

IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



PRESS

“If people like you, they’ll listen to you, but if they trust you, they’ll do business with you.”

Updates on Insolvency and Bankruptcy Code

➤ **Resolution of stressed construction companies a challenge even under revamped IBC: ICRA**

ICRA Ratings sees significant challenges in the resolution of stressed construction companies, which has the likelihood of delaying the process and reducing the realisable value considerably. This is because while the implementation of the Insolvency and Bankruptcy Code, 2016 (IBC), has improved the situation, the smooth resolution remains a far cry. As many construction companies which were under financial stress have entered the Corporate Insolvency Resolution Process (CIRP) with a lag, the financial creditors are likely to face high haircuts. The numbers say it all, as of March 2019,

Source: India Infoline

Please find the full news at:

https://www.indiainfoline.com/article/news-top-story/resolution-of-stressed-construction-companies-a-challenge-even-under-revamped-ibc-icra-119080500313_1.html

➤ **Burdened by stressed loans, SBI starts seeking divine intervention**

India’s largest lender is in a bind. After having knocked on all doors, including the presumably empowered insolvency courts, State Bank of India (SBI) has now fallen on divine intervention in search of resolution.

Chairman Rajnish Kumar said every morning he looks at the sky and prays for the resolution of big accounts that are doing the rounds of insolvency courts. He is quick to add, though, that he is hopeful resolution will happen. "There are many accounts in the final stages of resolution in NCLT," he explained as reason for his confidence.

Source: Livemint news

Please find the full news at:

<https://www.livemint.com/market/mark-to-market/burdened-by-stressed-loans-sbi-starts-seeking-divine-intervention-1564934226461.html>

➤ Stressed assets funds may return to India after relaxed ECB norms

The Reserve Bank of India's move to allow companies to raise loans under external commercial borrowing (ECB) route — to repay banks their dues categorised as non-performing assets (NPAs) — will likely pique interest of foreign stressed asset funds once again. So far, such investors have remained non-committal in picking up Indian assets after seeing legal obstacles in the resolution process under the Insolvency and Bankruptcy Code (IBC)

Transactions cannot be carried out with overseas branches of banks present in India. Most of the stressed assets funds are private and not regulated. However, they can tie up with banks not present in India to enter indirect deals.

Source: Business Standard

Please find the full news at:

https://www.business-standard.com/article/finance/stressed-assets-funds-may-return-to-india-after-relaxed-ecb-norms-119080100016_1.html



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