

IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



"Ambition is the steam that drives men forward on the road to success. Only the engine under full steam can make the grade." – Maxi Foreman

Updates on Insolvency and Bankruptcy Code

➤ Lenders reject Arcelor's bid to buy Essar firm at 93% discount

ArcelorMittal had placed a bid of ₹500 crore, against EPC Constructions India Ltd, an Essar group firm's outstanding loans of ₹7,268 crore. The steel giant had also promised to bring some equity into EPC Constructions if it was chosen, but the lenders were not happy with the offer and wanted more cash up front, therefore, they've called for fresh bids after rejecting an offer from ArcelorMittal SA because they found it too low.

Source: Live-mint

Please find the full news at:

<https://www.livemint.com/Companies/pxeEkjntP0kWhCU2B2a8bO/Lenders-reject-Arcelors-bid-to-buy-Essar-firm-at-93-discou.html>

➤ Indore: 'Existing mechanism inadequate, ineffective to resolve NPA'

SS Rathore, former chief commissioner, income tax, New Delhi said India had a bad insolvency resolution mechanism before Insolvency and Bankruptcy Code (IBC) and its success rate was 25%. However, with the new code, resolving rate has increased although certain practical issues remain to be addressed. Existing mechanism is still inadequate and ineffective to resolve problems related to non-performing assets (NPA) of banks. With time, it can be resolved in a better way through Insolvency and Bankruptcy Code. New code has put India among top 80 nations of Ease of Doing Business.

Source: Freepressjournal

Please find the full news at:

<https://www.freepressjournal.in/indore/existing-mechanism-inadequate-ineffective-to-resolve-npa/1425240>

➤ Banks have recovered Rs 40,400 crore worth of bad loans: RBI

Banks have seen a significant improvement in recovery of stressed assets helped by the Insolvency and Bankruptcy Code (IBC) and amendments in the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interests (SARFAESI) Act, during FY18, according to the RBI data. As, in the fiscal ended March 2018, banks recovered Rs 40,400 crore worth of bad loans as against Rs 38,500 crore recovered in FY17.

Source: Mumbaimirror

Please find the full news at:

<https://mumbaimirror.indiatimes.com/mumbai/other/banks-have-recovered-rs-40400-crore-worth-of-bad-loans-rbi-report/articleshow/67316856.cms>

➤ Insolvency and Bankruptcy Code: India Inc's sudden and gradual road to freedom

The Insolvency and Bankruptcy Code (IBC), remains a work in progress despite creditors getting record recoveries and a rise of never-before opportunities to exit and buy businesses in India. The IBC's success as a game-changer in the Modi era may be gradually recognised as it grows to become a complete code offering resolutions finalised mostly outside court.

Source: Newindianexpress

Please find the full news at:

<http://www.newindianexpress.com/business/2018/dec/30/insolvency-and-bankruptcy-code-india-incs-sudden-and-gradual-road-to-freedom-1918401.html>

