

SL. No.1

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH
COURT HALL NO: II**

Hearing Through: VC and Physical (Hybrid) Mode

CORAM: SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (J)

CORAM: SHRI. SANJAY PURI, - HON'BLE MEMBER (T)

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL,
HYDERABAD BENCH, HELD ON 13.02.2024 AT 10:30 AM**

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	Company Petition IB/186/2023
NAME OF THE COMPANY	Neocortex Life Sciences Pvt Ltd
NAME OF THE PETITIONER(S)	
NAME OF THE RESPONDENT(S)	
UNDER SECTION	10 of IBC

ORDER

Orders pronounced, recorded vide separate sheets. In the result, this Petition is allowed.

Sd/-
MEMBER (T)

Sd/-
MEMBER (J)

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – II**

C.P. (IB) No.186/10/HDB/2023

Under Section 10 of IBC, 2016

In the matter of:

M/s. Neocortex Life Sciences Private Limited,
Plot No. 277, H.No. 3-6-13/2, Usha Enclave,
4th Floor, Vivekananda Nagar Colony,
Kukatpally, Hyderabad, Telangana – 500072.
... Corporate Applicant/Corporate Debtor

Date of Order:13.02.2024

Coram:

Sri Rajeev Bhardwaj, Hon'ble Member (Judicial)
Sri Sanjay Puri, Hon'ble Member (Technical)

Counsel Present:

For the Applicant : Mr. M. Maharshi Viswaraj, Advocate

Heard on : 06.02.2024

Per : Sanjay Puri, Member (Technical)

ORDER

1. This Application is filed by M/s. Neocortex Life Sciences Private Limited, the Corporate Applicant Under Section 10

of IBC¹ for initiating the Corporate Insolvency Resolution Process (**CIRP**) in its own case.

Brief facts of the Application:

2. The Corporate Applicant is stated to have been engaged in the business of importing, manufacturing, & selling of health supplements and buy, sell, manufacture, import, export, distribute and otherwise deal in all kinds and varieties of cosmetics, non-prescribed drugs, health care products, food preservatives and additives, fast foods, artificial flavouring, artificial dyes and colouring agents, oleoresins, beauty and skin care products, perfumes, colognes, food supplements, health aids, glamour products, Birth control medicines and devices and lubricants.
3. It is stated that the Corporate Applicant has committed default in paying his creditors due to bad marketing conditions leading to liquidity crunch. A list of Financial and Operational Creditors² as certified by the Independent Chartered Accountant has been provided with total outstanding debt of Rs.3,00,14,689/- .
4. The Corporate Applicant has only two Shareholders Mr. Saroj Kumar Patnaik holding 99.99% and Mrs. Sarada Lakshmi Rallabhandi holding 00.01% share. It is stated that the Shareholders in the Extra Ordinary General Meeting held on 22.07.2023 passed a Resolution for

¹ Insolvency & Bankruptcy Code 2016

² Pg 23-25 of the Application.

initiating CIRP under Section 10 of IBC, as the Corporate Applicant is not in a position to pay the amounts due to its creditors.

5. The Corporate Applicant was directed to serve notice on the Financial Creditors and to file a proof of service. As per the directions the Applicant served the notice on Financial Creditor by speed post and submitted proof of service thereto.
6. An affidavit has been filed to state that no proceedings are pending against the Corporate Applicant under Income Tax Department Act/ GST Tax or any other Tax Laws. It is also stated that this application has not been filed for the purpose of avoiding any Income Tax or any other Tax liabilities.
7. As per the statement of affairs³ (certified by a Chartered Accountant), the Corporate Applicant has Rs 87,30,119 worth of assets against outstanding liabilities of Rs 3,09,82,635 on 31.07.2023.
8. After hearing the Counsel for the Corporate Applicant this application under Section 10 of IBC is allowed and it is directed as follows:
 - a) The Corporate Applicant is admitted into the Corporate Insolvency Resolution Process, which shall ordinarily be completed within the timelines

³ Page 77 of the Application

stipulated in IBC, reckoning from the date on which this order is passed.

- b) **Mr. Racharla Ramakrishna Gupta**⁴ is appointed as the Interim Resolution Professional (hereinafter referred to as the "**IRP**"). The IRP is directed to file Authorization for Assignment within three days from the date of this order.
- c) The IRP is directed to take charge of the management of the Corporate Applicant immediately. The IRP is also directed to cause public announcement as prescribed under Section 15 of IBC, within three days from the date of receipt of this order, and call for submissions of claim in the manner as prescribed.
- d) We direct the Corporate Applicant to pay a sum of **Rs 2,00,000** towards the advance fee of IRP and expenses towards CIRP, which shall be ratified later on by the Committee of Creditors.
- e) Moratorium is, hereby, declared and shall have effect from the date of this order till the completion of the CIRP, for the purposes referred to in Section 14 of IBC. It is hereby ordered that all of the following are prohibited:

⁴Having Registration No: IBBI/IPA-002/IP-N00012/2016-2017/10029, Address: M/s. R and A Associates, Company Secretaries Flat No. T202, Technopolis, 1-10-74/B Above Ratnadeep Super Market, Chikoti Gardens Begumpet, West Marredpally, Telangana ,500016, E-mail ID: rp.ramakrishnagupta@gmail.com, Mobile No.9848019915.

- i. *The institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgment, decree or order in any court or law, tribunal arbitration panel or other authority;*
- ii. *Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal rights or beneficial interest therein;*
- iii. *Any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);*
- iv. *The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.*
- v. *Notwithstanding anything contained in any other law for the time being in force, a license, permit, registration, quota, concession, clearances or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license, permit, registration, quota, concessions, clearances or*

a similar grant or right during the moratorium period.

- f) The supply of essential goods or services to the Corporate Applicant shall not be terminated, suspended or interrupted during the moratorium period. Further, if the IRP considers supply of any goods or services critical to protect and preserve the value of the Corporate Applicant and manage the operations of such Corporate Debtor as a going concern, then the supply of such goods or services shall not be terminated, suspended or interrupted during the period of moratorium, except where such Corporate Applicant has not paid dues arising from such supply during the moratorium period. Furthermore, the provisions of Sub-section (1) of Section 14 shall not apply to such transactions, agreements or other arrangement as may be notified by the Central Government in consultation with any financial sector regulator or any other authority.
- g) The IRP shall comply with the provisions of Sections 13(2), 15, 17 & 18 of IBC. The Directors, Promoters or any other person associated with the management of Corporate Debtor are directed to extend all assistance and co-operation to the IRP as stipulated under Section 19 for discharging his functions under Section 20 of IBC.

- h) The Corporate Applicant as well as the Registry is directed to send the copy of this Order to the IRP, to enable IRP to take charge of the assets etc. of the Corporate Applicant, and comply with this order as per the provisions of IBC.
- i) The Registry is directed to communicate this Order to the Corporate Applicant.
- j) The Registry shall also communicate this Order to the Registrar of Companies, Hyderabad, for updating the status of the Corporate Debtor in the website of the Ministry of Corporate Affairs.

Accordingly, this **C.P. No. 186/10/HDB/2023** is allowed and stands disposed of.

Sd/-

**(SANJAY PURI)
MEMBER (TECHNICAL)**

Sd/-

**(RAJEEV BHARDWAJ)
MEMBER (JUDICIAL)**

Apoorva