

# SKS Power Gets NCLT Nod for Sarda Energy Buy

**Maulik Vyas**

**Mumbai:** The Mumbai bench of the National Company Law Tribunal (NCLT) on Tuesday approved SKS Power Generation's (Chhattisgarh) acquisition by BSE-listed Sarda Energy & Minerals.

The division bench of judicial member Kishore Vemulapalli and technical member Anu Jagmohan Singh approved Sarda Energy & Minerals' resolution plan in its oral order. The detailed order was not uploaded at the time of filing the report.

The company has admitted liabilities of more than ₹2,697 crore, while the successful bidder's resolution plan proposed to pay about ₹2,000 crore to acquire the company. Originally, in April 2022, the company was admitted under the Corporate Insolvency Resolution Process (CIRP) in an application filed by its lender Bank of Baroda.

"The successful bidder SEML's plan has proposed to pay around ₹2,000 crore," said two people aware of the deve-

lopment. "Before the tribunal's approval, the Committee of Creditors (CoC) led by the State Bank of India and the Bank of Baroda approved the resolution plan with 100% voting in favour of Sarda Energy & Minerals," said one of the people quoted above.

An emailed query to the company's resolution professional (RP) Ashish Rathi remained unanswered till the time of filing the story. Apart from Nagpur-based SEML, other contenders such as Gujarat-based Torrent Group, Vantage Point Asset Management and Jindal Power had also shown interest in acquiring the company through an insolvency resolution process.

In this case, Sarda Energy & Minerals was represented by the law firm Chandhiok & Mahajan, and the company's RP and the Committee of Creditors (CoC) were represented by law firm Trilegal and Cyril Amarchand Mangaldas, respectively. Also, BoB Capital Markets was the process advisor to both the CoC and RP.

SKS Power Generation (Chhattisgarh) set up a coal-based thermal po-



## ADMITTED LIABILITIES

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wer plant at Binjkote and Durramu da in the Raigarh District of Chhattisgarh. The facility is in high demand because it is a rare working power plant available for sale with 25 years of fuel agreement accompanying a railway line.

The thermal power project consists of 4X300 MW capacity power generating units, utilizing Indian coal as the main fuel. The company is currently in the midst of the execution of Phase II 2X300 MW capacity, according to its website.

Ashish Pyasi, partner of the law firm Aendri Legal, said that on approval of a resolution plan, the stage of implementation and monitoring starts.

"There will be a monitoring committee as mentioned in the plan which will be monitoring the implementation of the plan and entrusted with the duty to ensure that there is no deviation," said Pyasi. "The applicant will pay and distribution will take place as per the plan and any other conditions as stipulated in the plan will be complied by the successful bidder," he added.