



Infrastructure Leasing & Financial Services Limited

March 29, 2022

The Sr. General Manager
Department of Corporate Services,
BSE Limited,
1st Floor, PJ Towers, Dalal Street
Mumbai 400 001

Sub: Media Release of Infrastructure Leasing and Financial Services Limited

Dear Sir / Madam:

Enclosed herewith is the Media Release for your information.

Sincerely,

Shekhar Prabhudesai
Company Secretary

Encl: a/a



MEDIA RELEASE

March 29, 2022, Mumbai

IL&FS ADDRESSES RS 55,000 CRORE DEBT, AGGREGATE RESOLUTION ESTIMATE STANDS AT RS 61,000 CRORE

RS 21,000 CRORE OF DEBT DISCHARGED BY WAY OF MONETISATION OF ASSETS AND DEBT REPAYMENT – LARGELY TO PUBLIC SECTOR LENDERS

GROUP HAS NEARLY RS 20,000 CRORE OF CASH AND INVIT UNIT BALANCE - THIS INCLUDES RS 16,000 CRORE TO BE DISTRIBUTED TO CREDITORS BY WAY OF INTERIM DISTRIBUTION POST JUDICIAL APPROVAL

RESOLUTION OF RS 14,000 CRORE FILED WITH COURTS - OF WHICH RS 7,500 CRORE HAS BEEN APPROVED AND TRANSACTION CLOSURE IS UNDERWAY

MR UDAY KOTAK'S TERM AS CHAIRMAN, IL&FS, ENDS ON APRIL 2, 2022

MR CS RAJAN, MANAGING DIRECTOR, IL&FS HAS BEEN APPOINTED CHAIRMAN AND MANAGING DIRECTOR OF IL&FS FOR A PERIOD OF SIX MONTHS WEF APRIL 3, 2022 BY THE MINISTRY OF CORPORATE AFFAIRS, GOVERNMENT OF INDIA

As part of periodic update on the ongoing IL&FS resolution, the New Board and Management of IL&FS shared that it has addressed debt of Rs 55,000 crore till date, up from Rs 52,200 crore as of November 2021.

The Group retained its overall resolution estimate at Rs 61,000 crore, representing 62 per cent of overall - fund based and non-fund based - debt of over Rs 99,000 crore as of October 2018.

The debt addressed till date (Rs 55,000 crore) represents over 90 per cent of the overall estimated resolution value. Resolution of remaining Rs 6,000 crore debt will move into FY23.

This overall resolution estimate of 62 per cent is double the average recovery of 31 per cent under IBC¹. This has been largely possible due to the continued commitment of the New Board and the Management to preserve value in assets of national importance and maintaining going concern status.

Of the 347 entities under IL&FS Group as of October 2018, a total of 246 entities stand resolved leaving 101 entities to be resolved in the next financial year.

An application has been filed with Hon'ble NCLAT for undertaking interim distribution of Rs 16,000 crore of cash and InvIT units available across the Group. Over 75 per cent of this would be distributed to creditors of three large holding companies - IL&FS, IFIN and ITNL - which have a large base of public fund creditors. This has been made possible on account of IL&FS' resolution framework and the underlying distribution formula.

¹ As per IBBI Newsletter dated Dec'21



The incremental resolution of over Rs 2,700 crore since November 2021 comprises of Rs 1,080 crore from sale of IL&FS Headquarters (TIFC) in BKC Mumbai, Rs 900 crore under Khed Sinnar claim settlement with NHAI, Rs 230 crore from settlement of IFIN's non-performing loan accounts and Rs 520 crore from other recoveries. In addition, the Group continues to service debt of Rs 1,000 crore across companies.

ITNL completed transfer of two road assets (Sikar Bikaner Highway Limited and Moradabad Bareilly Expressway Limited) to Roadstar Infra Investment Trust at a cumulative enterprise valuation of Rs 4,200 crore. Transfer of remaining SPVs to the InvIT is being undertaken in multiple phases.

The New Board continues to encounter several challenges in completing the resolution, which in turn, have impacted timelines. Some of these are existence of complex share-holding arrangements and web of infra group borrowings, non-payment of dues by state utility to ITPCL, delay in receipt of annuities from some State Governments, securing various consent from other stakeholders including lenders, shareholders and joint venture partners, coercive creditor actions, and ongoing legal proceedings by different lender groups, sub-contractors and authorities.

The Group continues to implement its three-pronged strategy of Resolution, Restructuring and Recovery to maximise recoveries for all classes of creditors, while adopting an equitable distribution approach and balancing the interests of stakeholders. This has been possible due to the continued support of Govt. of India, particularly the Ministry of Corporate Affairs, NHAI, RBI, SEBI and other bodies.

For Media Queries

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