

I N S O L V E N C Y



INSOLVENCY PROFESSIONAL AGENCY
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CASEBOOK: ISSUE 5

CORPORATE INSOLVENCY PROCESS OF BINANI CEMENT

UltraTech
C E M E N T

The Engineer's Choice

Binani

BRAJ BINANI GROUP

Binani Cement insolvency petition by Bank of Baroda admitted by NCLT

The Kolkata bench of the National Company Law Tribunal (NCLT) on Tuesday admitted an insolvency petition against Binani Cement based on a referral by one of its lenders, Bank of Baroda, after the cement company failed to repay a sum of INR970m. Bank of Baroda has appointed Vijaykumar V Iyer of Deloitte India as the interim resolution professional (IRP) to oversee the insolvency process. Admitting the case, a bench of the NCLT said the IRP should convene a meeting of the committee of creditors and submit a resolution passed by the committee.

Source: Cemnet.com

<https://www.cemnet.com/News/story/162165/binani-cement-insolvency-petition-by-bank-of-baroda-admitted-by-nclt.html>

UltraTech To Buy Binani Cement, Seeks End To Insolvency Proceedings

In a new twist to the auctioning of Binani Cement, Aditya Birla Group's UltraTech Cement today said it will buy the loan defaulter's stressed assets by providing Rs 7,266 crore to its parent company. The move comes days after rival Dalmia Cement said its Rs 6,350 crore bid to buy Binani Cements Ltd (BCL) has been accepted by the lenders.

Besides offering Rs 6,350 crore, Dalmia had also offered 20 per cent equity in Binani to the lenders. UltraTech said in a statement that Binani Industries Ltd (BIL) - the promoter firm of BCL - had approached it for arranging funds to pay-off the lenders.

Source: Outlookindia.com

<https://www.outlookindia.com/website/story/ultratech-to-buy-binani-cement-seeks-end-to-insolvency-proceedings/309685>

Binani Cement insolvency resolution: Promoter offers to clear all dues in 2 weeks

The promoter of Binani Cement, Binani Industries has filed a fresh petition with the National Company Law Appellate Tribunal (NCLAT) on Wednesday, saying that it is ready to clear all the dues of its subsidiary to financial and operational creditors within two weeks.

This is the second attempt of Binani Industries to go for an out-of-court settlement with the lenders to end insolvency proceedings initiated against the

bankrupt cement maker after it had moved SC for the permission last month. However, it had to withdraw its appeal with the apex court unwilling to interfere in the proceedings under the Insolvency and Bankruptcy Code (IBC).

Source: Timesnow News

<https://www.timesnownews.com/business-economy/companies/article/binani-cement-insolvency-resolution-promoter-offers-to-clear-all-dues-in-2-weeks/228983>

Supreme Court upholds NCLAT order allowing sale of Binani Cement to UltraTech

The Supreme Court on Monday upheld an earlier National Company Law Appellate Tribunal (NCLAT) order, in turn, approving sale of Binani Cement to UltraTech Cement.

The petition was filed before the Supreme Court by Dalmia Bharat's Rajputana Properties challenging an earlier NCLAT order. On November 14, NCLAT had approved UltraTech Cement's bid of Rs 7,900 crore for stressed Binani Cement rejecting the Rs 6,930-crore offer made by Dalmia Bharat-Bain Piramal consortium Rajputana Properties, though it was declared as highest bidder by the Committee of Creditors earlier.

Source: The Hindu Business Line

<https://www.thehindubusinessline.com/companies/supreme-court-upholds-nclat-order-approves-sale-of-binani-cement-to-ultratech/article25537179.ece>

NCLAT approves UltraTech's bid for Binani Cement

The National Company Law Appellate Tribunal (NCLAT) Wednesday approved the revised bid of Aditya Birla group firm UltraTech Cement for debt-ridden Binani Cement. A two-member bench of NCLAT, headed by Chairman Justice S J Mukhopadhaya, approved UltraTech's resolution plan and said that plan submitted by the rival Dalmia Bharat group firm Rajputana Properties was "discriminatory" against some financial creditors.

Earlier on July 2, the Supreme Court had transferred all matters related to corporate insolvency resolution process of Binani Cement to the appellate tribunal from the National Company Law Tribunal, Kolkata.

Source: Economic Times

<https://realty.economictimes.indiatimes.com/news/regulatory/nclat-approves-ultratechs-bid-for-binani-cement/66616185>

Insolvency: Binani Cement submits UltraTech plan for NCLT approval

After the resolution professional (RP) of Binani Cement submitted the resolution plan of UltraTech Cement's Rs 79.60 billion offer for approval from the Kolkata bench of the NCLT on Friday, Dalmia Bharat Cement also geared up for battle by deciding to challenge it in the tribunal on the very day it will be up for discussion.

In its previous order, the NCLT had directed various stakeholders involved in the takeover of Binani Cement case to apprise it on Monday, and it is expected that UltraTech's plan will be up for discussion on that day itself.

Source: Business Standard

https://www.business-standard.com/article/companies/insolvency-binani-cement-submits-ultratech-plan-for-nclt-approval-118060101552_1.html

NCLT orders Binani Cement lenders to consider UltraTech bid

A dedicated insolvency tribunal on Wednesday directed lenders to the debt-laden Binani Cement to consider UltraTech revised bid, simultaneously allowing Dalmia Bharat to match the higher offer made by India's biggest manufacturer of the primary building material. UltraTech's revised bid has to be submitted to the resolution professional within three days, the Kolkata chapter of the tribunal said in its ruling on Binani Cement. The sitting judges have also extended the insolvency resolution deadline for the company to June 24. The deadline was initially to expire in April.

Source: Financial Express

https://economictimes.indiatimes.com/industry/indl-goods/svs/cement/nclt-orders-binani-cement-lenders-to-consider-ultratech-bid/articleshow/63998951.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Binani Cement resolution back to NCLT after promoters withdraw appeal in SC

The resolution process of debt-ridden Binani Cement seems to be going nowhere. Binani Industries, the promoters of Binani Cement, which had moved the Supreme Court seeking approval for an out-of-court settlement with the lenders, withdrew its petition after a 20-minute argument on Friday. The matter will now go back to the Kolkata bench of the National Company Law Tribunal (NCLT). A Supreme Court bench comprising Justice A K Goel and Justice R F Nariman questioned the rationale behind an intervention by the

apex court and that the NCLAT was also supposed to take a call on the Binani case.

Source: Business Standard

https://www.business-standard.com/article/companies/binani-cement-resolution-back-to-nclt-after-promoters-withdraw-appeal-in-sc-118041300937_1.html

Binani Industries files application to terminate insolvency proceedings of Binani Cement

Binani Industries Ltd today said it has filed application for termination of insolvency resolution process of its debt-ridden subsidiary Binani Cement Ltd (BCL). Binani Industries Ltd (BIL) has received an offer from the Aditya Birla group firm UltraTech to transfer its 98.43 per cent stake in BCL for Rs 7,266 crore. However, the deal was subject to ending the insolvency proceedings against BCL, whose Credit of Creditors (CoC) led by Bank of Baroda has approved Rs 7,266 crore.

Source: Economic Times

<https://economictimes.indiatimes.com/industry/indl-goods/svs/cement/binani-industries-files-application-to-terminate-insolvency-proceedings-of-binani-cement/articleshow/63631493.cms?from=mdr>

All secured Binani creditors receive dues

All secured creditors of bankrupt Binani Cement (BCL) received their dues on Tuesday, a day after the Supreme Court allowed UltraTech Cement to acquire the cement firm under the corporate insolvency resolution process (CIRP). Financial creditors to Binani Cement include State Bank of India, Edelweiss Asset Reconstruction Company, IDBI Bank, Canara Bank, Bank of Baroda, Bank of India and EXIM Bank, among others. BCL, which had been a subsidiary of Binani Industries, became a wholly-owned subsidiary of UltraTech Cement with effect from Tuesday.

Source: Financial Express

<https://www.financialexpress.com/industry/all-secured-binani-creditors-receive-dues/1388213/>

Essar Steel, Binani insolvency resolutions get official clean chit; top body says no contradiction

The Insolvency and Bankruptcy Board of India (IBBI) has said that it did not find any contradiction in approvals of resolution for Essar Steel and Binani Cement in the context of “value maximisation”. The Ahmedabad bench of National Company Law Tribunal (NCLT) has approved the ArcelorMittal’s Rs 42,000 crore resolution plan, rejecting the Ruias settlement offer of Rs 54,389 crore. Recently, in the case of Binani Cement, the Kolkata bench of NCLT approved the resolution plan of UltraTech Cement which was higher than what the Dalmia Bharat group had to offer even after the Committee of Creditors (CoC) earlier selected them as the higher bidder. The case debated a lot on value maximisation in a corporate resolution plan.

Source: Financial Express

<https://www.financialexpress.com/industry/binani-essar-resolution-within-rules-ibbi/1511726/>



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