

McLeod Russel likely to come out of IBC again

TIMES NEWS NETWORK

Kolkata: Williamson Magor group firm McLeod Russel, the erstwhile largest bulk tea producer in the country, is likely to come out of the Insolvency and Bankruptcy Code (IBC) for the second time. It has filed an application in the National Company Law Appellate Tribunal (NCLAT) under Section 12A for out-of-court settlement with IL&FS. The case is likely to be heard on Friday. If the deal got NCLAT nod, it would be a big relief for the tea producer.

In March this year, **TOI** had written that McLeod and an IL&FS arm have initiated

discussion for an out-of-court settlement, which might see the tea producer coming out of CIRP (corporate insolvency resolution process). The NCLAT had fixed the date of next hearing on May 9. But the hearing on Tuesday was deferred to Friday.

NCLAT earlier asked the

NCLAT MOVE

interim resolution professional (RP) of McLeod Russel not to take further steps in the CIRP till the next hearing. The Kolkata bench of the National Company Law Tribunal (NCLT) earlier admitted IL&FS Infrastructure Debt Fund's insolvency peti-

tion for initiating CIRP against McLeod Russel India. IL&FS Infra Asset Management manages the IL&FS Infrastructure Debt Fund.

IIDF, a financial creditor of McLeod, filed the petition under Section 7 of IBC against the company for default in payment of Rs 347.4 crore as on November 12, 2019. The date of default was stated as July 9, 2019. Out of this, the principal amount is Rs 252 crore and penal interest is over Rs 94 crore.

Passing the order on February 10, NCLT appointed R P Adatiya as the interim resolution professional of the corporate debtor to carry out the functions as per the IBC.