

POOJA BAHRY

Insolvency Professional

IP REGISTRATION NUMBER: IBBI/IPA-003/IP-N00007/2016-2017/10063

59/27 New Rohtak Road, New Delhi-5

Phone- 9811071716

Email – pujabahry@yahoo.com,

cirp.unitednewsofindia@gmail.com

TO WHOMSOEVER IT MAY CONCERN

Dear Sir/ Madam

Sub: Intimation regarding initiation of Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code 2016 (IBC) (NCLT Orders passed on 19th May 2023) and Form A Public Announcement published – REQUEST TO FILE CLAIM- M/s UNITED NEWS OF INDIA

It is intimated that **UNITED NEWS OF INDIA** is under CIRP under the provision of Insolvency and Bankruptcy Code, 2016 by an order of National Company Law Tribunal, New Delhi Bench II, with effect from 19th May 2023, vide which the **initiation of the Corporate Insolvency Resolution Process (CIRP) has been ordered under the Insolvency and Bankruptcy Code 2016**

With reference to the NCLT Orders dated 19 May 2023, in the matter of **United News of India Worker's Union V/s United News of India** in (IB)-764(ND)/2022, I, Pooja Bahry, have been appointed as the IRP by the Hon'ble Bench, NCLT, New Delhi Bench II.

Also the publication of the Form A Public Announcement has been done on 21 May 2023 and 22 May 2023, as per the provisions of the Code and its Regulations

The Form A Public Announcement has been published on 21 May 2023 in **The Financial Express (All over India Editions-** Ahmedabad, Ahmedabad Gujrati, Mumbai, Pune, Delhi, Lucknow, Chandigarh, Kolkata, Kochi, Chennai, Bangalore, Hyderabad), **Jansatta Hindi (All Over India Editions-** Delhi, Lucknow, Chandigarh, Kolkata)

The Form A Public Announcement has been published on 22 May 2023 in **Business Standard English (All over India Editions -** Delhi, Mumbai, Kolkata, Chennai, Bangalore, Hyderabad, Ahmedabad, Kochi, Bhubaneswar, Lucknow, Chandigarh, Pune, Bhopal), **Business Standard Hindi- (All over India Editions-** Delhi, Mumbai, Kolkata, Lucknow, Chandigarh, Bhopal)

Please find attached the following:

- Copy of the NCLT order dated 19 May 2023
- Copy of Form A signed by IRP

It is requested to file the Claim, if any, as per the various Provisions, Sections and Regulations of IBC, as per the Form A Public Announcement

Submitted for information and for necessary action



POOJA BAHRY

Interim Resolution Professional of United News of India Ltd

IP Registration no.: IBBI/IPA-003/IP-N00007/2016-2017/10063;

AFA No AA3/10063/02/121223/300816 Valid till 12/12/2023

Address: 59/27 Prabhat Road, New Rohtak Road, New Delhi-110005

Ph: 9811071716

Email: cirp.unitednewsofindia@gmail.com,

pujabahry@yahoo.com

FORM A
PUBLIC ANNOUNCEMENT

(Under Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016)

FOR THE ATTENTION OF THE CREDITORS OF UNITED NEWS OF INDIA

RELEVANT PARTICULARS		
1.	Name of corporate debtor	UNITED NEWS OF INDIA
2.	Date of incorporation of corporate debtor	19/12/1959
3.	Authority under which corporate debtor is incorporated / registered	RoC- Delhi
4.	Corporate Identity No. / Limited Liability Identification No. of corporate debtor	U92200DL1959NPL003169
5.	Address of the registered office and principal office (if any) of corporate debtor	Registered Office: 9 Rafi Marg, New Delhi- 110001
6.	Insolvency commencement date in respect of corporate debtor	19 May 2023
7.	Estimated date of closure of insolvency resolution process	15 November 2023
8.	Name and registration number of the insolvency professional acting as interim resolution professional	Name: Pooja Bahry IP Regn. No. IBBI/IPA-003/IP-N00007/2016-2017/10063
9.	Address and e-mail of the interim resolution professional, as registered with the Board	Address: 59/27, Prabhat Road, New Rohtak Road, New Delhi-110005 Email: <u>pujabahry@yahoo.com</u>
10.	Address and e-mail to be used for correspondence with the interim resolution professional	Address: 59/27, Prabhat Road, New Rohtak Road, New Delhi-110005 Email: <u>cirp.unitednewsofindia@gmail.com</u>, <u>pujabahry@yahoo.com</u>
11.	Last date for submission of claims	2 June 2023
12.	Classes of creditors, if any, under clause (b) of sub-section (6A) of section 21, ascertained by the interim resolution professional	Not applicable as per the information available with the IRP
13.	Names of Insolvency Professionals identified to act as Authorised Representative of creditors in a class (Three names for each class)	Not applicable as per the information available with the IRP
14.	(a) Relevant Forms and (b) Details of authorized representatives are available at:	Web link: https://ibbi.gov.in/en/home/downloads Physical Address: Not Applicable

Notice is hereby given that the National Company Law Tribunal New Delhi Bench II has ordered the commencement of a Corporate Insolvency Resolution Process of the **UNITED NEWS OF INDIA** on 19 May 2023.

The creditors of UNITED NEWS OF INDIA are hereby called upon to submit their claims with proof on or before 2 June 2023 to the Interim Resolution Professional at the address mentioned against entry No. 10.

The financial creditors shall submit their claims with proof by electronic means only. All other creditors may submit the claims with proof in person, by post or by electronic means.

Submission of false or misleading proofs of claim shall attract penalties.

Name and Signature of Interim Resolution Professional :
POOJA BAHRY

INTERIM RESOLUTION PROFESSIONAL,

IP Registration no.: IBBI/IPA-003/IP-N00007/2016-2017/10063;

AFA No AA3/10063/02/121223/300816 Valid till 12/12/2023

Address: 59/27 Prabhat Road, New Rohtak Road, New Delhi-110005

Ph: 9811071716

Email: cirp.unitednewsofindia@gmail.com, pujabahry@yahoo.com



Date and Place : 21 May 2023 at New Delhi

NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH (COURT-II)

(IB)-764(ND)2022

IN THE MATTER OF:

United News of India Worker's Union

On behalf of Employees of
United News of India
9, Rafi Marg, New Delhi - 110001
Through its President,
Rajesh K. Puri

... Applicant/Operational Creditor

VERSUS

1. United News of India

9, Rafi Marg,
New Delhi - 110001

... Respondent No. 1

2. Sagar Mukhopadhyay

Chairman of Board of Directors,
United News of India,
9, Rafi Marg,
New Delhi - 110001

... Respondent No. 2

3. Binod Kumar Mandal

Director, United News of India
9, Rafi Marg,
New Delhi - 110001

... Respondent No. 3

4. Gautam Singh

Director, United News of India
9, Rafi Marg,
New Delhi - 110001

... Respondent No. 4

Section: 9 of the IBC, 2016

Order Delivered on: 19.05.2023

CORAM:

SH. ASHOK KUMAR BHARDWAJ, HON'BLE MEMBER (J)

SH. L. N. GUPTA, HON'BLE MEMBER (T)

PRESENT:

For the Applicant : Adv. Ritwik Parikh

ORDER

PER: SH. L. N. GUPTA, MEMBER (T)

United News of India Worker's Union (for brevity, the '**Applicant/Operational Creditor**') has filed the present petition under Section 9 of the Insolvency and Bankruptcy Code, 2016 (for brevity, the '**IBC, 2016**') read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (for brevity 'the Rules') with a prayer to initiate the Corporate Insolvency Resolution Process against United News of India (for brevity, the '**Respondent**').

2. The Respondent no.1 namely, United News of India is a Company incorporated on 19.12.1959 with CIN U92200DL1959NPL003169 under the provisions of the Companies Act, 1956 having its Registered Office at 9, Rafi Marg, New Delhi - 110001, which is within the territorial jurisdiction of this Bench. The Authorized Share Capital of the Respondent is Rs.25,00,000/- and Paid-up Share Capital is Rs.10,18,900/- as per Master Data.

3. It is submitted by the Applicant that Respondent no.1 namely, United News of India, is a leading media agency, established in the year 1959 as a Non-Profit Organization under Section 25 of the Companies Act, 1956. The Respondent No. 1 due to poor management and the complete apathy of the Shareholders has become debt-ridden and is unable to pay the workers' dues. The Applicant has further submitted

that Respondent No.1 has defaulted in payment of the salaries, gratuity, etc., and other benefits to its permanent employees from 2017, which is in violation of the basic dignity of the employees, who have given their sweat and blood to Respondent No.1 and have worked diligently. It is also a clear violation of the rights guaranteed under Articles 14, 19, and 21 of the Indian Constitution. The Company has accrued a debt of more than Rs.1,03,04,31,488/-. The particulars of the Operational Debt claimed including the total amount of default and the date of default are mentioned in Part IV of the application, which reads thus:

Part-IV

PARTICULARS OF OPERATIONAL DEBT		
1.	TOTAL AMOUNT OF DEBT DETAILS OF TRANSACTIONS ON ACCOUNT OF WHICH DEBT FELL DUE AND THE DATE FROM WHICH SUCH DEBT FELL DUE	Rs. 103, 04, 31,488 (Rs. One Hundred Three Crores Four Lac Thirty-One Thousand Four Hundred and Eighty-Eight) due since 31.03.2021 as per the Independent Auditors Report for the Year 2020-2021 which is annexed herewith as ANNEXURE A-4. The default by the Corporate Debtor-UNI on the salaries of its Permanent Employees arose first in the year 2017 and the last accepted instance of default is the Reply by UNI to Deputy Chief Labor Commissioner dated 16.04.2022. The default in payment of debt is continuous from 2017 and subsisting till date.
2.	AMOUNT CLAIMED TO BE IN DEFAULT AND THE DATE ON WHICH THE DEFAULT OCCURED (ATTACH THE WORKINGS FOR COMPUTATION OF AMOUNT AND DATES OF DEFAULT IN TABULAR FORM)	The details of the dues owed as per the Independent Auditor's Report for Year 2020-21 upto 31.03.2021 are elaborated as follows: 1. Employee Related dues: Rs. 97,80,43,906/- 2. UNI Credit Society Ltd.: Rs. 1,74,15,049/- 3. Employees Retirement Benefits (As per Actuary):

		Rs.2,18,03,620/- 4. Leave Encashment Payable (As per Actuary): Rs. 25,99,136/- 5. Statutory Dues: Rs. 1,05,69,777/- <u>A total amount:</u> Rs. 1,03,04,31,488/- (Rs. One Hundred Three Crores Thirty-Four Lac Thirty-One Thousand and Four Hundred and Eighty-Eight Only) due till 31.03.2021, established by the Independent Auditor's Report [ANNEXURE-A-4] . The default by the Corporate Debtor-UNI on the salaries of its Permanent Employees arose first in the year 2017 and the last accepted instance of default is the Reply by UNI to Deputy Chief Labor Commissioner dated 16.04.2022. The default in payment of debt is continuous from 2017 and subsisting till date.
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4. As per Part IV of the Application reproduced above, the Applicant has claimed the total outstanding debt of Rs.1,03,04,31,488/- and relied on 16.04.2022 as the date of default.

5. It is further submitted by the Applicant that a Demand Notice dated 28.04.2022 under Section 8 of IBC 2016 was served at the Registered Office of Respondent No.1, to which Respondent No.1 sent the reply dated 12.05.2022 as averred in the Affidavit filed under Section 9(3)(b) of IBC, 2016.

6. On issuance of the notice, neither any of the respondents appeared nor filed their reply to the present application. Accordingly, they were proceeded ex-parte vide order dated 26.04.2023 of this Adjudicating Authority. However, since the reply of Respondent No. 1 to

the Demand Notice, as annexed by the Applicant with the Application, is on record, we would refer to the same which is reproduced below:

UNITED NEWS OF INDIA 
First with the News
Regd. Office : 9, Rafi Marg, New Delhi-110 001
E-mail : accounts@unilindia.com, marketing@unilindia.com
Websites : <http://www.unilindia.com> (English)
<http://www.univarta.com> (Hindi)
<http://www.unilurdu.com> (Urdu)

Editor : 23710522 Fax : 23355841
UNI Desk : 23718861 Fax : 23716211
Univarta : 23719417 Fax : 23313447
Urdu : 23355840 Fax : 23731223
Administration : 23717578
Accounts : 23710989, 23718864
Communications : 23357614, 23714434

ANNEXURE - A7

Date: 12th May, 2022

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To,
United News of India Worker's Union
Office at- 9, Rafi Marg, New Delhi-110001

From,
United News of India
Office at- 9, Rafi Marg, New Delhi-110001

Subject: Reply to your demand notice dated 28th April 2022, came to my knowledge read only 5th May 2022

Sir,

I am writing on behalf of United News of India, this is to bring to your kind notice that your notice under the Insolvency and Bankruptcy Code, 2016 dated 28.4.2022 came to my knowledge read only 5th May 2022 send by you.

1. At very outset it is to bring to your kind notice that the contents of the demand notice dated 28th April 2022, under reply are wrong, false, baseless, mischievous and its entire content is disputed and denied. It is brought to your kind notice that this is the first time any such demand has been raised and such demand being wrong, false, baseless, mischievous are denied and disputed at the very first instance.
2. It is also clarified and confirmed that United News of India Worker's Union is not an employee nor any amount is due and payable to United News of India Worker's Union by United News of India. Further, there is no amount which is due, payable to United News of India Worker's Union and defaulted by United News of India.
3. The United News of India Worker's Union has never rendered any services to the United News of India and the notice issued by the United News of India Worker's Union is baseless, false, fabricated, demand and even the notice depicts and confirms that there is no amount which is due and payable to United News of India Worker's Union.

UNITED NEWS OF INDIA

First with the News

Regd. Office : 9, Rafi Marg, New Delhi-110 001

E-mail : accounts@unilindia.com, marketing@unilindia.com

Websites : <http://www.unilindia.com> (English)

<http://www.univarta.com> (Hindi)

<http://www.unlurdu.com> (Urdu)



Editor : 23710522 Fax : 23355841
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4. It is also clarified the United News of India Worker's Union cannot be said to be operational creditor as there is no contractual relationship whatsoever, for any services, between with United News of India and United News of India Worker's Union and there is no amount of operational debt is due and payable to United News of India Worker's Union.
5. The United News of India Worker's Union have failed to provide any details of any of services which has ever been provided by it to the United News of India.
6. It is also informed that there have been many settlements signed and executed with various genuine and bonafide employees who had rendered their services to United News India hence, the details in notice is disputed and the so called dues under various head under law cannot be clubbed and out such debts no amount is due and payable to United News of India Worker's Union as the United News of India Worker's Union is not workmen or employees and not even eligible or capable to issue any such notice.
7. The United News of India Worker's Union is not workmen or employee of United News of India and cannot be appointed as workmen or employee as United News of India Worker's Union is not a human being.
8. The United News of India Worker's Union with a motivated intent to cause undue damage and loss and hamper business and working of United News India have sent such a frivolous demand notice.
9. The officer bearers of United News of India Worker's Union with a common intent to cause direct loss of profit and to damage goodwill and reputation, loss of market, clients and instability in business of United News India have issued such false, baseless and mischievous notice and attempted to initiate Corporate Insolvency Resolution Process against the United News of India based on false claim and suppressing the truth. The object of such notice is not resolution of the United News of India, rather extraction of money.

UNITED NEWS OF INDIA

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10. The demand notice has been signed by namely Rajesh Kumar Puri who has knowingly and willingly issued demand notice under Insolvency and Bankruptcy Code, 2016 to United News of India bases on his imaginary dues to harass and extract money by creating undue pressure by sending false and mischievous demand notice and is liable to be prosecuted under Criminal Law and Civil Law. As depicted rom notice Rajesh Kumar Puri is not proper elected person and he is not authorised to act on behalf of all employees.

11. The United News of India also reserve its right to initiate appropriate legal action against the Rajesh Kumar Puri, representatives and office bearers of United News of India Worker's Union for damages and compensation caused to the United News India due to acts of representatives and office bearers of United News of India Worker's Union resulting in loss of reputation.

Authorized signatory

For United New India

7. On perusal of the aforesaid reply to the Demand Notice, it is observed that Respondent No.1 had disputed the claim of the Applicant stating that the Applicant, a Workers Union, is neither an employee nor any amount is due and payable to it. Further, it has not rendered any services to the Respondent No.1 and accordingly, it cannot be said to be an Operational Creditor.

8. Indubitably, as evident from the application, the Applicant herein is a Trade Union. Therefore, before adjudicating the present application on merits, we would first like to examine the issue as emerges for our consideration i.e., **“Whether a Trade Union representing employees is eligible to file an application under IBC, 2016.”**.

9. In this context, we refer to the term **“Person”** (i.e., the eligible entities, who are entitled to file an application) as defined under Section 3(23) of IBC 2016), which reads thus:

“3. Definitions. –

(23) “person” includes –

(a) an individual;

(b) a Hindu Undivided Family;

(c) a company;

(d) a trust;

(e) a partnership;

(f) a limited liability partnership; and

(g) any other entity established under a statute, and includes a person resident outside India.”

At this stage, we also refer to the Judgement of the Hon’ble Supreme Court dated 30.04.2019 passed in the matter of **“JK Jute Mill Mazdoor Morcha vs. Juggilal Kamlapat Jute Mills Company Limited through its Director & Ors.”** in Civil Appeal No. 20978 of 2017, wherein the following is held:

“6. On a reading of the aforesaid statutory provisions, what becomes clear is that a trade union is certainly an entity

established under a statute – namely, the Trade Unions Act,
and would therefore fall within the definition of “person”
under Sections 3(23) of the Code. This being so, it is clear that an “operational debt”, meaning a claim in respect of employment, could certainly be made by a person duly authorised to make such claim on behalf of a workman. Rule 6, Form 5 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 also recognises the fact that claims may be made not only in an individual capacity, but also conjointly. Further, a registered trade union recognised by Section 8 of the Trade Unions Act, makes it clear that it can sue and be sued as a body corporate under Section 13 of that Act. Equally, the general fund of the trade union, which *inter alia* is from collections from workmen who are its members, can certainly be spent on the conduct of disputes involving a member or members thereof or for the prosecution of a legal proceeding to which the trade union is a party, and which is undertaken for the purpose of protecting the rights arising out of the relation of its members with their employer, which would include wages and other sums due from the employer to workmen.”

(Emphasis added)

10. On a conjoint reading of the Judgement of the Hon’ble Apex Court (*supra*) with the definition of “person”, we observe that a Trade Union is covered under clause (g) of Section 3(23) IBC 2016, which, at the cost of repetition, reads as below:

“3. Definitions. –

-

-

(g) any other entity established under a statute, and includes a person resident outside India.”

(Emphasis added)

Thus, we find that a “Trade Union” being covered under “any other entity established under a statute” is a “person” eligible to file an application under IBC 2016. Further, on the question of whether a Trade Union can file an Application on behalf of its workmen, under Section 9 of IBC 2016, claiming an operational debt we refer to the **JK Jute Mill Mazdoor Morcha** Judgement of the Apex Court (supra), which further reads as follows -

*“.....This being so, it is clear that an “operational debt”, meaning a claim in respect of employment, could certainly be made by a person duly authorised to make such claim on behalf of a workman. Rule 6, Form 5 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 also recognises the fact that **claims may be made not only in an individual capacity, but also conjointly.** Further, a registered trade union recognised by Section 8 of the Trade Unions Act, makes it clear that it can sue and be sued as a body corporate under Section 13 of that Act...”*

(Emphasis added)

Hence, in a sequel to the above, we conclude that -

- (a) a “Trade Union” being covered under Section 3(23) (g) i.e., “any other entity established under a statute” is a “person” eligible to file an application under IBC 2016, and**
- (b) a Trade Union can claim an operational debt by filing an Application under Section 9 of IBC, 2016.**

11. Therefore now, we would like to examine the present application on its merits. On a perusal of the application, we observe that the Applicant has filed the application on behalf of the workers of Respondent No.1 to whom the R-1 owes an amount of Rs.1,03,04,31,488/-. In support of its contention, the Applicant has annexed the audited Balance Sheet of R-1 for the financial year 2019-2020 and 2020-2021 to demonstrate the R-1's acknowledgment of liability in relation to employment dues. The same is reproduced below:

UNITED NEWS OF INDIA			84
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31.03.2021			
	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.	
NOTE - 3			
<u>Other Long Term Liabilities</u>			
Deposits from Tenants & others	1,818,540	2,294,040	
Advance for Building Construction	65,000,000	65,000,000	
Employees Retirement Benefits (as per Actuary)	134,936,199	151,006,088	
Total	201,754,739	218,299,128	
NOTE - 4			
<u>Trade Payable</u>			
Trade Payable (refer Accounting Policy No. 9)	2,014,131	1,503,880	
Total	2,014,131	1,503,880	
NOTE - 5			
<u>Other Current Liabilities</u>			
Current Maturity of Secured Bank Loan *			
Principal Amount	10,302,000	10,302,000	
Interest Accrued & Due on Secured Term Loan	5,164,227	5,164,227	
Employees Related dues** ✓	978,043,906	874,179,753	
UNI Credit Society Ltd. ✓	17,415,049	17,479,999	
Employees Retirement Benefits (as per Actuary) ✓	21,803,620	22,405,783	
Leave Encashment Payable (as per Actuary) ✓	2,599,136	2,826,170	
Statutory Dues***	10,569,777	23,113,000	
Security Deposits :			
From Tenants	3,059,368	3,059,368	
From Subscribers	7,646,045	8,022,721	
Other Liabilities	9,211,840	11,051,368	
Outstanding Expense			
Branches	4,159,744	3,649,948	
H.O	2,029,451	1,510,562	
Total	1,072,004,163	982,764,899	

* Current maturity of Bank Loan is Secured against equitable Mortgage of the Building of UNI at Mumbai, Hyderabad, Bhopal and Bangalore and Primary Security of Rent receivable from the said property.
However, Building of Bangalore has taken over by the local authority & legal position of Mumbai flat taken over by Bank.
** Continuing default in respect of Secured Bank Loan is amounting to Rs. 1,03,02,000/- and Interest thereon to Rs. 51,64,227/- since last two years
*** Employee related dues includes salary outstanding for 50 months against the existing employees also.
*** Statutory dues includes default in the deposit of Provident Fund Rs.99,11,678/- (Previous year Rs. 1,32,00,470/-)

12. The Applicant has further annexed a copy of the reply letter dated 16.04.2022 written by R-1 to the Deputy Chief Labour Commissioner, wherein too, the liability involved, has been acknowledged. The said letter is reproduced below, for the sake of immediate reference:

UNITED NEWS OF INDIA 
First with the News
Regd. Office : 9, Rafi Marg, New Delhi-110 001
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<http://www.univarta.com> (Hindi)
<http://www.unlurdu.com> (Urdu)

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Univarta : 23719417 Fax : 2331344
Urdu : 23355840 Fax : 2373122
Administration : 23717578
Accounts : 23710989, 23718864
Communications : 23357614, 23714434

Also Part-V, S.No-3

April 16, 2022

ANNEXURE - A-5

Sh. Abhijeet Kumar
Deputy Chief Labour Commissioner (C)
O/o Deputy Chief Labour Commissioner (C)
Ministry of Labour & Employment
4th Floor, Jeevan Deep Building, Parliament Street,
New Delhi - 110 001

Subject: Fwd: Grievance received from Shri Rajesh Kumar Puri regarding Non-payment of Salary PF Gratuity of workers. ND45(Misc-14)2022PADYC and ND95(07)VIP/2022 PADYC

Reference : your mail dt. 13th instant received at 13:52 hrs bearing letter no. ND 45(Misc-14)2021-PADY dt. 15th March, 2022

Respected Sir

This is with respect to subject and reference as aforesaid. In this connection before dwelling upon the issues raised by the complainant Sh. Rajesh Kumar Puri, in representative capacity as President of Union and not in personal capacity, we are to apprise you certain brief about UNI for ready reference as hereunder :

After the collapse of United Press of India in 1958, due to financial problems, the leading newspapers along with Press Trust of India had formed United News of India which has come a long way thereafter. United News of India (UNI) was a multilingual news agency in India, founded in December 1961 originally as an English news agency and that commercial operations of UNI began from 21st March 1961 and Press Council of India (PCI) in its first Press Commission report (1952-1954) strongly emphasized on the importance of second news agency so that they can act as corrective to each other, which acts as a barometer of transparency and also acts as a cross check on activities of each other.

It is emphasized that UNI was registered as a non-profit company under Section 25 of The Indian Companies Act, 1956 (presently Section 8 of Companies Act, 2013) i.e. a non-profit organization whose objects are different from that of a commercial organization and thus we urge you to kindly peruse the reply vis a vis grievance raised against UNI in line with covenants of present submissions.

Some of The Key Members of UNI are The Hindu, The Times of India, The Statesman, Amrita Bazar Patrika, Hindustan Times, Hindustan Standard, Deccan Herald and Aryavarta and various other prestigious media houses of Country. UNI has been providing news services to hundreds of media outlets over the last 6 decades and at one time there were over 700 big and small media outlets utilizing its services in English, Hindi, Urdu and Kannada languages and as a matter of revamping of its operations, UNI have increased its focused on Photo and Graphic service besides various other areas of Sports/Political etc. as well.

Over the last decade or so and with no active participation from its member constituents and relenting on outsiders for their wisdom and faith, UNI has witnessed a huge fall in its revenues whilst the expenses continued to mount. A major reason for the decline in UNI's revenues was the end of subscriptions by major newspapers, which comprises of its member constituents predominantly.

While the revenues went on a downward slide, the expenses increased substantially, mainly on account of implementation of the Wage Board Awards which came in 2011.

A major hit to the revenues came in October 2020 when Prasar Bharati decided to stop subscribing to the UNI services. The subscription amount from Prasar Bharati, as per 2005 agreement, was Rs 57,50,000 monthly. Out of this amount, Prasar Bharati withheld 25 per cent from April 2016 and with effect from October 2020, it terminated the subscription arrangement, adding to further woes of UNI.

At that time, UNI was getting Rs 43,12,500/- per month. This decision of Prasar Bharati added to the financial distress of UNI. It may also be noted that the amount of Rs 7,81,79,463/- (was in arrears) against 25 percent withheld as aforesaid by Prasar Bharati from April 2016 to September 2020 and same was yet to be paid to UNI and board is taking steps for revival of erstwhile arrangement (existing/better terms) with Prasar Bharati along with steps towards release of past arrear amount.

United News of India (UNI), was in service since 1961, and the financial condition of UNI has been deteriorating over the last one decade or so, largely on account of falling revenues and UNI not been able to cope up with its peers on account of vulnerable funds position.

Another major reason for the decline in UNI's revenues was ending of subscriptions by major newspapers. While the revenues were on downward, the expenditures increased substantially, largely on account of implementation of the Wage Board Awards which came in 2011, which requires huge outflow from UNI, which can't be supported by way of Revenues solely and is first and foremost cause of present situation of UNI.

The result was that UNI has accumulated liabilities to the tune of about Rs 105.26 crore which was on various counts, including dues on account of salaries, gratuity, PF, leave encashment and Thrift & Credit Society payments.

It may additionally be noted that the Board of UNI stands revamped and new set of Directors (all being non-executive) took stock of situation and have endeavored assessing liability/obligation and underlying requirement including modes thereof for UNI and improving operations so as to ensure a future (sustainable) for UNI. Recently Board endeavored to convene a meeting of its members for infusion of funds, which was adjourned sine-die since various members also evinced their interest in having certain representation on UNI Board, which existing Board Members were also willing to extend and have also asked Board to apprise members about road map/plan for revitalization of UNI.

It may additionally be noted that the non executive board comprises of persons who have no personal interest in affairs and are committed to the common cause of preservation and growth of all the stakeholders and the present situation of UNI requires various steps to be taken which also requires considerable time frame, since expenses can only be met by revenues i.e. operational revenues.

The recurring monthly liabilities of UNI are approximately Rs 1 crore vis a vis monthly revenues being approximately 50 lakh, again leading to a situation of ever increasing deficit. Board was of the view that the gap can only be filled by way of enhanced revenues, which can be achieved by way of ramping up operations considerably, which is imminent and is thrust of present management including team UNI, comprising of Board and below board level as well. The support of employees at this crucial junction is equally important, desired and sought after and while discussion with disgruntled employees being underway, your intervention in this regard too shall be of tremendous help. To substantiate the financial position of UNI, we are enclosing copy of Annual Report of UNI alongwith report of Statutory Auditors thereon for FY ended 31.03.2021.

It may also be noted that on the basis of last audited financial statements as on 31.03.2021, the long term liability (comprising largely of Employees Retirement benefits) was assessed to be Rs. 20,17,54,739/- and a negative reserve of Rs. 113,97,51,973/- which raises an alarm over ever deteriorating situation of UNI. The other component of liability worth Rs. 97.80 Crores too was also in form of Employee related dues, besides certain other liabilities, this also denotes that each part of liability is admitted and acknowledged and shall be meted out in accordance with applicable provisions coupled with financial situation of UNI. Board was very much concerned for such a situation and urges its employees to support UNI.

Besides aforesaid, the COVID 19 pandemic struck, hitting the media industry and, in turn, badly hurt UNI. Since its subscribers seem to have suffered financially due to the pandemic and that impact cascaded UNI in terms of big drop in revenue collections. The result being that UNI has accumulated liabilities to the tune of about Rs 105.26 Crore. This was on various counts, including dues on account of salaries, gratuity, PF, leave encashment and Thrift & Credit Society payments, as cited as aforesaid.

It may be noted that present board has attempted raising of funds from its existing members, since UNI being governed by Section 8 of The Companies Act, 2013, it was not feasible to approach non members seeking support in such time, since the underlying idea of such entity are not profit motive, hence the duty vests on its member constituents to provide requisite support and keep the cause for which it was incorporated, alive, which could not materialize as yet for reasons cited in present submission itself.

The primary motive of present submission was to apprise your good office about present situation of UNI and its commitment of providing requisite support to its stakeholders and primarily its employees.

Now, the issues raised in by Sh. R K Puri and apparently by UNI worker's Union are addressed too as hereunder :

The contribution of employees of UNI is widely acknowledged and at no stage it was disputed since UNI or for that matter any organization success/growth/sustenance depends on mutual relation amongst its employee and employer. The long journey of UNI is testimonial of efforts rein in by its employees and UNI has always lauded its employees, yet stray occasion of disgruntle amongst them can't be ruled out.

We are enclosing copy of letter given by Union to Hon'ble PMO, certain contents of which are self explanatory and certain are matter of record, since they are in sync with submissions made hereinabove by the undersigned and acknowledged the financial distress in UNI, yet summarily reject the charges leveled therein against Management as to creation of adverse circumstances for its employees, since it is completely baseless and frivolous in nature. The present Board has taken charge of UNI as non executive directors on various dates spanning from March, 2019 to eb, 2022 and can be seen that it pertains to recent dates itself.

The "allegation" that certain steps are underway whereby the premises of UNI was considered for refurbishing was in nascent stage and could be one amongst option to enable UNI come out of woods. The primary responsibility of financial arrangements vests in Board and Board is not chickening out of same and it keeps on evaluating various options before it, yet it is premature to say/admit same with precision. The employee Union has ostensibly stated same for reasons best known to them, since at no stage the Union and/or its employees were required to and/or kept apprised about any such plan. The undersigned may dwell on same in personal hearing, since management plans are confidential plans and union is not privy to them.

The allegation as to new hiring and cornering old employees is completely baseless, since employee transition is a continuous ongoing process and raising question on new hiring is totally uncalled since as part of revitalization plan for UNI, various new activities were added, and in today's ever evolving world, it means a lot to stay updated and connected with your surroundings. The new hiring was done keeping in view same and to ensure, to some extent, sustainable future for UNI, since new services can only lead to revenues and not the conventional way shall ensure anything for UNI. The disbursement of remuneration is done as per revenue position of UNI and the discrimination as alleged by UNI is also totally uncalled for.

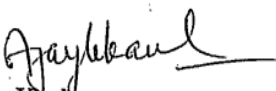
It is not disputed that the present board comprises of representatives of Manipal Group, yet it is also stated that recently other representatives have also evinced their interest in having their representatives on Board and present Board was more than willing for the purpose. It may be noted that entire Board presently comprises of non executive who have no personal interest and are professionals from respective field who are associated with sole cause of betterment of UNI. Your office should also consider tenure of present board in UNI whilst perusing allegation as to non taking of step for betterment of UNI. Your office shall appreciate that a new Editor in chief has joined who is committed to add on various services to kitty of UNI, which eventually should lead to more revenue and sustainable future for UNI. The questions on new appointment by Union is therefore totally uncalled for and is perceived to be a one sided step by them for their sole benefit, wherein they are only concerned for their emoluments without there being any revenue in UNI. The Management and entire members fraternity is very much concerned for deteriorating position of UNI and are thus taking steps for revival, wherein first priority shall be to clear off dues of its workers. In tough times, UNI expects matching temperament from its employees too and more supportive measures.

To summarise we would like to state that the management is very much inclined to take every step for betterment of its employees and expects cooperation from its employees, since presently its financial condition is not supporting and UNI can not meet out its expenses immediately and instantly. The liability to the extent reported in financial statements is admitted and shall be endeavored to be cleared at

the first opportunity. The pro rata / staggered payment schedule is being adhered by UNI so as to keep UNI afloat and also ensure that each employee gets certain basic amount so as to ensure their sustenance as well. Any direction to the contrary shall be catastrophic for UNI, yet decision from your office shall be adhered to in accordance with applicable provisions.

Trust you find same in order.

Thanking you
Sincerely yours
For UNITED NEWS OF INDIA


Ajay Kaul
Editor-In-Chief

13. After going through the application and the aforementioned documents placed therewith, we observe that though the Respondent No.1 in its reply to the demand notice has disputed the debt of the Applicant, however, it has failed to file any document demonstrating that any dispute was raised before the issuance of the demand notice. Since

the Respondents have been proceeded ex-parte therefore, it is presumed that they have nothing to say or add in the matter.

14. In the given facts and circumstances, the Operational Creditor has succeeded in establishing the default on the part of the Corporate Debtor in payments of the employment dues, which are covered under the definition of operational debt. The present petition filed under Section 9 is complete and fulfills all the requirements of the law. **Therefore, the Application is admitted in terms of Section 9(5) of the IBC. Accordingly, the CIRP is initiated and a moratorium is declared in terms of Section 14 of the Code.** As a necessary consequence of the moratorium in terms of Section 14(1) (a), (b), (c) & (d), the following prohibitions are imposed with immediate effect:

- “(a) 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 of law, tribunal, arbitration panel or other authority;
- (b) Transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;
- (c) 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;
- (d) The recovery of any property by an owner or lessor, where such property is occupied by or in the possession of the corporate debtor.”

15. Since there is no IRP proposed by the Operational Creditor, therefore, this Bench appoints Ms. Pooja Bahry (Mob. No. 9811071716) having IBBI Registration No. IBBI/IPA-003/IP-N00007/2016-17/10063 and Email ID: pujabahry@yahoo.com from the panel of IPs recommended by IBBI to this Adjudicating Authority subject to the condition that there is no disciplinary proceeding pending against the said IRP. The Adjudicating Authority further orders that:

“Ms. Pooja Bahry, IRP (Email ID: pujabahry@yahoo.com) having registration no. IBBI/IPA-003/IP-N00007/2016-17/10063 is directed to take charge of the CIRP of the Respondent with immediate effect. Further, the IRP is directed to take steps under Sections 15, 17, 18, 20, and 21 of the IBC, 2016.”

16. The Operational Creditor is directed to deposit Rs.5,00,000/- (Five Lakhs) only with the IRP to meet the immediate expenses. The amount, however, will be subject to adjustment by the Committee of Creditors as accounted for by the Interim Resolution Professional and shall be paid back to the Operational Creditor.

17. A copy of this Order shall immediately be communicated to the Operational Creditor, the Respondents and the IRP mentioned above, by the Court Officer/Registry of this Tribunal. In addition, a copy of the Order shall also be forwarded by the Court Officer/Registry to IBBI for their records.

Sd/-
(L. N. GUPTA)
MEMBER (T)

Sd/-
(ASHOK KUMAR BHARDWAJ)
MEMBER (J)