

IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



HIGHLIGHTS

- **NCLAT Refuses to Stay ArcelorMittal's Takeover of Essar Steel**
- **Brookfield to buy Hotel Leela assets for ₹3,950 crore in slump sale**
- **Government takes stock of recoveries from stressed assets through IBC**
- **Stage set for asset sale under IBC for Reliance Communication**

Updates on Insolvency and Bankruptcy Code, 2016

➤ NCLAT Refuses To Stay ArcelorMittal's Takeover Of Essar Steel

The appellate tribunal has refused to stay the National Company Law Tribunal's order approving ArcelorMittal's bid to take over insolvent Essar Steel Limited. The ArcelorMittal resolution plan will be implemented subject to the final orders of the appellate tribunal. The global steelmaker will pay Rs 42,000 crore against financial creditor's claims of more than Rs 49,000 crore. Essar Steel was one of the 12 large corporate accounts shortlisted for insolvency proceedings by the Reserve Bank of India in June 2017. The case has lingered for over 580 days compared with the 270-day resolution period prescribed in the Insolvency and Bankruptcy Code.

Source: *Bloombergquint*

Please find the full news at:

<https://www.bloombergquint.com/law-and-policy/nclat-denies-stay-on-arcelormittals-takeover-of-essar-steel#gs.24m5e6>

➤ Brookfield to buy Hotel Leela assets for ₹3,950 crore in slump sale

JM Financial Asset Reconstruction Co, which owns most of Leela's debt of ₹6,164 crore, had recently filed an application with the Mumbai Bench of the National Company Law Tribunal. Now, Debt-laden hospitality firm Hotel Leela Venture will sell its assets to Canada-based private equity firm Brookfield Asset Management for ₹3,950 crore and the deal will give Brookfield a 100 per cent shareholding in Leela Palaces and Resorts Limited.

Source: Thehindubusinessline

Please find the full news at:

<https://www.thehindubusinessline.com/companies/hotel-leela-venture-to-sell-hotels-property-to-brookfield-for-3950-cr/article26570655.ece>

➤ Govt takes stock of recoveries from stressed assets through IBC

A meeting of senior officials at finance ministry was held to take stock of recoveries from stressed assets, mainly through the Insolvency and Bankruptcy Code and it focussed on the progress made on recoveries so far, against the government's FY19 target of `1.8 lakh crore for public sector banks. It was observed that State-run banks already recovered around 1.1 lakh crore up to last week and are on course to meeting the target once recovery from at least Essar Steel is made.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/banking-finance/govt-takes-stock-of-recoveries-from-stressed-assets-through-ibc/1520588/>

➤ Stage set for asset sale under IBC for Reliance Communication

Reliance Communications will move the National Company Law Appellate Tribunal in the next few days to seek resurrection of its insolvency case in the lower court. Also, Reliance Jio might buy assets once it goes for bidding through NCLT process. Earlier, in February the Reliance Communication Board decided to move NCLT under the Insolvency Bankruptcy Code, 2016, as no decision could be reached even after 18 months of its debt restructuring plan to pay off lenders.

Source: Thehindubusinessline

Please find the full news at:

<https://www.thehindubusinessline.com/info-tech/stage-set-for-asset-sale-under-ibc/article26572028.ece>

