

IL&FS gets NCLT's nod to sell road projects via InvIT

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Mumbai: The National Company Law Tribunal (NCLT) has allowed IL&FS to sell road projects of IL&FS Transportation Networks through an infrastructure investment trust (InvIT). With this clearance, the company will now be able to issue units of InvIT to key lenders including SBI, Punjab National Bank, Canara Bank, Bank of India and Indian Overseas Bank.

The InvIT had already re-

ceived final registration from Sebi and all other requirements to form the InvIT are in place. The sale of road assets through the InvIT route will address the group's debt to Rs 9,214 crore. An IL&FS spokesperson confirmed the deve-

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lopment. "The valuation presents a significantly improved recovery for the creditors of these SPVs as well as group companies who have provided debt to these SPVs," the spokesperson said.

Banks have already writ-

ten off most of their debt to the IL&FS group as it was classified as a non-performing asset. By floating the InvIT they will receive units that will be backed by cash flows from the road projects. This will add to the bottom-line of the lending banks.

The InvIT comprises six road projects — Barwa Adda Expressway, Baleshwar Kharagpur Expressway, Sikar Bikaner Highway, East Hyderabad Expressway, Moradabad Bareilly Expressway and Jharkhand Road Projects Implementation Company.