

# IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



*"Never be limited by other people's limited imaginations."*

## *Updates on Insolvency and Bankruptcy Code*

### ➤ Standard Chartered Bank moves NCLT against CoC selecting Arcelor for Essar Steel

Standard Chartered Bank has filed an interlocutory application in the bankruptcy court against a panel of lenders selecting ArcelorMittal to takeover debt-ridden Essar Steel, saying the decision was "illegal" and was taken without considering its claims. Standard Chartered Bank (SCB), has more than 7.5 per cent weightage in the Committee of Essar Steel Creditors, and in the petition before the National Company Law Tribunal (NCLT) it claimed that ArcelorMittal's revised bid of Rs 42,000 crore was never considered by the CoC.

Source: Timesnownews

Please find the full news at:

<https://www.timesnownews.com/business-economy/companies/article/standard-chartered-bank-moves-nclt-against-coc-selecting-arcelor-for-essar-steel/320601>

### ➤ Default cases: IBC helps recovery of Rs 3 lakh crore in 2 years

The Insolvency and Bankruptcy Code (IBC) has catalysed the recovery of around Rs 3 lakh crore from various default cases, directly or indirectly, since its inception in 2016. The average recovery in the 60-odd insolvency cases that have seen resolution over the past two years has been to the tune of 46%, against just 26% under the earlier Board for Industrial and Financial Reconstruction (BIFR) regime. Also, while the resolution of the 60 cases have so far yielded around Rs 71,000 crore, some Rs 50,000 crore is expected to be recovered from Essar Steel, which is at the advanced stage of being resolved.

*Source: Financial Express*

Please find the full news at:

<https://www.financialexpress.com/industry/default-cases-ibc-helps-recovery-of-rs-3-lakh-crore-in-2-years/1392849/>

### ➤ Bankrupt firms in India to get a new and quick rescue option

The Union government is set to introduce a quick corporate rescue option, which will be finalized mostly in boardrooms than in courts, as it seeks to avoid prolonged and costly legal battles over the resolution of bankrupt companies. Under the so-called “pre-packaged” bankruptcy schemes, creditors and shareholders will approach a bankruptcy court with a pre-negotiated corporate reorganization plan, as prevalent in countries such as the US and the UK. With this step, the government aims to cut down on litigation and ensure that deadlines are met. A time-bound resolution of bankrupt assets is crucial as it would help prevent any erosion in their value. A consensual approach to corporate rescue will also save cost.

*Source: Livemint*

Please find the full news at:

<https://www.livemint.com/Companies/JQ6PQ223XbHwnnunDbIYsO/Bankrupt-firms-in-India-to-get-a-new-and-quick-rescue-option.html>

