

# IL&FS Moves HC over ₹775 cr Annuity Dues from Jharkhand Govt

**Shilpy.Sinha**  
 @timesgroup.com

**Mumbai:** Infrastructure Leasing and Financial Services (IL&FS) has filed a writ petition with Ranchi High Court seeking ₹775 crore in pending annuities and interest from the Jharkhand government.

IL&FS had entered into an agreement with the state government for the Jharkhand Accelerated Road Development Project, a joint venture which was to develop five roads.

Despite the agreement, the state government has not released the annuity of ₹775 crore, including interest, which is a semi-annual payment due to IL&FS, the company alleged in its petition. **ET** has seen a copy of the petition.

The parties had signed concession agreements between 2009 and 2011 for constructing and maintaining road projects across Jharkhand and to develop 1,500 km of road in the state through a public-private partnership on a build-operate-transfer (BOT) basis.

The first concession agreement, signed in 2009, covered the construction of the Ranchi Ring Road on a BOT annuity basis. Subsequent agreements in 2009 included the Ranchi Patratu Dam Road (build-operate-transfer annuity) and the Patratu Dam-Ramgarh Road.

In 2011, agreements were signed for the Chaibasa-



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## LONG ROAD

The parties signed concession pacts between 2009 and 2011 for constructing and maintaining road projects across Jharkhand

Kandra Chowk Road and the Adityapur-Kandra Road, both on a BOT annuity basis.

The development period, from the signing of the agreements, involved securing financing, engaging subcontractors and preparing for construction. The operational period, starting after the completion of the construction, was set for 15 years, during which IL&FS was responsible for operating and maintaining the roads. The construction was primarily financed through debt funding from creditors and equity from promoters.