

Nod for IL&FS J&K tunnel co's recast

Mayur.Shetty@timesgroup.com

Mumbai: Lenders to the Chenani-Nashri Tunnelway (CNTL) — a subsidiary of IL&FS Transportation Networks — have approved a restructuring proposal with an enhanced recovery payout for all categories of lenders. CNTL maintains and operates the longest tunnel in J&K and receives an annuity of Rs 635 crore annually.

The restructuring proposal values the company at Rs 5,257 crore and will address Rs 4,910 crore of IL&FS Group debt. It will result in secured and unsecured lenders getting over 99% and 90% of the principal amount respectively, on implementation. The recovery for lenders through the restructuring route would be higher as compared to an earlier divestment proposal, which had fallen through. Cube Highways had emerged as the highest bidder in the divestment process.