Twitter Thread by Leading Nowhere



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@leading_nowhere

Insolvency resolutions suck for creditors, but this one takes the cake.

Listed company gave loan to related party, defaulted along with other dues. Related party creditor acquired the listed entity via insolvency.

Only losers are operational creditors w/ 88% haircut.

PER: BENCH

O R D E R

1. IA No. 393/2021 is filed by the Resolution Professional under section 30 (6) of the IB Code, 2016, R/w regulation 39(4) of the IBBI (Insolvency Resolution for Corporate Persons) Regulations, 2016, seeking approval of resolution plan of **Mr Ganapa Narsi Reddy,** as duly approved by the Committee of Creditors.

2. To put concisely, the main petition filed by **Coleta Software Solutions Private Limited** u/s 9 of IBC, 2016 was admitted by the Adjudicating Authority vide Order dated **05.01.2021** and ordered commencement of CIRP against M/s **Covidh Technologies Limited.** The Applicant herein was appointed as Interim Resolution Professional (IRP), who continued as Resolution Professional.

3. In terms of Regulation 6 of Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, public announcement in Form-A was made by IRP on 08.01.2021. The IRP, after collating and verifying the same, admitted Claim from operational creditor and constituted Committee of Creditors comprising of M/s Coleta Software Solutions Private Limited on 27.01.2021.

Company name is Covidh Technologies Ltd - really old bankrupt company. Not a significant event, just an observation.

Correction: Listed company *took* a loan from related party (in first tweet)