

IL&FS Solar repays ₹845 cr. debt, move to aid resolution

IL&FS unit's customer pays it back in full instead of monthly

SPECIAL CORRESPONDENT

MUMBAI

IL&FS Solar Power Ltd. (ISPL) said the company had repaid its entire debt amounting to almost ₹845 crore across all its creditors.

ISPL had undertaken construction and financing of a 100-MW AC solar power project for Embassy Energy Private Ltd. (EEPL) for which it had raised secured and unsecured loans.

EEPL, as the owner of the project, was servicing ISPL through a monthly instalment structure under the terms of Deferred Payment



Agreement (DPA). However, EEPL in exercise of its rights under the DPA decided to fully repay the financial assistance extended by ISPL towards the project, enabling ISPL to clear its debt.

“The prepayment by EEPL has enabled ISPL to recover the amounts due to it under the DPA, which otherwise would have been payable to ISPL over the next 12 years with the last instalment falling due in February 2033,” IL&FS Group said.

“This payment by ISPL supports the overall resolution process for the IL&FS Group and will be a key intermediate step in the resolution of ISPL, an entity for which no bids were received pursuant to the publicly solicited bid process launched in November 2018,” it said.