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*Latest updates On Insolvency & Bankruptcy*

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*"The bad news is time flies"*

## ➤ **Bankruptcy court allows withdrawal of insolvency plea against Sahara Hospitality**

The bankruptcy court on Thursday allowed a petition to withdraw the insolvency resolution process against Sahara Hospitality, after the company and its operational creditor agreed to settle their dispute.

Mumbai-based Sahara Hospitality, the owner of Hotel Sahara Star and part of Subrata Roy's Sahara India Pariwar, was admitted under the corporate insolvency resolution process (CIRP) after operational creditor Delta Electro Mechanical filed a petition claiming a default of over Rs 50 crore by the company.

"This bench is of the considered view that since parties have settled the matter as full-and-final ... nothing survives in the present company petition," observed the Mumbai bench of the National Company Law Tribunal, presided by Justice PN

Deshmukh. "Hence, the company petition is out of the rigour of the CIRP," the bench ruled. Before the passing of the order, counsel Nausher Kohli, appearing for interim resolution professional Mamta Binani, informed the tribunal that both parties had signed a settlement agreement under which Sahara Hospitality had agreed to pay Rs 8 crore in three instalments against all its outstanding dues.

On July 15, the tribunal had allowed Delta Electro Mechanical's plea to admit Sahara Hospitality, the flagship hotel of Sahara India Pariwar, under the insolvency process after the company failed to repay dues of about Rs 51.77 crore.

The case was originally filed in 2018 by the operational creditor. It was disposed of in April 2019 after the company agreed to settle the dispute for Rs 20 crore, to be paid in 14 instalments. Subsequently, in September 2019, the operational creditor again approached the tribunal after the company failed to meet the agreed terms.

Sahara Hospitality had awarded a work order to Delta Electro Mechanical for the supply, installation, testing and commission of HVAC and electrical systems at the hotel for about Rs 32 crore.

After the hospitality company defaulted on payments, Delta Electro Mechanical demanded Rs 51.77 crore along with interest of over Rs 19 crore.

The Sahara Group had acquired this hotel for an undisclosed amount in 2002, at the time of the disinvestment of Airport Centaur Hotel in Mumbai. The hotel is situated very close to the Mumbai airport in the northern suburb of Vile Parle and has over 350 rooms.

**Source: The Economic Times**

**Read Full news at:** <https://economictimes.indiatimes.com/news/company/corporate-trends/bankruptcy-court-allows-withdrawal-of-insolvency-plea-against-sahara-hospitality/articleshow/93194412.cms>

## ➤ **Srei Equipment Fin auditor reports Rs 2K-cr fraudulent deals in FY18-21**

Srei Equipment Finance on Thursday said its transactions auditor, BDO India LLP, has found fraudulent transactions worth Rs 2,133.74 crore under the erstwhile management during FY18 to FY21.

The three entities involved in the fraudulent transactions are Shristi Group causing monetary impact of Rs 1,415.22 crore, Samsara Energy Ltd (Rs 284.71 crore) and Viom Infra Ventures, earlier Quippo Infrastructure Ltd, (Rs 433.81 crore).

Insolvency bound Srei Equipment Finance Ltd alongwith its promoter Srei Infrastructure Finance are being run by an administrator, which is looking into the day-to-day affairs of the companies since October 2021.

Following this, the administrator appointed under the Insolvency and Bankruptcy Code, 2016 engaged BDO India LLP (BDO or transaction auditor) to investigate the affairs of the company related to transactions under certain sections of the Code.

"Accordingly, the administrator of the company received a report from the professional agency appointed as the transaction auditor, indicating that there are certain transactions which are fraudulent in nature," Srei Infrastructure Finance (SIFL) said in three separate regulatory filings.

The subsidiary Srei Equipment Finance (SEFL) is not a listed company.

In one of the cases, the BDO India report said monetary impact of Rs 1,412.87 crore has been caused by loan disbursements to Shristi Group of entities under the erstwhile management, which is subject to adjudication of the NCLT.

The total impact of the transaction (excluding interest payment calculations) amounts to approximately Rs 1,415.22 crore, as per the report by the transaction auditor.

The time of occurrence of all these fraudulent transactions is during 2017-18 to 2020-21.

Basis the report of the transaction auditor, the administrator of SEFL has "filed an application in respect of disbursements made to the Shristi Group of entities before the Kolkata bench of the National Company Law Tribunal (NCLT)...on June 10, 2022 against

the Kanoria Foundation, Hari Prasad Kanoria, Hemant Kanoria, Sunil Kanoria, Sujit Kanoria," the filing said.

Shristi Infrastructure Development Corporation, Bengal Shristi Infrastructure Development, Suasth Health Care (India) Pvt Ltd, Avarsekar Realty, Sarga Hotel, and Adishakti Commercial are among the others named in the application.

The application to the NCLT in the matter of Shristi Group has been filed before the NCLT on July 26, 2022.

The other case relates to Viom Infra Ventures to whom the erstwhile promoters made loan disbursements during 2017-18 to 2020-21, causing total monetary impact of the transaction (excluding interest payment calculations) of around Rs 433.81 crore.

The application relating to disbursements to this company before the NCLT names the Kanoria brothers Hemant and Sunil and the customer-- Viom Infra Ventures. The application has been filed before the NCLT on July 24, 2022, the filing said.

In the third case, monetary impact of Rs 284.71 crore is reported by the transaction auditor pertaining to fraudulent loan disbursements to Samsara Energy during FY18 to FY21. The administrator has filed an application against Heman Kanoria, Sunil Kanoria and Samsara Energy. This relates to July 24, 2022.

**Source: Business Standard**

**Read Full news at:** [https://www.business-standard.com/article/pti-stories/srei-equipment-finance-auditor-reports-fraudulent-transactions-worth-rs-2-133-74-cr-during-fy18-21-122072800806\\_1.html](https://www.business-standard.com/article/pti-stories/srei-equipment-finance-auditor-reports-fraudulent-transactions-worth-rs-2-133-74-cr-during-fy18-21-122072800806_1.html)

## ➤ **Nirma makes ₹1,650-crore offer for Hindusthan National Glass**

Nirma Ltd, popularly known as the maker of detergent soap and cosmetics, has submitted a ₹1,650 crore plan to acquire bankrupt Hindusthan National Glass & Industries, the country's largest glass bottle maker, two people aware of the matter, said

Africa-based bottle maker Madhvani Group and AGI Greenpac, known as makers of Hindware products, also submitted separate resolution plans for the Kolkata-based bottle maker undergoing insolvency proceedings. Karsanbhai Patel-promoted Nirma proposed ₹1,625 crore upfront payment.

**Source: The Economic Times**

**Read Full news at:** <https://economictimes.indiatimes.com/industry/indl-goods/svs/paper/-/wood/-/glass/-plastic/-marbles/nirma-makes-1650-crore-offer-for-hindusthan-national-glass/articleshow/93196016.cms?from=mdr>

