

July 20, 2020

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

Sub: Press Presentation of Infrastructure Leasing and Financial Services Limited

Dear Sir / Madam:

Enclosed herewith is the Press Presentation for your information.

Sincerely,

Shekhar Prabhudesai
Company Secretary

Encl: a/a

IL&FS: Media Briefing

20 Jul 2020

Where it started and what did we do ?

- The New Board had to navigate through complex issues post taking charge on Oct 4, 2018:
 - **347** entities - **172** domestic, **175** foreign
 - **99,000+ Cr debt** (funded and non funded) with high leverage
 - Multiple business verticals, 4 layered structure, numerous jurisdictions
 - **Significant intra-group exposure** with risks not commensurate with revenue streams
- **42 board meetings held** since Oct 2018 - governance and vigorous oversight of resolution process
- Developed **unique “Group resolution framework”** - **approved by NCLAT on Mar 12, 2020**
 - Balanced interests of varied stakeholders, adopting IBC & corporate finance principles
 - 3 pronged strategy - **Resolution, Recovery, Restructuring**
 - Oversight by **retired Supreme Court Judge**
- Implemented **stringent liquidity management** measures
- Supporting numerous **ongoing investigations, forensic audits, recasting of accounts etc.**
- **Creditor engagement** – **30+** meeting of relevant creditors committee meetings till date
- **Reduced** administrative and overhead expenses by **~48%** from FY18 levels

Multiple resolution modes for INR 99,000+ Cr debt

Resolution Mode	Domestic entities	External debt (INR Cr) ⁽¹⁾	Offshore entities	External debt (INR Cr) ⁽¹⁾
Resolved / Sold / Insolvency / Liquidation ⁽²⁾	23	4,821	48	1,048 ⁽²⁾
Entity monetization/stake sale	47	13,531	10	2,866
InvIT (Road assets)	13	9,042	---	---
Real estate monetization	8	473	---	---
Debt restructuring	3	9,382	5	---
Termination of projects ⁽³⁾	11	6,035	2	96
Identified for winding up	61	278	9	310
Insolvency filed; pending admission (Elsamex Spain)	-	-	100	-
Key holding companies	6	50,824	1	649
Total (Domestic)	172	94,385	175	4,970

Notes:

- (1) Includes both fund-based and non fund-based debt; External debt as on Oct 8, 2018 and Internal debt as on Sep 30, 2018
- (2) Entities admitted under insolvency process in different jurisdictions under control of liquidators/ resolution professionals from date of appointment
- (3) INR 400 Cr received in 2 roads; NHAI settlement of INR 2,000+ Cr in-principle approved in 3 roads

INR 17,640 Cr debt addressed till Jun-20

All figures in INR Crores

	Particulars	Fund based	Non Fund based	Total
(A)	Total External Debt O/s (Oct 8, 2018)	94,216	5,139	99,355
(B)	Debt Addressed	7,454	1,556	9,010
	Entities sold	4,821	-	4,821
	Principal paid in "Green" entities	1,028	-	1,028
	Debt discharged in "Non-Green" (1)	1,605	-	1,605
	NFB limits released	-	1,556	1,556
(C)	Available Cash Balance (Jun 30, 2020)	8,630	-	8,630
(B) + (C)	Debt addressed based on cash balance (Jun 30, 2020)	16,084	1,556	17,640
	<i>% addressed</i>			18%

Notes:

- (1) All debt discharged in non-green entities (on account of banks debiting accounts) considered as principal paid
- (2) The number of entities have been reduced from 347 to 276 as on 30 June 2020

~INR 50,500 Cr debt addressal expected by Mar-21

All figures in INR Crores

Resolution Mode	By Sep-20	By Dec-20	By Mar-21	Beyond Mar-21	Total
Entity Sale	2,900	9,100	650	850	13,500
InvIT	-	7,200	4,000	-	11,200
Claim from concession authorities / pre-payment etc	1,600	1,500	-	2,500	5,600
Real Estate Sale	-	-	900	1,200	2,100
Restructuring of Debt	4,300	-	-	650	4,950
Recovery of loans and investments to non ILFS cos	-	200	600	1,450	2,250
Total	8,800	18,000	6,150	6,650	39,600
Cumulative	26,440	44,440	50,590	57,240	57,240

# Entities resolved	33	155	26	62	276
Cumulative resolved	104	259	285	347	347
Entities pending	243	88	62	-	-

Notes:

- (1) Resolved entities include entities admitted under insolvency in different jurisdictions
- (2) Indicated timeline is contingent on the procedural time under applicable laws

Where do we stand ?

- **INR 50,500 Cr (~ 50%)** debt expected to be addressed by **Mar-21**; overall debt addressal estimated between INR 55,000 – 60,000 Cr
 - **~INR 17,640** of debt addressed as of Jun 30, 2020 - including cash balance of INR 8,630 Cr
 - Sale concluded for **11** entities with debt of **INR 4,800+ Cr**; additional Equity consideration of **INR 625 Cr** received
 - Recovered **~INR 1,360 Cr** from loans and investments to non-IL&FS Group entities
 - **~INR 2,600 Cr** of principal repaid
 - Sale of **15** entities in advanced stages with resolution of **~INR 8,500+ Cr** ^[1]; **12** approved by CoCs
 - One of the largest **InvITs** with target gross value of **~INR 13,000 Cr** ^[1] being set-up. Includes 3 SPVS where debt of **INR 5000+ Cr** has been **restructured**
 - Debt restructuring in progress for **INR 4,900+ Cr**
 - Termination & claims settlements: **INR 400 Cr** received, **INR 2,000+ Cr** in-principle approved by NHAI
- Expected recovery of IL&FS Group debt significantly **higher than average recovery under IBC** ^[2]
- Number of entities reduced from 347 to 276; expected to reduce to **~60** by **Mar-21**
- **Ensured preservation of key national assets** like roads, power plant etc.

¹ Includes cash balance in these entities

² Insolvency and Bankruptcy Board of India (IBBI) newsletter

THANK YOU