



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT – III**

**C.P. (IB) 4616/MB/2018**

*Under Section 9 of the Insolvency and  
Bankruptcy Code, 2016*

In the matter of

**Unisafe Fire Protection Specialist India  
Private Limited**

[CIN: U29193MH2008FTC182327]

Having registered office at:

501, Silver Metropolis, Western Express  
Highway, Goregaon (East),  
Mumbai - 400063

**... Petitioner/ Operational Creditor**

*Versus*

**Digizone Technology Private Limited**

[CIN: U74999MH2012PTC230900]

Having registered address at:

A-504, Pranay Vidya, Sky Build Village,  
Off Borsapada Road, Kandivali West,  
Mumbai - 400067

**... Respondent/Corporate Debtor**

**Order Pronounced on: 26.08.2025**

**Coram:**

SMT LAKSHMI GURUNG, MEMBER (JUDICIAL)

SHRI HARIHARAN NEELAKANTA IYER, MEMBER (TECHNICAL)

**Appearances:**

For the Operational Creditor: Adv. Aniruth Purusothaman



For the Corporate Debtor: Vidit Kumat

**Per: Smt Lakshmi Gurung, Member (Judicial)**

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**ORDER**

1. The present **Company Petition** has been filed under Section 9 of the Insolvency and Bankruptcy Code, 2016 (**'Code'**) read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 by Unisafe Fire Protection Specialists India Pvt. Ltd. (**'Operational Creditor/ 'the Petitioner'**) for initiating Corporate Insolvency Resolution Process (**'CIRP'**) against Digizone Technology Private Limited (**'Corporate Debtor'**), concerning the default in payment of an outstanding debt of Rs. 7,62,18,573/- (Rupees Seven Crores Sixty-Two Lakhs Eighteen Thousand and Five Hundred and Seventy-Three Only/-).
2. Before coming to the facts of the case, it is to be noticed that the present application under section 9 of the Code was filed on 19.04.2018. However, vide order dated 04.12.2023, the application was dismissed for non-prosecution. Thereafter, upon an application bearing No. RA/44/2024, the company petition No. 4616/2018 was restored to the file vide order dated 09.01.2025. Therefore, the proceedings commenced from the stage at which it was dismissed.

**Brief Facts:**

3. The relevant facts as per the application are given below:
  - 3.1. The Operational Creditor supplied goods to the Corporate Debtor during the period from 17.02.2017 to 10.03.2017 as per the oral order of the corporate debtor and raised various invoices. The terms of the payment was 30 days from the date of the invoice.



3.2. It is submitted that the petitioner received only part payment and substantial amount of the invoices remained unpaid. As per Part IV of the Application, the total debt in default is Rs. 7,62,18,573/- and the details of invoice amount and outstanding amount are mentioned as below:

<b>INVOICE NUMBER</b>	<b>INVOICE DATE</b>	<b>INVOICE DUE DATE</b>	<b>INVOICE AMOUNT</b>	<b>AMOUNT DUE</b>
UNI/16-17/12	17.02.2017	19.03.2017	1,68,34,661	1,68,34,661
UNI/16-17/13	18.02.2017	20.03.2017	1,83,67,592	1,83,67,592
UNI/16-17/16	22.02.2017	24.03.2017	1,38,69,927	1,38,69,927
UNI/16-17/22	24.02.2017	26.03.2017	94,04,440	94,04,440
UNI/16-17/35	10.03.2017	09.04.2017	1,95,11,649	1,77,41,953
		<b>TOTAL</b>	<b>7,79,88,269</b>	<b>7,62,18,573</b>

Copies of the invoices are annexed to the application as *Exhibit C (Colly)*.

3.3. Upon non-receipt of the outstanding invoice amount, the Operational Creditor issued Demand Notice dated 28.09.2018 in Form 4 under Rule 5 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 to the Corporate Debtor for the payment of unpaid amount of Rs. 7,62,18,573/- to be paid within 10 days of the receipt of the notice. The said Demand Notice dated 28.09.2018 is annexed to the Petition as *Exhibit – H*.

3.4. It is submitted that the Corporate Debtor sent reply dated 06.10.2018 wherein it admitted its liability but did not make payment within 10 days. Hence this application was filed on 19.04.2018.



**Reply of the Corporate Debtor extracted in brief:**

4. After the company petition was restored to the file vide order dated 09.01.2025, opportunity was given to the Corporate Debtor to file reply. In the Affidavit in Reply dated 05.02.2025 the Corporate Debtor has made following submissions:
  - 4.1. The corporate debtor is engaged in the business of trading in electronic goods or IT products. The Corporate Debtor and Operational Creditor have a healthy business relationship and the invoices raised by the Operational Creditor were always paid by the Corporate Debtor.
  - 4.2. In 2017, the Operational Creditor supplied the goods to the Corporate Debtor for which the invoices were raised for aggregate amount of Rs. 7,79,88,629/-. The Corporate Debtor has made a part payment of Rs. 17,69,696/- but failed to pay the full invoice amount due to persistent difficult market situations in the electronic industry. In response to the Demand Notice, the Corporate Debtor vide reply dated 06.10.2018 requested for time to pay the same.
  - 4.3. The Corporate Debtor is a going concern; the management is doing its best to maintain its solvency and Corporate Debtor intends to fully pay the complete outstanding invoices raised by the petitioner but will require some more time.
  - 4.4. The Corporate Debtor has relied on the judgement of Hon'ble Supreme Court in the matter of **Vidarbha Industries Power Limited Vs. Axis Bank [Civil Appeal No. 4633 of 2021]** to contend that using the discretionary power, this Tribunal should not admit the application.

**Findings**

5. Heard Ld. Counsel for the parties and perused the record.



6. There is no denial by the corporate debtor that during the period from 17.02.2017 to 10.03.2017, the operational creditor supplied goods worth Rs. 7,79,88,269/- out of which a part payment of Rs 17,69,696/- was paid and balance amount outstanding against invoices for supply of goods is Rs. 7,62,18,573/-.
7. The operational creditor has annexed bank statement and Certificate by Bank under section 9(3)(c) of the Insolvency and Bankruptcy Code, 2016 to show that has it has not received outstanding amount of Rs. 7,62,18,573/- in its bank account during the period from 19.03.2017 till date.
8. The operational creditor issued Demand Notice dated 28.09.2018 which was received by the corporate debtor and was duly replied vide letter dated 06.10.2018. The reply of the corporate debtor to the Demand Notice acknowledged that due to financial challenges, the Corporate Debtor was not able to make the payment, hence requested not to proceed under IBC but sought one-month time to make the payment. The said reply dated 06.10.2018 is annexed to the petition as *Exhibit – I*.
9. In the affidavit in reply the corporate debtor again admitted the liability on account of outstanding invoices and sought some time to make payment due to difficult market situations in the electronic industry in which the corporate debtor operates.
10. As the invoices are raised for supply of goods to the corporate debtor, the amount payable under the said invoices constitute 'operational debt'. The corporate debtor itself has admitted the debt without raising any dispute regarding quality or quantity *firstly* in the reply to the Demand Notice, *secondly* in the affidavit-in-reply to the company petition and *thirdly* during the course of the hearing of the matter. No pre-existing dispute is raised by the corporate debtor. Hence the debt and default has been established. We find no ground to reject the application.



11. Reliance by the corporate debtor on the judgment of **Vidarbha Industries (supra)** is mis-placed as that judgment was rendered under the specific facts of that case. Each case has to be examined on its own merit. Upon examining the facts and circumstances of the present case, this Tribunal is of considered view that nothing has been placed on record to make out a case for exercise of the discretion for rejection of the present application. We do not find any need to elaborate any further on it.
12. The undisputed date of default is 19.03.2017 and the present company petition was filed on 19.04.2018. Thus, the Petition is within limitation.
13. We note that, the application filed by the Operational Creditor is complete in all respects as mandated under the Code; (i) the Petition is filed within the limitation period; (ii) the default amount is above the threshold limit of Rs. 1 Crore mandated under Section 4(1) of the Code; (iii) there is no pre-existing dispute; (iv) default is not within 10A period.
14. Therefore, we are satisfied that the present petition is maintainable and deserves to be admitted and ordered as follows:

**ORDER**

15. The Company Petition (IB)4616(MB)/2018 is **admitted** and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against **M/s Digizone Technology Private Limited**.
16. The Petitioner/Operational Creditor vide Additional Affidavit dated 03.04.2025 has proposed the name of Insolvency Professional **Mr. Kailash T. Shah** (Registration No: IBBI/IPA-001/IP-P00267/2017-18/10511 having AFA valid upto 31.12.2025, to be appointed as Interim Resolution Professional (IRP). Accordingly, this bench hereby appoints Mr. Kailash T. Shah, as the Interim Resolution Professional (IRP) having e-mail id:



ipktshah@gmail.com to carry out the functions as mentioned under the Insolvency and Bankruptcy Code, 2016.

17. There shall be a moratorium under section 14 of the IBC, in regard to the following:

- 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 of 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 right 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 Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002;
- iv. The recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor

18. Notwithstanding the above, during the period of moratorium:

- i. The supply of essential goods or services to the corporate debtor, if continuing, shall not be terminated or suspended or interrupted during the moratorium period;
- ii. That the provisions of Sub-Section (1) of Section 14 of the Code shall not apply to: -
  - a. such transactions as may be notified by the Central Government in consultation with any operational sector regulator;

b. a surety in a contract of guarantee to a Corporate Debtor.

19. 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 subsection (1) of section 31 or passes an order for Liquidation of Corporate Debtor under section 33, as the case may be.
20. The public announcement of the Corporate Insolvency Resolution Process shall be made immediately as specified under section 13 of the Code.
21. During the CIRP period, the management of the corporate debtor will vest in the IRP/RP in terms of Section 17 of the Code. 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.
22. The Operational Creditor shall deposit a sum of Rs. 5,00,000/- (Rupees Five Lakhs Only/-) towards the initial CIRP cost by way of a Demand Draft drawn in favour of the Interim Resolution Professional appointed herein, immediately upon communication of this Order. The expenses, incurred by IRP out of this fund are subject to approval by the Committee of Creditors (CoC).
23. The Registry shall send a copy of this order to the Registrar of Companies, Mumbai, for updating the Master Data of the Corporate Debtor.
24. The Registry is further directed to communicate this order to the Operational Creditor, the Corporate Debtor and the IRP immediately by registered post/speed post and e-mail immediately, and in any case, not later than two days from the uploading of this Order.
25. The Registry is also directed to send a copy of this order to the Insolvency and Bankruptcy Board of India (IBBI) for their record.



26. A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

27. In result, this Company Petition is **Admitted**.

Sd/-

**HARIHARAN NEELAKANTA IYER**  
**(MEMBER TECHNICAL)**

Sd/-

**LAKSHMI GURUNG**  
**(MEMBER JUDICIAL)**