

## IL&FS looks to sell stake in insolvent cos' with a 'haircut'

**New Delhi:** IL&FS group has approached the NCLAT to seek permission to sell its stake with a "haircut" and without shareholders' approval in its companies, which are insolvent with unsustainable debt and placed under Category II list of resolution framework.

Govt sought time to file a reply from NCLAT in the last hearing earlier over IL&FS' interim application to sell a stake in group entities falling under Category II, whose highest bid amount was lesser than their debt.

In this process, "lenders, as well as shareholders, would anyway have to take a haircut for their respective debt/ and equities," IL&FS said, adding that it would also ensure the revival of such entity, balancing the interests of stakeholders. The resolution of such companies is in line with the process followed under the Insolvency & Bankruptcy Code, where the requirement of seeking consent from shareholders is dispensed with, IL&FS has submitted. AGENCIES