

Bankruptcy Not an Option for Mechel

By [The Moscow Times](#)

June 26, 2014

The  **Moscow Times**

The government has no plans to declare debt-laden metals and mining group Mechel bankrupt in order to dig the company out of its predicament, Industry and Trade Minister Denis Manturov said Thursday, PRIME reported.

Manturov said that supporting the company, whose debts amount to \$8.3 billion, with a bond issue for its creditors is a more realistic option.

The support plan will be finalized and presented to Prime Minister Dmitry Medvedev for consideration next week.

Kommersant last week cited unidentified sources as saying that state-run banks Gazprombank, VTB and Sberbank will loan the company 215 billion ruble (\$6.3 billion) to help pay off a large chunk of its debt, but on Thursday VTB said it would not give Mechel any more money.

See also:

[Mechel Shares Take Rollercoaster Ride on Talk of \\$5 Billion State-Sponsored Debt Aid](https://www.themoscowtimes.com/2014/06/26/bankruptcy-not-an-option-for-mechel-a36780)

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