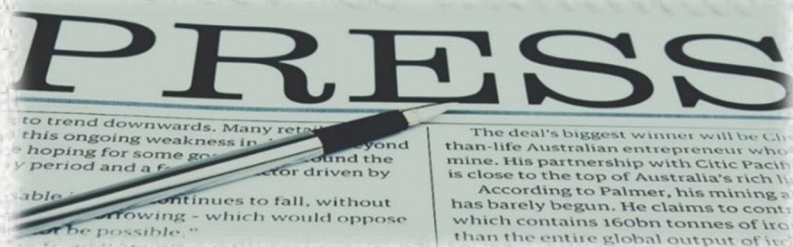


IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



"The Pessimist Sees Difficulty In Every Opportunity. The Optimist Sees Opportunity In Every Difficulty." – Winston Churchill

Updates on Insolvency and Bankruptcy Code

➤ RBI weighs incentives for banks to move IBC

The Reserve Bank of India (RBI) is understood to be weighing a plan to 'incentivize' lenders to take errant borrowers to bankruptcy court. It's part of the regulatory countermove that RBI is working on to overcome hurdles in the wake of a recent Supreme Court ruling. A month ago, the apex court struck down RBI's February 12, 2018 directive that gave defaulting companies 180 days to agree on a resolution plan with lenders or be taken to bankruptcy court to recover debt of Rs 2,000 crore and above.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-weighs-incentives-for-banks-to-move-ibc/articleshow/69193129.cms>

➤ ABG Shipyard initiates liquidation process under IBC

Debt-ridden ABG ShipyardNSE -3.33 % Monday announced commencement of the liquidation process under the Insolvency and Bankruptcy Code. "NCLT vide order dated April 25, 2019...ordered commencement of liquidation of ABG and appointed...Sundaresh Bhat as the liquidator of ABG," debt-ridden firm said in a BSE filing.

Source: Economic Times

Please find the full news at:

[//economictimes.indiatimes.com/articleshow/69205547.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst](http://economictimes.indiatimes.com/articleshow/69205547.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

➤ **Pre-packaged insolvency: Process should help achieve the overarching objectives of the IBC**

A 'pre-pack sale' can be defined as "an arrangement under which the sale of all or part of a company's business or assets is negotiated with a purchaser prior to the appointment of an insolvency professional as administrator, with completion of the SPA being conditional upon the administrator's appointment. The SPA is held in escrow and the administrator effects the sale immediately on, or shortly after, his appointment."

Source: *Financial Express*

Please find the full news at:

<https://www.financialexpress.com/opinion/pre-packaged-insolvency-process-should-help-achieve-the-overarching-objectives-of-the-ibc/1571593/>

➤ **Patanjali's Ruchi Soya plan hits a speed breaker; DBS to move NCLT**

DBS Bank-Singapore told the Mumbai National Company Law Tribunal (NCLT) on Tuesday it would move the tribunal against Patanjali Ayurved's proposed Rs 4,350-crore resolution plan for debt-laden Ruchi Soya. The foreign bank claimed it has not received a fair value on assets although it enjoys the status of a first charge holder.

Source Business: *Financial Express*

Please find the full news at:

<https://www.financialexpress.com/industry/ruchi-soya-resolution-dbs-to-move-nclt-against-patanjalis-rs-4350-crore-plan/1571737/>

➤ **Resolution under IBC: Essar Steel shareholder seeks ArcelorMittal's disqualification**

Essar Steel Asia Holdings Ltd (ESAHL), which holds a significant stake in Essar Steel, has moved National Company Law Appellate Tribunal (NCLAT) seeking rejection of ArcelorMittal's Rs 42,000 crore bid to acquire the bankrupt steelmaker, alleging that its promoter Lakshmi Mittal hid his association with loan defaulting firms run by his brothers.

Source: Indian Express

Please find the full news at:

<https://indianexpress.com/article/business/companies/resolution-under-ibc-essar-steel-shareholder-seeks-arcelormittals-disqualification-5715996/>



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