

Three IL&FS entities, with ₹5,000 cr debt, ink pact with secured lenders

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AS PART of its ongoing resolution process, the debt-ridden Infrastructure Leasing & Financial Services (IL&FS) signed binding term-sheets with secured lenders of three entities — Moradabad Bareilly Expressway, Jharkhand Road Projects and West Gujarat Expressway.

These three entities have a cumulative debt of around Rs 5,000 crore towards Bank of Baroda and L&T Infrastructure Finance Company, among others.

Last week, senior advocate Ramji Srinivas, appearing on behalf of IL&FS, informed the National Company Law Appellate Tribunal (NCLAT) that repayment to lenders will commence shortly.

It was earlier reported that the

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IL&FS SPOKESPERSON

IL&FS board was in talks with lenders to restructure the debt of five entities, including the ones mentioned above.

The revised agreement includes certain concessions given by debtors, including release of cash flow from existing accounts to service financial and operational creditors, reduction in debt service coverage ratio require-

ment, revision in the interest rate charged to these companies and allowing the use of surplus cash.

The proposal also gives preference to secured lenders over unsecured ones in the event of a shortfall. “These three entities have now been moved from Amber to Green, as per the NCLAT order July 12,” the company spokesperson said. “This will help the board in its stated objective of asset monetisation.”

Major secured lenders in Moradabad Bareilly Expressway include — India Infra Debt, L&T Infrastructure Finance Company, L&T Finance, L&T Infra Debt Fund, Bank of Baroda and Bank of India — with debt to the tune of Rs 1,567 crore. Jharkhand Road Project has an aggregate debt of around Rs 1,545 crore while West Gujarat Expressway has a total debt of about Rs 129 crore. **FE**