

KWALITY INSOLVENCY**NCLT directs lenders to consider Haldiram Snacks' revised offer****PRESS TRUST OF INDIA**
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THE NATIONAL Company Law Tribunal (NCLT) has directed the lenders of Kwality Ltd to reconsider the revised Rs 145-crore offer by Haldiram Snacks to acquire the debt-ridden dairy firm.

The Delhi-based bench of the tribunal has also extended the Corporate Insolvency Resolution period by another three weeks and directed the Committee of Creditor (CoC) to reconsider the enhanced offer.

Earlier, the lenders of Kwality Ltd had rejected the Rs 142 crore bid of Delhi-based Haldiram Snacks, which emerged as the sole bidder to acquire the debt-ridden dairy firm.

Following which, Haldiram Snacks had revised its offer marginally and approached the NCLT with a plea that its latest resolution plan should be considered by the lenders as the offer is higher than the liquidation value.

In 2018, the NCLT ordered in-

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solvent proceedings in Kwality on a petition filed by global private equity firm KKR. Shailendra Ajmera, who is part of multinational consultancy firm EY, has been appointed as the resolution professional to conduct the insolvency proceedings.

On November 2, the CoC had rejected Haldiram Snacks' Rs 142 crore resolution plan, as only about 40 per cent of the lenders voted in favour of the resolution plan as against the requirement of 66 per cent.

Kwality has a total debt of around Rs 1,900 crore.

Haldiram Snacks had ear-

marked Rs 135.64 crore for the financial creditors out of its total offer of Rs 141.59 crore to acquire Kwality Ltd.

Post rejection of its offer, Haldiram had written a letter on November 4 to IRP, revising its offer to Rs 139 crore for financial creditors, taking the total value of the bid to Rs 144.95 crore.

Haldiram has filed a petition before the NCLT, requesting that RP should be directed to place the revised bid before the CoC for consideration.

It had requested the NCLT to direct the resolution professional to place the latest offer before the CoC for consideration.

"The said letter (November 4, 2019) offers an increase in the offer value to financial creditors by Rs 3.3 crore to Rs 139 crore from Rs 135.64 crore and consequently, the total offer value to Rs 144.95 crore," it had said.

Haldiram also added that its improved offer "will help financial creditors derive a much better value they can hope to realise in the event corporat debtor (Kwality) is put into liquidation".