

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

**M.A. 3261 OF 2019**

Under Section 33 of Insolvency &  
Bankruptcy Code, 2016

Filed by

**Mr. Naren Sheth**

Resolution Professional of:  
Vadali Infotech Pvt. Ltd.

...Applicant

In the matter of

**C.P. No. 4463 of 2018**

**Zicom Electronics Security Systems  
Limited**

**Registered office at: 501, Silver  
Metropolis, Western Express Highway,  
Goregaon East, Mumbai- 400063**

...Petitioner

Versus

**Vadali Infotech Private Limited.**

**Anuradha, Dr. D.G. Palkar Marg, Borivali  
West, Mumbai- 400092**

**Order delivered on: 30.06.2021**

**Coram:**

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

Hon'ble Shri Shyam Babu Gautam, Member (Technical)

**Appearance:**

For the Resolution Professional: Mr. Aswani Pujari, Advocate

***Per: Shri Shyam Babu Gautam, Member***

**ORDER**

1. It is an application filed by Resolution Professional, Mr. Naren Sheth seeking liquidation of M/s Vadali Infotech Pvt. Ltd. (hereinafter

referred as Corporate Debtor) under Section 33 of Insolvency and Bankruptcy Code, 2016 (hereinafter called as “the Code”), praying for following reliefs:

- a. Be pleased to pass an order for liquidation the Corporate Debtor;*
  - b. Such other reliefs as the Hon’ble Tribunal may deem fit.*
2. The counsel for the Applicant submitted that this Tribunal vide an order dated 12.03.2019 admitted the captioned petition under Section 9 of the code titled as ZICOM Electronic Security System Limited, Operational Creditor Vs. Vadali Infotech Pvt. Ltd., Corporate Debtor in Company Petition (IB) 4463 of 2018 appointing Mr. Naren Sheth, having IBBI Registration number as IBBI/IPA-001/IP-P00133/2017-18/10275 as Interim Resolution Professional.
3. Counsel for the applicant further mentioned that pursuant to the order dated 12.03.2019, the first meeting of the COC was convened on 01.04.2019 and the second meeting of the COC was convened on 19.05.2019 and third meeting of the COC was convened on 11.07.2019 and fourth meeting of COC was convened on 28.08.2019.
4. On fourth CoC meeting dated 28.08.2019, RP informed COC that he has made all attempts with Digizone Technologies Pvt. Ltd. and Soru Technologies Pvt. Ltd. for recovery of Rs. 1.04 Crores and Rs. 9.12 Crores respectively towards outstanding trade receivable of Corporate Debtor. However, both the Companies informed that applications were filed in NCLT, Mumbai under Insolvency and Bankruptcy Code, 2016 for initiation of CIRP Process against both

the companies and therefore they have no funds to repay the creditors. The RP informed CoC that there are no assets in Digizone Technologies Pvt. Ltd. and Soru Technologies Pvt. Ltd. Companies. Hence the CoC unanimously decided to liquidate the Corporate Debtor by passing the following resolution:

*“Resolved that in view of facts that there is no viable Resolution Plan possible for the Company in the absence of any realizable assets and in view of the fact that insolvency process in case of Vadali Infotech Private Limited is ending on 7<sup>th</sup> September 2019, CoC has decided to liquidate Vadali Infotech Private limited and Resolution Professional Mr. Naren Sheth shall intimate the Adjudicating Authority of the decision of the Committee to liquidate Vadali Infotech Private Limited and pass a liquidation order as per Section 33 of the Insolvency and Bankruptcy Code, 2016”.*

### **ORDER**

We have heard the Applicant and perused all the documents submitted by them. It is observed from the minutes of the 4<sup>th</sup> CoC meeting that the CoC has, with 100% majority, decided to liquidate the Corporate Debtor and relying on the settled principle of law regarding the Commercial Wisdom of the CoC, we hereby allow this Misc. Application no. 3261 of 2019 with the following observations and directions:

- a. **Mr. Naren Sheth**, having Registration No. IBBI/IPA-003/IP-N00061/2017-18/10502 and having office at: 1014, Prasad Chamber, Tata Road No.1, Opera House,

Charni Road (East) Mumbai 400004 is hereby appointed as the Liquidator as provided under Section 34(1) of the Code.

- b. That the Liquidator for conduct of the liquidation proceedings would be entitled to the fees as provided in Regulation 4(2)(b) of the IBBI (Liquidation Process Regulations), 2016.
- c. The Liquidator appointed in this case to initiate liquidation process as envisaged under Chapter-III of the Code by following the liquidation process given in the Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- d. The Liquidator appointed under section 34(1) of the Code. Will have all powers of the board of directors, key managerial personnel and the partners of the Corporate Debtor, as the case may be, shall cease to have effect and shall be vested with the liquidator.
- e. That the Corporate Debtor to be liquidated in the manner as laid down in the Chapter by issuing Public Notice stating that the Corporate Debtor is in liquidation with a direction to the Liquidator to send this order to the ROC under which this Company has been registered.
- f. All the powers of the Board of Directors, key managerial persons, the partners of the Corporate Debtor hereafter

ceased to exist. All these powers henceforth vest with the Liquidator.

- g. That the personnel of the Corporate Debtor are directed to extend all co-operation to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor.
- h. That on having liquidation process initiated, subject to Section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the Corporate Debtor save and except the liberty to the liquidator to institute suit or other legal proceeding on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority.
- i. This liquidation order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor except to the extent of the business of the Corporate Debtor continued during the liquidation process by the Liquidator.

With the above directions, this application i.e. M.A. 3261/2019 is hereby allowed and disposed of.

Sd/-

**SHYAM BABU GAUTAM**  
**MEMBER (TECHNICAL)**

Sd/-

**H.V. SUBBA RAO**  
**MEMBER (JUDICIAL)**