

S'pore, Italy Cos Bid Highest for IL&FS' Two Road Assets

Board looks to address half of ₹97k crore debt via asset monetisation

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Mumbai: Singapore-based infrastructure investment platform Cube Highways and Italy's Autostrade have emerged top bidders for two road projects put on the block by cash-strapped IL&FS and having a combined debt of over ₹5,000 crore, a person aware of the development said. The board of Infrastructure Leasing & Financial Services (IL&FS) has put 14 operating road assets on the block. Five road assets that are up for sale have combined debt of ₹9,000 crore, while the remaining nine assets, which are to be sold via infrastructure investment trusts (InvITs), have a total debt of ₹11,000 crore.

"Lenders have been informed that Cube Highways has emerged as the highest bidder for Chennai-Nashri Tunnelway while Italy's Autostrade is the bidder for Pune Sholapur Road Development," said the person cited earlier. "With the sale of these two road projects, debt of around ₹5,000 crore will be cleared for banks."

Email queries sent to Cube Highways and Autostrade re-

A Step Further

Co has started discussion with lenders to float InvITs for assets that has received low or no bids

Management is looking to monetise road assets after having sold renewable energy asset

Expects recovery of ₹3k cr to ₹3.5k cr via sale of real estate assets including the IL&FS headquarters



mained unanswered till as of press time. IL&FS declined to comment on the matter.

The IL&FS board is looking to address half of the company's ₹97,000-crore debt through asset monetisation, restructuring and by floating InvITs for assets that have low or no bids. Chen-

nai Nashri Tunnelway has debt of ₹4,800 crore while Pune-Sholapur project has debt of ₹1,925 crore. "Road projects, which did not receive good interest will be sold through InvITs," said the source.

Other road projects of IL&FS include Moradabad-Bareilly Expressway with debt of ₹2,486 crore, Road Infrastructure Development Co of Rajasthan with debt of ₹2,172 crore, Baleswar-Kharagppur Expressway with debt of ₹614 crore, and Sikar-Bikaner Highway with debt of ₹561 crore. Edelweiss had bid for three road assets through the Infrastructure Fund. These are Jorabat-Shillong Expressway, which has debt of 1,406 crore, Jharkhand Infrastructure Implementation Co, which has debt of ₹430 crore, and Hazaribagh-Ranchi Expressway which has debt of ₹954 crore.

IL&FS has started discussion with lenders to float InvITs for assets that have received low or no bids. The management is looking to monetise road assets after having sold renewable energy assets. It sold seven wind energy assets to existing partner Orix of Japan for an equity value of ₹593 crore.