

IL&FS: Progress Update

January 2021

Against an overall recovery target of INR 56,000+ Cr, debt addressed stands at around INR 31,900 Cr



Against total IL&FS group debt of INR 99,355 Cr as on October 8, 2018, the new board had estimated an overall targeted recovery of INR 56,300 Cr in Oct 2020

As on date, around INR 32,000 Cr of debt is addressed including the filings made with NCLT/ NCLAT for final approvals; at ~57% of the targeted recovery value and ~32% of total IL&FS group debt

- **INR 21,600+ Cr** is the debt addressed based on cash balances, debt resolved in entities monetized and amounts paid to lenders / Non-Fund Based limits released
- The incremental recovery value of entities whose resolutions have been filed with NCLT / NCLAT is around **INR 10,300 Cr** (Total gross value of filings at **INR 14,000+ Cr**)

As of October 2018, the group had 347 entities out of which 175 entities stand resolved and remaining 172 entities are under various stages of resolution

Where do we stand since the last update in Oct'20?

Debt addressed based on cash balances has increased by INR 2,510 Cr (from INR 19,100 Cr to INR 21,610 Cr) majorly owing to:

- INR 750+ Cr settlement amount received in IL&FS Solar Power (ISPL)
- INR 1,000+ Cr receivables from Discom in IL&FS Tamil Nadu Power (ITPCL)
- INR 300+ Cr recoveries in IFIN against non-IL&FS assets

Applications for total value of INR 14,000+ Cr filed with NCLT/NCLAT for final approvals, of which orders are reserved for matters worth INR 850+ Cr (Fagne Songarh & Environment)

- **INR 7,550+ Cr** – 3 Road sale applications filed with NCLT – Chenani Nashri Tunnel (INR 3,900+ Cr), Jorabat Shillong (INR 1,100+ Cr), Yuhe (INR 2,550+ Cr)
- **INR 4,900 Cr** – Application for Debt restructuring of IL&FS Tamil Nadu Power filed with NCLAT
- **INR 1,370+ Cr** – Application filed with NCLT related to claim settlement under concession termination– Fagne Songarh (INR 700+ Cr), Kiratpur Ner Chowk (INR 670+ Cr)
- **INR 200+ Cr** – Sale of environment entities (INR 150+ Cr), 2 real estate assets (INR 20+ Cr)

CPG BPM – Sale concluded

Significant progress made in key resolutions

Infrastructure Investment Trust (InvIT) – INR 13,000+ Cr recovery value across phases

- InvIT registration certificate from SEBI received for “Roadstar” Trust
- Committee of Creditors (CoC) approval ongoing and in advanced stages

Terracis Technologies Limited (TTL) stake sale – INR 1,200+ Cr recovery value

- Bidding process completed
- H1 bid approved by Committee of Creditors (CoC)
- In process of obtaining judicial approvals

ONGC Tripura Power Company (OTPC) stake sale – INR 3,800+ Cr recovery value

- Bidding process completed

IL&FS Financial Services (IFIN) Loan Portfolio sale

- Sale process of Non-performing loan portfolio of approx. INR 4,700 Cr loans launched
- Active interest from 20+ potential bidders in the virtual data-room (VDR)

Continued challenges impacting the resolution process

Key reasons impacting the transaction closure:

- Indisposition of critical team members at stakeholders end on account of COVID-19 leading to approval and administrative delays in several transactions
- Disruption in functioning of courts on account of COVID-19, resulting in procedural delays
- Ongoing legal proceedings challenging the resolution framework, litigations by lenders and sub-contractors and other arbitrations
- Delays in receipt of annuities from certain state governments
- Impact on asset valuation and investment appetite due to the pandemic
- Attrition of key managerial and operational personnel impacting resolution progress

THANK YOU