



**IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT-V, MUMBAI BENCH**

C.P. No. 610/IBC/MB/2021

Under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudication Authority) Rule 2016)

In the matter of

IDBI Bank Limited,

Having registered office at:

IDBI tower, WTC Complex, Cuffee Parade,
Mumbai- 400 005.

.....Financial Creditor/Petitioner

Vs

**M/s. Zicom Electronic Security
Systems Limited**

(CIN: L32109MH1994PLC083391)

Registered office at:

501, 5TH Floor, Silver metropolis, Western
Express Highway, Goregaon (East),
Mumbai-400063.

.....Corporate Debtor

Order Dated: 29.07.2022

Coram:

Hon'ble Shri H.V. Subba Rao, Member (Judicial)

Hon'ble Smt. Anuradha Sanjay Bhatia, Member (Technical)

For the Petitioner: Mr. Omkar Kelkar, Advocate

For the Respondent: Mr. Amir Arsiwala, Advocate



1. The above Company Petition is filed by **IDBI Bank Limited**, hereinafter called as “Petitioner” seeking to initiate of Corporate Insolvency Resolution Process (CIRP) against **M/s. Zicom Electronic Security Systems Limited** hereinafter called as “Corporate Debtor” by invoking the provisions of Section 7 Insolvency and Bankruptcy code (hereinafter called “Code” read with Rule 4 of Insolvency & Bankruptcy (Application to Adjudication Authority) Rules, 2016 for a Resolution of an unresolved Financial Debt of Rs. 80,62,61,990.21/-.
2. The Petition reveals that the Petitioner had sanctioned various Working Capital Facilities to the Corporate Debtor vide its Sanction Letter dated 5th October 2015 aggregating to Rs. 76,00,00,000/-. The Corporate Debtor on 15th October 2015 executed Facility Agreement, Deed of Hypothecation, Guarantee Agreement and other security documents in favour of the Petitioner. The said facilities were due for repayment before 20th September 2016.
3. The Corporate Debtor defaulted in repayment of the said facilities from 12th August, 2016. On account of failure of the Corporate Debtor to repay the said facilities, the Petitioner declared the account as NPA on 10th November 2016.
4. The Petitioner vide letter dated 20th April 2018 called upon the Corporate Debtor to pay the outstanding amount under the said facilities. However, the Corporate Debtor failed to repay the said outstanding amounts due under the said facilities.
5. The Corporate Debtor vide its Acknowledgement of Debt dated 15th January 2019 acknowledged the debt.
6. Counsel appearing for the Corporate Debtor did not file any reply and its right to file reply has been forfeited vide order dated



20.07.2022. Thereafter, the matter was listed from 20.07.2022 to 28.07.2022 at the request of Counsel appearing for the Corporate Debtor since he has assured that he will make one more sincere attempt in settling the matter. It was also recorded in the daily order dated 28.07.2022 that the matter was adjourned to 28.07.2022 at the request of Counsel for Corporate Debtor and if the compromise did not take place before 28.07.2022, the above company petition would be automatically admitted without any further arguments since Corporate Debtor did not file reply. Due to paucity of time, the matter could not reach on 28.07.2022 and accordingly listed to today.

7. Heard the arguments of the Counsel appearing for the Petitioner and perused the record. Counsel appearing for the Petitioner invited the attention of this Bench to the various loan documents executed by the Corporate Debtor in receipt of financial assistance and also invited the attention of this Bench to the letter dated 20th April 2018 addressed by the Petitioner to the Corporate Debtor calling upon to repay the outstanding amount.
8. Learned Counsel appearing for the Corporate Debtor did not raise any legal plea in opposing the above company Petition. In the aforesaid circumstances, this Bench is of the considered opinion that this is a fit case for admission.
9. Accordingly, the above Petition is admitted by passing the following:

ORDER

- a. The above Company Petition No. (IB) 610 (MB)/2021 is hereby allowed and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against **M/s. Zicom Electronic Security Systems Limited.**
- b. This Bench hereby appoints **Mr. Huzefa Fakhri Sitabkhan** Insolvency Professional, Registration No: IBBI/IPA-001/IP-



P0031/2017-18/10115 residing at 1012, Dalamal Tower, Free Press Journal Road, 211, Nariman Point, Mumbai, Maharashtra, 400021 as the interim resolution professional to carry out the functions as mentioned under the Insolvency & Bankruptcy Code, 2016.

- c. The Financial Creditor shall deposit an amount of Rs. 5 Lacs towards the initial CIRP costs by way of a Demand Draft drawn in favour of the Interim Resolution Professional appointed herein, immediately upon communication of this Order. The IRP shall spend the above amount towards expenses and not towards fee.
- d. That this Bench hereby prohibits 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; transferring, encumbering, alienating or disposing of by the corporate debtor 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 debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002; the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.
- e. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during moratorium period.
- f. 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.

- g. That the order of moratorium shall have effect from the date of pronouncement of this 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 debtor under Section 33, as the case may be.
- h. That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under section 13 of the Code.
- i. During the CIRP period, the management of the corporate debtor will vest in the IRP/RP. The suspended directors and employees of the corporate debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP/RP.
- j. Registry shall send a copy of this order to the Registrar of Companies, Mumbai, for updating the Master Data of the Corporate Debtor.
- k. Accordingly, CP 610 of 2021 is **admitted**.
- l. The Registry is hereby directed to communicate this order to both the parties and to IRP immediately.

SD/-

ANURADHA SANJAY BHATIA
MEMBER (TECHNICAL)

SD/-

H.V. SUBBA RAO
MEMBER (JUDICIAL)