

# Creditors Agree to Recast ITNL Arm's ₹1,269 cr Debt

Move will classify the account of Barwa Adda Expressway as standard, enabling recovery of their outstandings

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**Mumbai:** Creditors to IL&FS Transportation Networks Ltd's (ITNL) subsidiary, Barwa Adda Expressway (BAEL), have agreed to restructure the ₹1,269 crore debt of the toll company, allowing them to classify the account as standard to recover their dues.

The restructuring documents are being finalised and creditors expect to complete the process and book the recovery in the current quarter, people familiar with the plans said.

An IL&FS spokesperson confirmed that lenders have approved the restructuring of its ₹1,269 crore aggregate debt.

BAEL was granted a 20-year concession by the National Highways Authority of India in 2013 to widen the Barwa-Adda-Panagarh section of NH-2 to 521 km from 398 km to six lanes including Panagarh Bypass in the states of Jharkhand and West Bengal on a design, build, fund, operate, and transfer basis.

The toll road is currently operational with three tolling booths on the stretch, allowing lenders to collect money in an escrow account which will be used to service the sustainable debt.

"The company has already paid ₹193 crore, from the total outstanding sustainable debt of ₹900 crore to them from toll collected in the escrow account till date. The rest-



## GOING CONCERN

**The toll road built by the company is operational and tolls are collected in an escrow account which will pay the debt**

structuring envisages repayment of the debt in quarterly instalments by fiscal year 2032," an IL&FS spokesperson said.

The company's creditors IFCI, Bank of Baroda, UCO Bank and Acre ARC have classified ₹369 crore as unsustainable debt to be paid by

the fiscal ended 2032.

"The unsustainable debt will be backed by NCDs with a repayment schedule of up to March 2032 at an overall IRR of 8% and well within the June 2032 period of the concession agreement. NCDs are being issued because there is enough money left in the escrow account to not only bear the immediate interest costs but also do the required maintenance for the next few months," said a person familiar with the structure.

BAEL was transferred to Roadstar Infra Investment Trust. Its restructuring is a part of the resolution framework for IL&FS which went bust in 2018 with total debt of close to ₹1 lakh crore.