

Rolta India Lenders Okay Ashdan's ₹900-crore Offer

ALL CASH DEAL With total debt at ₹14kcr, the recovery comes to a miniscule 6%

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Mumbai: Lenders to software company Rolta India have approved Ashdan Properties' ₹900 crore takeover offer by a unanimous vote, bringing the one-and-a-half year insolvency process closer to its climax.

Voting on Ashdan's resolution plan ended over the weekend with all financial creditors supporting the plan, over a ₹869 crore offer from Yash Shares.

"Ashdan's offer is an all cash one with no deferred payments, which lenders wanted. For secured creditors, Ashdan's was without doubt the preferred offer," said a person familiar with the process.

Creditors will now approach the NCLT to approve the transaction. Ashdan will get 90 days after the NCLT approval to make the payment and take over the company.

Rolta India, a defence-focused software company, was admitted to the bankruptcy court in January last year.

It owes banks led by Union Bank of India (UBI) ₹7,100 crore and another ₹6,699 crore to unsecured foreign bond holders



led by Citigroup, with a total debt of close to ₹14,000 crore.

Bank of Baroda Capital Markets helped in bid evaluation for creditors and the resolution professional (RP).

Ashdan's offer means that secured creditors led by Union Bank stand to recover about 13% of their total dues. Of the total debt of ₹14,000 crore, the recovery comes to a miniscule 6%.

RP Mamta Binani did not reply to an email seeking comment.

"The value the bidders offered was on the real estate of the company in three buildings in Mumbai's SEEPZ area, a land parcel in Kolkata and a few flats in Mumbai, which are kept as collateral

with banks. The transfer will be for the whole company and there is little or no value to the remaining assets," said a second person aware of the process.

This is the second attempt to find a buyer for Rolta India after the initial process received only one bid in October 2023. Creditors had received nine resolution plans in a restarted process late in November last year with bids from Rashmi Metaliks, United Biotech and Yash Shares among others.

Later, Ashdan had to also fend off unsolicited offers from Patanjali Ayurved and Welspun Group's MGN Agro Properties after the committee of creditors (CoC) decided not to go ahead with another round of bidding because Ashdan said it would beat Patanjali Ayurved's ₹850 crore offer.

Kamal Singh-promoted Rolta had first defaulted on foreign currency loans provided by Indian banks in 2016. It has thrice escaped bankruptcy—first in May 2019, by seeking a six-month forbearance from lenders, then again after a Union Bank petition was dismissed by the NCLT, and thirdly in November 2019, after the Bombay High Court cancelled the admission stating that due procedures were not followed.