

NCLT mulling SBI's withdrawal plea: Bajaj Hindusthan

Lenders declared Bajaj Hindusthan Sugar as an NPA, before taking it to the NCLT

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Bajaj Hindusthan Sugar, one of the largest sugar producers in the country, on Sunday informed the BSE the National Company Law Tribunal (NCLT) had considered submissions by State Bank of India (SBI), the biggest lender in the country, for withdrawing its insolvency petition.

It said the next date for hearing was October 25.

The petition was moved because the outstanding has been paid by the company. Though a final decision on what the NCLT says on the withdrawal petition is awaited,

sources said this marked the end of the tortuous process of financial creditors taking a company to the tribunal.

The company owed banks around ₹4,771 crore and had availed itself of two debt-restructuring schemes, leading to steep haircuts taken by the lenders.

The highest debt was to SBI — around ₹1,192 crore.

The lenders had declared Bajaj Hindusthan Sugar a non-performing asset before taking it to the NCLT, thus plunging the sugar sector into turmoil because of the company's predominant status.

The company operated more than 14 factories, largely in Uttar



ILLUSTRATION: BINAY SINHA

SWEET SIGH OF RELIEF

- Next date for hearing has been fixed for October 25
- The withdrawal petition has been moved as the outstanding amount has been paid by the corporate debtor
- Company owed banks around ₹4,771

- crore, and had availed itself of two debt-restructuring schemes
- Maximum amount of dues were from SBI (nearly ₹1,192 crore)
- Lenders declared Bajaj Hindusthan Sugar as NPA, before taking it to the NCLT

Pradesh. Industry sources said almost 600,000 sugarcane farmers in the state depended on the health of sugar factories owned by Bajaj Hindusthan.

In the 2021-22 sugar season,

according to some estimates, Bajaj Hindusthan had a more than 12 per cent share in the sugar produced in Uttar Pradesh. Over 13 per cent of the sugarcane farmers were associated with the firm.

The company reported a consolidated net loss of ₹74.69 crore in the June quarter on lower revenue.

The company had posted a net loss of ₹44.91 crore in the year-ago period.