

# Jet Airways lenders to go to bankruptcy court

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Lenders to crippled Jet Airways said Monday they would start bankruptcy court proceedings after failing to find someone to take over the Indian carrier.

Once India's biggest private airline, Jet stopped operating in April after it

ran out of cash and its planes were grounded. Doubts have mounted since over whether the [carrier](#) will fly again.

The airline's creditors, who are owed more than \$1 billion, said after a meeting in Mumbai that only one "conditional" offer has been received for Jet Airways.

That is believed to have come from Abu Dhabi-based Etihad Airways, which already had a 24 percent stake in Jet.

The creditors, led by State Bank of India, said the meeting decided to turn to India's insolvency and bankruptcy code (IBC).

"After due deliberations, lenders have decided to seek resolution under (the) IBC since only a conditional bid was received," the lenders said in a statement.

They added the bidder had sought "exemptions" on pricing from the Security and Exchange Board of India, the market regulator, which was only possible under the insolvency code.

Indian media quoted sources as saying the creditors could still try to arrange a sale under the code.

Jet Airways shares fell by another 17 percent on the Bombay Stock Exchange on Monday as the lenders' meeting was on. The shares are now worth less than \$1.

The airline once employed more than 16,000 people but many pilots and flight staff have already gone to other carriers, which have built up their operations since Jet was grounded.

On top of its debts to creditors, Jet Airways has accumulated losses and

salary arrears worth another \$1 billion.

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