

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH, CHENNAI**

**IBA/839/2019**

*Under Section 9 r/w Rule 6 of the IBC, 2016*

**In the matter of M/s. Bharath Coal Chemicals Limited**

**M/s. PM & Co.,  
Chartered Accountants**

**---Operational Creditor**

**V/s**

**M/s. Bharath Coal Chemicals Limited**

**---Corporate Debtor**

**Order delivered on: 11.10.2019**

**Coram:**

**B. S.V. PRAKASH KUMAR, MEMBER (JUDICIAL)**

**S. VIJAYARAGHAVAN, MEMBER (TECHNICAL)**

For the Operational Creditor: *Shri. A.M Ilango, Advocate*

For the Corporate Debtor : *Shri. Vishnu Mohan, Advocate*

*Shri. Prahalad Bhat, Advocate*

**ORDER**

**Per: B. S.V. PRAKASH KUMAR, MEMBER (JUDICIAL)**

**Heard and dictated in Open Court on: 10.10.2019**

It is an Insolvency and Bankruptcy Application filed u/s 9 the Insolvency and Bankruptcy Code, 2016 by the Operational Creditor namely, *M/s. PM & Co.*, for initiation of Corporate Insolvency Resolution Process ("CIRP") against the Corporate Debtor namely,

*M/s. Bharath Coal Chemicals Limited* on the ground the Corporate Debtor defaulted in paying an amount of ₹5,31,000 reflecting in the Invoice dated 11.04.2018 and another amount of ₹59,000 reflecting in Invoice dated 08.05.2018 respectively raised on the services rendered to the Corporate Debtor in preparation of Detail Project Report for Coal and Ammonia Project.

2. The Applicant counsel says that since this Corporate Debtor engaged the Applicant to prepare the Detail Project Report with regard to the business relating to Coal and Ammonia Project, this Applicant rendered services thereafter raised Invoice dated 11.04.2018 against the Corporate Debtor for an amount of ₹5,31,000 and another Invoice dated 08.05.2018 for an amount of ₹59,000, but whereas, this Corporate Debtor, instead of paying against the Invoices raised on 12.06.2018, admitted the Invoice amounts raised by the Applicant.

3. When payment has not come to the Applicant, despite invoices raised against this Corporate Debtor, this Applicant on 06.05.2019 issued Form No.3 Notice demanding the invoiced

amounts, failing which, to proceed against the Corporate Debtor u/s.9 of the IBC, this Corporate Debtor still has not paid the invoiced amounts despite notice was delivered to him on 13.05.2019. When payment as well as reply has not come from the Corporate Debtor, this Applicant has filed this Sec.9 application before this Bench on 28.06.2019 to initiate CIRP against the Corporate Debtor herein, against which, the Corporate Debtor has filed an affidavit admitting the debt and default stating that the project failed to take off for land was not allotted by the State of West Bengal and Orissa, and that business of the company is NIL for the last three years.

4. On looking at the material placed by the Applicant and for there being no objection for initiation of CIRP against the Corporate Debtor from the side of the Corporate Debtor, we hereby admit this IBA, for being satisfied that this Applicant has proved existence of debt and default, by appointing Mr. P. Sriram as Insolvency Resolution Professional (IRP) looking at the consent given by the professional with following directions:

(I) That Moratorium is hereby declared prohibiting all of the following actions, namely,

(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 Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act);

(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.

- (II) 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.
- (III) 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.
- (IV) That the order of moratorium shall have effect from **10.10.2019** 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.
- (V) That the public announcement of the Corporate Insolvency Resolution Process shall be made immediately as specified under Section 13 of the Code.
- (VI) That this Bench hereby appoints **Mr. P. Sriram as Interim Resolution Professional having (Reg. No. IBBI/IPA-002/IP-N00292/2017-2018/10895), 10/17 Anandam Colony, South**

Canal Bank Road, Mandaveli, Chennai-600028, E-Mail:

[srirampcs@gmail.com](mailto:srirampcs@gmail.com), Mobile No: 9940336666 with his

consent to carry the functions as mentioned under The  
Insolvency & Bankruptcy Code.

5. Accordingly this petition is hereby **admitted**.
6. The Registry is hereby directed to immediately communicate this order to the Operational Creditor, the Corporate Debtor and the Interim Resolution Professional by way of e-mail.

**-Sd-**  
**(S. VIJAYARAGHAVAN)**  
**Member (Technical)**

**-Sd-**  
**(B. S.V. PRAKASH KUMAR)**  
**Member (Judicial)**

SR/TJS