Reliance Industries, Welspun, GHCL, and Himatsingka bid for bankrupt Sintex Industries

By Isabelle Crossley  -  13 December 2021

Textile businesses Reliance Industries, Welspun, GHCL, and Himatsingka have all placed bids on bankrupt weaving business Sintex Industries which supplies numerous international luxury brands.

Four of India’s largest textile businesses, Mukesh Ambani’s Reliance Industries; B K Goenka’s Welspun; Sanjay Dalmia’s GHCL; and Dinesh Kumar Himatsingka’s Himatsingka, have placed bids on Sintex Industries, TNN reported. For its bid, Reliance Industries partnered with stressed asset buyer Assets Care & Reconstruction Enterprise. The other three businesses put in solo bids.

Welspun has routed its bid for Sintex Industries through its business Easygo Textiles, ET Bureau reported. Welspun had previously bid on the business by offering close to Rs 2,000 crore to its creditors but the offer was declined.

Sintex Industries weaves textiles for international luxury brands including Burberry, Armani, and Diesel among others. The business has a debt of round Rs 8,000 crore ($1.2 billion), which it owes to both financial and operational creditors.

The Gujarat-based business was admitted into the process of bankruptcy by the National Company Law Tribunal in Ahmedabad on April 6, 2021. The National Company Law Tribunal ruling followed a plea by Invesco Asset Management stating that Sintex Industries has defaulted on a Rs 15 crore payment of principal and interest of non-convertible bonds in September, 2019.

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