

Chinese co top bidder for IL&FS stake in E-way co

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New Delhi: Chinese insurance major PingAn has emerged as the highest bidder for IL&FS stake in Chongqing Yuhe Expressway Co (CYEL) with lenders too approving the proposal in-principle.

The sale will resolve nearly Rs 2,500 crore of overall IL&FS debt. The company's bid at an aggregate equity valuation covers 100% debt of CYEL, official sources told **TOI**. IL&FS holds a 49% stake in CYEL, a company incorporated in mainland China, through its Singapore-based subsidiary ITNL International Pte (IIPL), with the remaining held by Chongqing Expressway Group (CEG).

The stake sale in the Chinese Expressway company is part of the strategy to recover a large chunk of the funds that are locked up in the beleaguered group, adding up to over Rs 90,000 crore. Government sources said that they expect up to 60% of the IL&FS group debt to be recovered through a mix of transactions in the coming months.

While the biggest chunk of nearly Rs 13,000 crore is going to come through InvITs of road projects, another Rs 7,500 crore is going to come from the sale of other road assets, while claims of around Rs 6,000 crore have been budgeted for from Gurgaon Metro, NHAI and other agencies.

The sale in China along with stake sale in GIFT City and ONGC Tripura are expected to generate another Rs 8,000 crore. IL&FS Financial Services too may help generate around Rs 5,000 crore and wind energy and real estate businesses could fetch Rs 4,500 crore and Rs 4,000 crore, respectively.