

IL&FS to Sell Stake in TN Power Project

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Mumbai: Debt-laden IL&FS is selling its stake in power projects in Cuddalore, said two people in the know.

The assets include an operational 1,200-MW thermal power plant with an expansion potential of an additional 2,700 MW, which is housed under IL&FS Tamil Nadu Power Company (ITPCL).

It also includes a captive port used for direct import and transfer of coal to the power plant held under Porto Novo Maritime. The company is looking to sell its complete stake in the investment vehicle — ILFS Maritime Offshore Pte Limited, Singapore — that owns a coal mining company in Indonesia.

Arpwood and JM Financial are advising IL&FS to find buyers for the assets. Alvarez & Marsal was named the resolution consultant.

Company spokesperson Sharad Goel confirmed that expressions of interest are be-

ing invited for the asset as part of the resolution plan outlined by the board.

IL&FS has put on the block several assets spanning roads, ports and wind power projects. It has received over a dozen expressions of interest for its renewable energy business.

IL&FS is under pressure since it began to default on repayment in August. The company has a debt of ₹91,000 crore. The government has constituted a new board after superseding the earlier one and has approached the courts for moratorium on loan repayment. The matter will be next heard by National Company Law Appellate Tribunal (NCLAT) on February 4.

As part of the resolution, the company is looking to sell assets in financial services space as well including investment managers and securities.

The assets on the block include the Cuddalore power plant, a captive port and a coal mine holding company

IL&FS puts TN power plant on block

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Mumbai: Beleaguered infrastructure lender IL&FS has put its Tamil Nadu power assets on the block. On sale are a power plant in Tamil Nadu along with a port and a coal mine in Indonesia, together estimated at nearly ₹10,000 crore.

The infrastructure lender

has invited expression of interest from potential bidders, which will help the board in price discovery. The sale process is expected to be completed in the next financial year.

So far IL&FS has invited bids for its securities business, the road projects, renewable energy and education assets.

The power project is located in Cuddalore, nearly 175km south of Chennai. The project includes an operating 1,200MW thermal power plant, with expansion potential of additional 2,700MW housed under IL&FS Tamil Power Company Limited.

► Assist transaction, P 16

Arpwood and JM Financial to assist in transaction

► From P 1

The project has a captive port for direct import and transfer of coal to the power plant which is held under Porto Novo Maritime. The coal is imported from Indonesia from IL&FS Maritime Offshore Pte Limited, Singapore — a group company that owns the coal mines.

When contacted, IL&FS spokesperson Sharad Goel confirmed that EOI are being invited for the said asset as part of the resolution plan outlined by the board. Arpwood and JM Financial to assist in the transaction which is subject to necessary approvals. IL&FS Tamil Nadu Power Company Ltd ("ITPCL") is a SPV incorporated under the energy platform—IL&FS Energy Development Company. The SPV has plans to have 3180 MW generating capacity through thermal power plants in Kothattai, Ariyagosh-ti and Villianallur revenue villages of Chidambaram Taluk, Cuddalore District. Phase I of the project is for 1200 MW comprising of 2 units of 600 MW each. The first unit commenced operations in September 2015 while the second started in April 2016. Phase II will have three units of 660MW.