# SC Refuses to Stay Adani's ₹14,500-cr JAL Takeover

## No reason to interfere with NCLAT order allowing resolution plan, says CJI-led bench

Indu Bhan

**New Delhi:** The Supreme Court on Monday refused to stay the implementation of the Adani Group's ₹14500-crore debt resolution plan for now insolvent Jaiprakash Associates (JAL).

A bench led by Chief Justice Surya Kant said that it did not see any reason to interfere with the National Company Law Appellate Tribunal's (NCLAT) interim order that allowed the implementation of the resolution plan, a decision challenged by Anil Agarwal-owned Vedanta.

Noting that the Vedanta appeal is now listed for final hearing on April 10, the apex court asked the appellate tribunal to hear Vedanta's appeal against Adani Enterprise (AEL)'s resolution plan on an out-of-turn basis on the date fixed or immediately on next working day if arguments did not conclude.

If the monitoring committee of JAL or those implementing the plan decide to take any major policy decision, they will have to take prior permission of the NCLAT, the apex court said.

The NCLAT had on March 24 said that no case was made out for staying the implementation of AEL's resolution plan. The appellate tribunal had also refused to stay the delisting of JAL from exchanges, a plea sought by the Agarwal-owned resources conglomerate.

Challenging the rejection of its revised bid, Vedanta told the apex court that the insolvency process lacked transparency and failed to maximise value for creditors. It alleged that the process followed by JAL's committee of creditors (CoC) in approving AEL's plan was "unfair, opaque, and inequitable."

Senior counsel Kapil Sibal, appearing for Vedanta, argued that the implementation of the plan would lead to irreversible consequences, including disbursement of funds to thousands of creditors and changes to the corporate structure, rendering its appeal infructuous.

While Vedanta claimed to be the highest bidder for JAL all through, it alleged that the lenders had rejected its plan by taking recourse to and incorrect criteria for evaluation of resolution plans, and the same required consideration as the insolvency process ran contrary to the objective of the Insolvency and Bankruptcy Code.

Solicitor General Tushar Mehta, appearing for the CoC, told the apex court that the difference between the competing bids was limited and that the resolution process was conducted in accordance with the prescribed framework under the Insolvency and Bankruptcy Code.

He also submitted that implementation would take time and that the NCLAT had already protected parties by making the process subject to the outcome of the appeal.

AEL through senior counsel Mukul Rohtagi argued that there was no substantial challenge to its resolution plan by Vedanta, and it had been rightly approved by the CoC and the Allahabad bench of the National Company Law Tribunal (NCLT).

The lenders had last year approved the resolution plan put forth by AEL and rejected bids of various companies, including Dalmia Bharat and Jindal Power. The CoC had approved AEL's plan with a 93.81% voting share and the Allahabad bench of NCLT had approved its resolution plan on March 17.

While AEL offered to pay ₹14,535 crore, Vedanta submitted an initial bid of ₹17,000 crore, of which the upfront cash component was about ₹4,000 crore and the rest payable over six years. Vedanta later in November revised its bid, offering a total of ₹16,726 crore of which ₹6,563 crore was to be paid upfront while rest payable in five years.

In 2024, NCLT had admitted ICICI Bank's insolvency petition against JAL for a debt of ₹1,269 crore. The order was upheld by the NCLAT the same year, around ₹1,296 crore

JAL has a significant land bank of nearly 4,000 acre across Noida, Greater Noida, and the Yamuna Expressway, including premier projects like Jaypee International Sports City near the upcoming Noida International Airport. JAL also owns hotels and cement plants with a capacity of around 6.5 million tonnes.

# Telcos to See Muted Q4 Over Rising Costs

Himanshi Lohchab

**Mumbai:** India's telecom operators are expected to report a largely muted March-quarter performance, with steady underlying growth offset by fewer operating days and rising cost pressures related to energy headwinds, according to brokerage analysts. Near-term earnings are being weighed down by seasonality, cost pressures and lack of tariff hikes during the quarter.

Analysts across brokerages said the fourth quarter of FY26 is likely to be "immaterial" in terms of headline growth, with investor focus shifting to upcoming tariff hikes and the next phase of capital expenditure. The bigger trigger will be management commentary on the next tariff hike, with expectations ranging from a 10-20% increase over the next 3-9 months.

IIFL Securities expects a flattish sequential quarter, as two fewer days will offset gains from 2G-to-4G/5G upgrades, prepaid-to-postpaid migrations and rising data consumption. The brokerage has also trimmed earnings estimates citing pressure on consumer spending and higher energy costs.

Similarly, Morgan Stanley said the quarter is unlikely to move the needle, with attention firmly on tariff hike timelines and FY27 capex outlook. For Bharti Airtel, it expects average revenue per user (ARPU) to remain flat at around ₹259, with subscriber additions of about 3 million. IPO-bound Jio is also expected to rep2ort sustained growth momentum on the back of increasing AirFiber and 5G connections.

Brokerage ICICI Securities also expects steady earnings supported by premiumisation and subscriber additions, though sequential growth will appear muted.

It highlighted that Vodafone Idea's losses could narrow due to lower finance costs following relief on AGR dues, even as earnings before interest, tax, depreciation and amortisation growth remains constrained by higher network expenses. Axis Capital echoed similar trends. It expects a 10-12% tariff hike over the next 3-6 months, which could act as a key trigger for the sector.

Indus Towers is also expected to post stable earnings, supported by healthy tenancy additions from both Airtel's rural expansion and Vodafone Idea's rollout.

Bank of America Securities expects Airtel to deliver a stable performance, with mobile revenues rising about 1.8% sequentially and home broadband revenues growing 8% quarter-on-quarter, driven by FWA expansion.

# Vedanta Resources Gets 'BB-' Upgrade from Fitch

**Mumbai:** Fitch Ratings has upgraded Vedanta Resources (VRL) to 'BB-' from 'B+', while maintaining a stable outlook. The upgrade takes the rating on the company's bonds to the highest level in a decade.

The ratings agency upgraded VRL's long-term foreign-currency issuer default rating and its senior unsecured rating, citing expectations of higher commodity prices and volumes, along with lower costs.

These are likely to boost earnings before interest, tax, depreciation and amortisation and support deleveraging.

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Vedanta Resources, based in the UK, is the holding company of India-listed Vedanta.

"The rating incorporates Vedanta Resources' large, diversified, market-leading and low-cost positions in some of its key segments, balanced by a moderate financial profile and a one-notch impact from governance and group structure risks," Fitch said in its commentary.

Fitch expects VRL's EBITDA to rise to $6.5-$7 billion between 2025-26 and 2028-29 on a fully consolidated basis, 12-15% higher than its earlier estimates.

Higher aluminium, zinc and silver prices, along with strong demand for key commodities and value-added products, will support earnings, it said.

The company's limited exposure to the Middle East for revenue and sourcing of raw materials will help contain supply chain risks. The region accounts for about 6% of its revenue.

"We believe second-order inflation in energy, materials, logistics and other costs will be mitigated by Vedanta Resources's improving cost structure, higher commodity and product prices, and rising aluminium premiums," it said. —Our Bureau