium loan from ICICI Bank as the lead bank (Kotak Mahindra Bank), IDBI (Currently transferred to Stressed Assets Stabilization Fund) and IFCI. The sanctioned amount is Rs.5,40,00,000/- and amount received is Rs.5,38,41,894/-. Outstanding amount as on March 31, 2020 is Rs.15,85,18,354/.
- d. It is averred that the secured assets of the Company were sold under the SARFAESI by SASF and an amount of Rs.5,55,00,000/- was realized. The company has adjusted the written down value of the assets with the amounts due to the financial institutions and bankers. The balance amount is shown as payable to them.
- e. The Company has received a letter dated 27.04.2018 from SASF wherein the outstanding liability as on 01.03.2018, after adjustment of the sale proceeds received from the sale of fixed assets of the Company is Rs.49,56,78,880/-. The interest payable has been provided as per the original applicable rates, as per the information/breakup is not available with regard to the outstanding amount arrived by SASF. The company is not providing interest and interest on interest.
- f. It is averred that the shareholders of the Corporate Applicant have passed a special resolution in their



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meeting held on February 16, 2021 for initiation of fast track corporate insolvency resolution process. Copy of resolution passed by the members is attached as Annexure 2 to the petition.

3. The present petition is supported with the following documents.
 - i. Copy of special resolution passed by the members in their Extra ordinary general meeting held on February 16, `2021. Annexed at page no.12-13.
 - ii. Written Communication filed by the Interim Resolution Professional Mr.Pavan Kankani. Annexed at Page No.19-22.
 - iii. Copy of the letter from SASF was attached to the application at Page no.72-73.
 - iv. Copy of the latest Provisional financial statements were attached to the Application at page no.27-33.
 - v. Copy of the details of the guarantors at Page No.74.
 - vi. Copy of the Loan agreement dated July 10, 1987 at page no. 34-63.
 - vii. Annual reports of the Company for the FY 2019-20 AND 201-19 at page no.136-211.
4. PCS for the Applicant Company has stated that individual notices were sent to the financial creditors. None of the financial creditors had appeared. There is no representation from the financial creditors. The applicant Company has complied with all the requirements of Section 10 read with Section 55 of the Insolvency and Bankruptcy Code, 2016.
5. PCS for applicant company filed FORM-2 suggesting the name of Mr.Pavan Kankani, # 302,3rd Floor, City



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Center, 3-6-140/A, above bata, Himayat Nagar, Hyderabad registered with ICSI Institute of Insolvency professionals having registration number IBBI/IPA-002/IP-N00368/2017-2018/11062 as Interim Resolution Professional to carry on the functions as mentioned under the Insolvency and Bankruptcy Code, 2016 annexed in the petition at page no.19.

6. We heard the PCS for the applicant Company. We are of the considered view that the current petition is liable to be admitted.
7. Hence, the Adjudicating Authority admits this Petition under Section 10 of IBC, 2016, declaring moratorium for the purposes referred to in Section 14 of the Code, with following directions: -



- (a) The Bench hereby prohibits the institution of suits or continuation of pending suits or proceedings against the Corporate Applicant including execution of any judgment, decree or order in any court of law, Tribunal, arbitration panel or other authority; transferring, encumbering, alienating or disposing of by the Corporate Applicant any of its assets or any legal right or beneficial interest therein; any action to foreclose, recover or enforce any security interest created by the Corporate Applicant in respect of its property including any action under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002); the recovery of any property by an owner or lessor where such property is occupied by or in possession of the corporate Applicant;

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- (b) That the supply of essential goods or services to the Corporate Applicant, if continuing, shall not be terminated or suspended or interrupted during moratorium period.
- (c) That the provisions of sub-section (1) of Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- (d) That the order of moratorium shall have effect from the date of the Order till the completion of the Corporate Insolvency Resolution Process or until this Bench approves the Resolution Plan under Sub-Section (1) of Section 31 or passes an order for liquidation of Corporate Applicant under Section 33, whichever is earlier.
- (e) That the public announcement of the initiation of Corporate Insolvency Resolution Process shall be made immediately as prescribed under section 13 of Insolvency and Bankruptcy Code, 2016.
- (f) That this Bench hereby appoints Mr.Pavan Kankani, # 302,3rd Floor, City Center, 3-6-140/A, above bata, Himayat Nagar, Hyderabad, having registration number IBBI/IPA-002/IP-N00368/2017-2018/11062, as Interim Resolution Professional to carry the functions as mentioned under the Insolvency & Bankruptcy Code.
- (g) Accordingly, this Petition is admitted.
- (h) Registry to send a copy of this order to the Registrar of Companies, Hyderabad for appropriately changing



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the status of Corporate Applicant herein on the MCA-21 site of Ministry of Corporate Affairs.



Veera Brahma Rao-Arekapudi
Member Technical



Madan Bhalchandra Gosavi
Member Judicial




Deputy Registrar / Assistant Registrar / Court Officer
National Company Law Tribunal, Hyderabad Bench

26/08/21

प्रमाणित प्रति
CERTIFIED TRUE COPY

केस संख्या
CASE NUMBER CP(CIB)NO. 95/10/HDB/2021
निर्णय का तारीख
DATE OF JUDGEMENT, 13.08.2021
प्रति तैयार किया गया तारीख
COPY MADE READY ON, 26.08.2021