

# IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India

## PRESS

"Don't be afraid to give up the good to go for the great." -John D. Rockefeller

### Updates on Insolvency and Bankruptcy Code

#### ➤ Debt recovery schemes of the past ineffectual: RBI

The Reserve Bank of India (RBI) conceded before the Madras High Court that debt resolution and recovery mechanisms, such as Corporate Debt Restructuring Scheme, Strategic Debt Restructuring Scheme, Scheme for Sustainable Structuring of Stressed Assets, Joint Lenders Forum and 5/25 scheme had proved to be ineffective in resolution of stressed assets. Such submission was made in a counter affidavit submitted before Justice R. Mahadevan, who was seized of a writ petition filed by IL&FS Tamil Nadu Power Company.

Source: *Thehindu*

Please find the full news at:

<https://www.thehindu.com/news/national/tamil-nadu/debt-recovery-schemes-of-the-past-ineffectual-rbi/article24971134.ece>

#### ➤ Another Independent Director Of Jaypee Infratech Resigns

Jaypee Infratech, which is facing insolvency proceedings, said the company's independent director Sham Lal Mohan has also resigned. Last week, three independent directors Lalit Bhasin, Keshav Prasad Rau and Basant Kumar Goswami had resigned from the board.

Source: *Bloombergquint*

Please find the full news at:

<https://www.bloombergquint.com/insolvency/2018/09/17/another-independent-director-of-jaypee-infratech-resigns-fourth-in-last-one-week>

➤ **Banks step up asset sale to ARCs as insolvency process gets delayed**

With a delay in bankruptcy proceedings increasing costs, banks have intensified efforts to sell non-performing loans to asset reconstruction companies. Top lenders including SBI, PNB, BOI and Bank of Baroda are aggressively pushing to sell assets stuck in bankruptcy courts.

*Source: Money Control*

Please find the full news at:

<https://www.moneycontrol.com/news/business/companies/banks-step-up-asset-sale-to-arcs-as-insolvency-process-gets-delayed-2957851.html>

➤ **Numetal: Was 'ineligibility' of L N Mittal's brothers considered?**

Numetal, a bidder for Essar Steel, has written to Essar Steel's resolution professional and State Bank of India (part of the committee of creditors), seeking to know whether the "ineligibility" of ArcelorMittal promoter L N Mittal's brothers — Pramod and Vinod Mittal — had been taken into account in deciding the eligibility of the Luxembourg-based company.

*Source: Business- Standard*

Please find the full news at:

[https://www.business-standard.com/article/companies/numetal-was-ineligibility-of-l-n-mittal-s-brothers-considered-118091800050\\_1.html](https://www.business-standard.com/article/companies/numetal-was-ineligibility-of-l-n-mittal-s-brothers-considered-118091800050_1.html)

➤ **Fight for Essar Steel: ArcelorMittal writes against Vedanta, withdraws later**

ArcelorMittal which is competing against Russia's VTB Group-backed Numetal and Vedanta for the takeover of Essar Steel, on Sept 15 wrote to Essar Steel's Resolution Professional a letter related to Vedanta's alleged environmental law violations, illegal mining, disregard for safety standards and human rights violations, which later was withdrawn.

*Source: Financial Express*

Please find the full news at:

<https://www.financialexpress.com/industry/fight-for-essar-steel-arcelormittal-writes-against-vedanta-withdraws-later/1316966/>

