

IFIN plans to sell 62 NPA accounts of ₹4,297 cr via Swiss challenge route

Highest bid in first round will form base offer for placing counter bids in second round

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IL&FS Financial Services (IFIN), wholly-owned subsidiary of Infrastructure Leasing and Financial Services, on Monday placed 62 non-performing asset (NPA) accounts worth ₹4,297 crore on sale.

The lender said the sale of NPAs will be done through the 'Swiss challenge' route.

Under the Swiss challenge method, the highest bid in the first round of bidding becomes the base price for bidders, including for the highest bidder, to place counter-bids in the second round of bidding.

The asset goes to the



The potential transaction will be conducted on a full upfront cash consideration

highest bidder in the second round.

"Applications are invited from eligible entities for the purchase of identified loans provided by IL&FS Financial Services to third-party borrowers (that is, entities that do not form part of IL&FS Group) that are categorised as

non-performing assets (sale asset book)," IFIN said in a public announcement.

The sale asset book comprises 62 accounts with a total outstanding principal of ₹4,297 crore. The eligible applicants will have to submit a binding bid for purchasing the entire sale asset book comprising all 62 accounts, it said.

Binding bid

IFIN also said it has received a binding offer (initial bid) from an initial bidder for the asset book. "IFIN proposes to undertake a 'Swiss challenge' process, using the initial bid as the base offer," the advertisement stated.

The potential transaction will be conducted on a full upfront cash consideration (100 per cent cash consideration) basis, it said. The binding bid should be submitted by 5 pm on October 19, 2021, it said.