



INFRASTRUCTURE LEASING & FINANCIAL SERVICES LIMITED

December 31, 2019

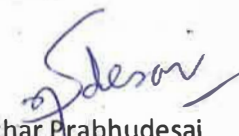
The Sr. General Manager
Department of Corporate Services,
BSE Limited,
1st Floor, PJ Towers, Dalal Street
Mumbai 400 001

Sub : Media Release of Infrastructure Leasing and Financial Services Limited

Dear Sir / Madam :

Enclosed herewith is the Media Release for your information

Sincerely,


Shekhar Prabhudesai
Company Secretary



MEDIA RELEASE

December 31, 2019, Mumbai

IL&FS BOARD PRESENTS FINANCIAL STATEMENTS, OUTLINES PROGRESS IN RESOLUTION EFFORTS, TO SHAREHOLDERS AT 32ND AGM

First AGM convened by the New Board

The Board of Directors of IL&FS Ltd. presented the standalone financial statements of the Company for the fiscal ended March 31, 2019 to the shareholders at the Company's 32nd Annual General Meeting held here today.

This is the first AGM that was convened by the New Board. Shareholders adopted the financial results, along with the Directors Report and Auditor's report.

"The combination of complex group structure comprising financial services, infrastructure and other businesses, high level of debt and diverse nature and type of creditors at various levels of the Group represent a very unique scenario which is far removed from other well-known cases of distressed Indian companies in the recent past," said Mr. Uday Kotak, Chairman, IL&FS Ltd., while presenting the key highlights and challenges as well as progress made through the Resolution process.

The Chairman, on behalf of the New Board, in his maiden address to the shareholders, said that IL&FS Group had emerged as a "**Test Case**" on Group wide resolution of stressed assets.

Mr. Kotak added that the absence of requisite legal framework for group resolution under IBC required the New Board to propose the first-of-its-kind resolution framework that balanced interest of stakeholders across classes and levels, while keeping broad principles of corporate finance in mind.

"**Resolution, Restructuring and Recovery**" formed the 3 vital pillars of the strategy adopted by the New Board, he added, and the New Board is committed to completing the resolution process at the earliest and is working towards addressing **significant portion of addressable debt by July 2020**.



The New Board expects that measures undertaken would result in **overall recovery in the region of 50%** (of the outstanding debt as of Sep 30, 2018) but different across levels as well as entities, said Mr. Kotak.

Further, he shared a number of steps taken in the areas of strengthening governance, increasing group-wide cash levels, improving liquidity through cost optimisation and recoveries and progress achieved in the resolution journey for IL&FS Group.

Some of the key highlights of the resolution progress, as outlined by Mr. Kotak, were as follows –

- IL&FS Group's stake in 7 wind power SPVs sold for nearly INR. 4,300 crores covering 100% of entity-level debt and including equity value of nearly INR 590 crores.
- Binding bid received for Chinese Road Asset that will resolve nearly Rs 1,600 crore debt and additional INR 980 crores towards equity value for the shareholding entity.
- Binding bids received for 10 road assets. 5 assets with combined financial debt of INR 9,500 crores referred to respective creditor committees for next steps.
- Infrastructure Investment Trust (InvIT) being set-up for 9 road assets with total financial debt of more than INR 11,000 crores.
- Approval received from Government of Gujarat to purchase IL&FS Group's stake in GIFTCL resolving debt of approximately INR 1,200 crores.
- Group-wide real estate assets with estimated value of around INR 3,500 crores being sold.
- Sale of other assets in Energy, Transportation, Waste Management, Technology, Water, Urban Infrastructure verticals currently underway.
- Cash reserve of INR 6,500 crores as on Nov 30, 2019 - with nearly 87% of these funds parked in instruments like fixed deposits, money market mutual funds.
- Reduction in wage bill by 48% and operating expenses by 42%, on an annualised basis, between Oct 31, 2018 and Oct 31, 2019.
- Debt restructuring completed for 3 assets with total debt of INR 5,100 crores. These assets have now started servicing all debt obligations. Discussions ongoing for restructuring of further INR 10,000 crores of financial debt.
- Over 40 "Green" companies are regularly servicing nearly INR 7,200 crores of debt.
- Extensive discussions ongoing with concession authorities to expedite release of claims in excess of INR 5,000 crores filed by Group's transportation vertical.



The New Board believes that the resolution framework, to be approved by Hon'ble NCLAT, would contemplate a fair and equitable regime for the resolution of the IL&FS Group, as it recognises and respects corporate form while also seeking to optimise realisation for creditors at respective levels.

“The New Board will continue to work closely with the Government and various investigating agencies to address past issues. The New Board would like to acknowledge the support extended by various stakeholders such as the Central and State Governments, Ministry of Corporate Affairs, Ministry of Finance, Ministry of Commerce, Reserve Bank of India, Securities and Exchange Board of India, Banks, Financial Institutions, Customers, Employees and Advisors and look forward to receiving their continued support and encouragement” said Mr. Kotak.

For Media Queries:

Sharad Goel
Chief Communications Officer
IL&FS Group
+91-9324984296
Sharad.goel@ilfsindia.com