

July 20, 2020

The Sr. General Manager
Department of Corporate Services,
BSE Limited,
1st Floor, PJ Towers, Dalal Street
Mumbai 400 001

Sub: Media Release of Infrastructure Leasing and Financial Services Limited

Dear Sir / Madam:

Enclosed herewith is the Media Release for your information.

Sincerely,

Shekhar Prabhudesai
Company Secretary

Encl: a/a



MEDIA RELEASE

July 20, 2020, Mumbai

IL&FS BOARD UPGRADES ESTIMATES OF DEBT ADDRESSED TO OVER RS 57,000 CRORE

The New Board of IL&FS Limited today shared an update on the progress of the ongoing resolution process across the Group and revised its estimates of debt being addressed to well above 50 per cent of the overall debt of over Rs 99,000 crore.

The aggregate value of debt being addressed is now estimated as over Rs 57,000 crore – with around Rs 50,500 crore likely to be addressed by March 2021.

The revised value accounts for over 57 per cent of overall debt and is significantly higher than the average realization, till date, for Financial Creditors under the IBC process.

The New Board, appointed by the Central Government, led by Mr. Uday Kotak as Non-Executive Chairman, Mr. Vineet Nayyar as Vice Chairman, Mr. C S Rajan as MD and Mr. Bijay Kumar as Deputy MD, along with other officials - highlighted the key initiatives taken, progress made till June 30, 2020, and revised timelines to complete the resolution process for the IL&FS Group, at a media briefing held earlier today.

IL&FS has, till June 30, 2020, addressed debt of Rs 17,640 crore from a combination of - completed asset sales, debt repayment to Green Entities, debt discharged in Non-Green entities and available cash balance across the Group.

The New Board also shared a quarterly plan that estimates addressing additional debt of Rs 8,800 crore by Q2FY21; Rs 18,000 crore by Q3FY21 and over Rs 6,000 crore by the end of Q4FY21 – aggregating to Rs 50,500 crore by end of FY2021

Efforts towards resolution of additional debt of Rs 6,600 crore are likely to continue beyond FY21, as the New Board expects the resolution of major holding companies to take a longer time.

The New Board of IL&FS has developed a unique “Group resolution framework” that received NCLAT approval on March 12, 2020. The framework can form a benchmark for future group insolvencies in the country.

The IL&FS New Board has been following a three-pronged strategy - Resolve, Restructure and Recover - while adopting an approach of equitable distribution and balancing interests of stakeholders across the IL&FS Group under IBC and Corporate Finance principles, to resolve over Rs 99,000 crore funded and non-funded debt of the Group.



As part of the resolution efforts, IL&FS also proposes to set up one of the country's largest InvITs with a target gross value of Rs 13,000 crore, which includes 3 SPVs where debt of Rs 5,000 crore has been restructured. The Group is in an advanced stage of concluding the sale process of 15 entities with resolution of nearly Rs 8,500 crore and plans restructuring additional debt of Rs 4,900 crore.

The New Board has till date met 42 times since October 2018 to ensure governance and vigorous oversight of the resolution process; total number of entities have been reduced from 347 to 276, which is expected to further reduce to around 60 entities by March 2021. The New Board has taken multiple steps and ensured preservation of key national road and power assets.

All this would however not have been possible without the help, guidance and support provided by the MCA at all stages in the resolution process as well as the moratorium cover extended by the NCLAT order.

For Media Queries:

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