



INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"You can't turn back the clock. But you can wind it up again."

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➤ NCLT Kolkata admits 104-year-old government company into insolvency process

The National Company Law Tribunal (NCLT) at Kolkata admitted a 104-year-old government-owned company into insolvency for a debt of over ₹4 crore. [Chevrox Construction Private Limited v. Bridge and Roof Co (India) Ltd] Bridge and Roof is a public sector enterprise under the Union Ministry of Petroleum and Natural Gas and comes under the administrative control of the Ministry of Heavy Industries.

An Ahmedabad-based private construction company, Chevrox Constructions, approached the Kolkata bench seeking to initiate the corporate insolvency resolution process (CIRP) against Bridge and Roof for alleged default in payment of ₹4,47,90,393.

A coram of judicial member Rohit Kapoor and technical member Balraj Joshi admitted the company into insolvency, observing that there is a clear debt and default in repayment of debt.

It appointed Subodh Kumar Agrawal as the interim resolution professional for the insolvency process. Chevrox's petition highlighted that it had entered into eleven different Letters of Intent (LoIs) with Bridge and Roof for several portions of civil work in Gujarat. The LoIs were operative from December 2018 to February 2021.

Along with the LoIs, Bridge and Roof provided schedule rates, on the basis of which Chevrox was required to procure material for executing work.

Source: Bar and Bench

Read Full news: <https://www.barandbench.com/news/nclt-admits-a-104-yr-old-government-company-of-kolkata-for-insolvency>

➤ **IBBI Suspends Registration of Insolvency Professional Sanjay Kumar Singh for 2 Years for Contravening Provisions of Auction**

The Insolvency and Bankruptcy Board of India (IBBI) has suspended for two years the registration of insolvency professional (IP) Sanjay Kumar Singh for contravening the applicable provisions of the Insolvency and Bankruptcy Code (IBC) and regulations on conducting an auction for the sale of assets during the liquidation process of Monica Electronics Ltd (corporate debtor). Mr Singh was appointed interim resolution professional (IRP), later confirmed as resolution professional (RP), and further appointed as liquidator for Monica Electronics.

Source: Money Life

Read Full news : <https://www.moneylife.in/article/ibbi-suspends-registration-of-insolvency-professional-sanjay-kumar-singh-for-2-years-for-contravening-provisions-of-auction/73458.html>

➤ **Debtors resolving cases before admission under insolvency law: IBBI**

Over 27,500 applications for resolution process against corporate debtors have been withdrawn before their admission, with regulator IBBI emphasising that the credible threat of the insolvency law that ownership of debtors might change has changed the behaviour of debtors.

These Corporate Debtors (CDs) had an underlying default of Rs 9.74 trillion . The Insolvency and Bankruptcy Code (IBC), introduced in December 2016, provides for a time-bound and market-linked resolution of stressed assets.

"The credible threat of the Code, that a CD may change hands, has changed the behaviour of debtors. Thousands of debtors are resolving distress in early stages of distress.

Source: Business Standard

Read Full news : https://www.business-standard.com/companies/news/debtors-resolving-cases-before-admission-under-insolvency-law-ibbi-124022000664_1.html

