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Multilateral Development Banks Behind IL&FS: A Case of Bloodied Hands

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Highlights of ILFS Disaster

ILFS crisis, rather "the scam", has toppled the entire economy of India. Scathing news and revealing reports have been coming day by day from last September, and the so called 'Lehman moment of India' will take considerable time and humungous efforts by the present Board, helmed by Uday Kotak and Vineet Nayyar along with other bankers and retired bureaucrats, together with the persistent efforts of National Company Law Tribunal [NCLT] and of Govt. of India to keep it from further jolting the system.

Infrastructure Leasing & Finance Services - ILFS started in 1987, initially promoted by Central Bank of India, HDFC, UTI and later included SBI, LIC, Orix Corporation Japan and Abu Dhabi Investment Authority [ADIA] as its institutional shareholders. Also, 40% of equity of IL&FS is held by LIC -India's biggest insurer, SBI - India's biggest public sector bank and Central Bank of India.[1]

IL&FS is a core investment company, a non-bank, International Finance Corporation supported institution – a financial intermediary, and the holding company of ILFS Group. Their presence is pan India - in 22 states of India. They have international offices at Singapore, Spain, London and Dubai. Their network partners include USA, Tokyo, Philippines, and Abu Dhabi.

ILFS group has been often criticised for masquerading as a government agency with an opaque corporate structure. One can imagine the leeway and leverage ILFS had with the Government of India on one hand and the corporate giants on the other hand.

Hailed as the Pioneer of Public-Private Partnerships [PPP] in India, ILFS is supposedly an early example of Private sector role and commitment towards infrastructure development in India. Their Infrastructure Projects include Roads, Water, Power, Ports, Area Development and Environmental and Social Infrastructure. And is also part of India's National Mission in developing projects as well as policies at national level.

[1] https://realreport.in/ilfs-scam-bigger-than-pnb-scam-vijay-mallya-requires-multi-agency-investigation-

IL&FS has helped develop and finance projects worth about 1.8 lakh crore over previous 30 years and its transport subsidiary is building about 14,000 lane-kms in over 30 projects in India. According to the government, it has infrastructure and financial assets exceeding Rs. 115,000 crore. IL&FS has 169 group companies as on 2017-18, including subsidiaries, joint venture companies and associate entities.[2]

As of September 2018, ILFS has an outstanding debt of Rs. 99,358 crore and its defaulting on debt payments caused the current glaring liquidity crisis of the NBFCs in India. Credit Rating Agencies ICRA and CARE have rated ILFS as "default" or "junk". The Domino Effect has started in Indian economy. Jet Airways, hit with debt crisis of Rs. 11,000 crore, has ceased functioning from last month due to fund shortage and is possibly facing a bankruptcy if resolutions are not conclusive from its shareholders soon, on Etihad Airways and Hinduja Group taking over the crisis-hit airlines.

Media reports many assets of ILFS are being planned to be sold and taken over by different entities, the recent ones being NIIF – the National Infrastructure Investment Fund [where Govt. of India has 49% share] in talk for taking over the road portfolio of ILFS and Orix Corporation of Japan, who is a shareholder of ILFS itself, taking over the entire wind assets of ILFS.[3]

Yet, the need to pen this short write-up is the trigger **that Rs. 57,000 crore debt is from public sector banks, and technically yes, mine and your money, our hard-earned money and savings in these banks are with them**. **And they, the ILFS Group, are not able to repay back to our banks**. And our banks need to write them off as bad-debt, while some of them are attempted to being recovered through NCLT proceedings. Huge non-performing assets [NPAs] means banks failing again[4], and the burden again falling on ordinary citizens like you and me, who are still experiencing the perils of demonetisation, GST, and the exorbitantly increasing bank charges among many others. Banks were providing various banking services to savings account holders without any charges, compensating them with the profit made from the lending of the loans. But in the recent past, large scale loans are not being repaid by the corporate sector and became NPAs. And to compensate the losses incurred from bad loans, banks have started charging savings account holders including all those services which had no charges earlier.[5]

One can imagine how much money you and me are paying as tax-payers money to Govt. of India, so that our Government can pay back international multilateral lending banks like World Bank, Asian Development Bank [ADB], New Development Bank [NDB], Asian Infrastructure Investment Bank [AIIB] and the others who have offered financing and technical support to ILFS over the past thirty years. This note is a crisp look into this already existing larger pitfall we citizens are in. And, to

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[2] https://myinvestmentideas.com/2018/10/ilfs-crisis-what-exactly-happened-and-who-is-the-biggest-loser-now/

[3] https://www.livemint.com/companies/news/orix-exercises-right-to-buy-il-fs-wind-portfolio-gail-loses-bid-1558258110247.html

[4] https://www.cenfa.org/national-financial-institutions/snippets-from-the-world-of-national-financial-institutions-may-2019/

[5] https://www.fanindia.net/

reiterate from a layman perspective, how profound our country's stake is, which is in fact exposed to deep economic vulnerabilities, and most importantly to establish time and again the demand for due-diligence and ethical banking from international and national lenders.

World Bank and ILFS PPP (Failed) Experiment

A first of its kind of PPP project for private infrastructure finance in India was approved by World Bank for financial support to ILFS in 1996. This was the Delhi-Noida Toll Bridge Project.

This would be the very first large scale infrastructure project to be developed on a PPP basis in the country. It was a time when the legal, policy, financing, commercial, and regulatory frameworks were untested for PPPs. IL&FS wanted to develop the project through the framework of the Steering Committee, which represented Government as well as ILFS.[6]

According to the World Bank records, the project was named India- ILFS Private Infrastructure Finance. Primarily projected for Private sector development and Rural & Urban development, the sectors categorised for the project finance were Central Government Administration, Ports/Waterways and Water Supply/Sanitation and Waste Management. The project status was closed on September 30, 2001. The project was classified in high environment risk category – Category A, and out of the total project cost of USD 1600 mn, World Bank commitment amount was USD 205 million. More project details are available at http://projects.worldbank.org/P039935/private-infrastructure-finance-ilfs-project?lang=en&tab=financial

However, the project which was closed in 2001, **faced much criticism from the Bank's own OED – ICR** Review – Operations Evaluation Department's Implementation Completion Report, 2002. [7]An important objective of the FY1996-98 CAS was to help in the expansion and efficient use of infrastructure, largely by establishing an environment conducive to efficient private participation in infrastructure (PPI). Towards these larger goals, this project's key objective was to facilitate the entry of the private sector on a much larger scale in infrastructure areas so far dominated by the public sector (transport, water, community infrastructure). Highly modelled as an experimental project, The project had three components: (i) an investment component of $1,580 million channeled through Infrastructure Leasing and Financial Services (IL&FS) Limited, a non-bank, majority-private, IFC-supported financial institution; (ii) a $1 million technical assistance component toward IL&FS' needs for staff training and specific studies to facilitate the evaluation and implementation of commercial infrastructure sub -projects; and (iii) a $5 million subproject preparation component toward meeting the needs of public authorities (including at the sub-national level) for specialized advisory consultancy services, including IT hardware and software .

In addition to a $200 million loan from IBRD to IL&FS guaranteed by the Government of India (GOI) and intended for components (i) and (ii), a $5 million IDA credit to the GOI was approved for component (iii). IL&FS was expected to contribute $44 million (including equity participation and sub

[6] https://www.ilfsindia.com/stories/pioneering-the-ppp-model-for-roads/
[7] http://documents.worldbank.org/curated/en/458101474650725305/pdf/000020051-20140607145741.pdf

-loans). The rest of the financing was expected from other Indian financial institutions ($430 million); the Indian capital market ($150 million); project sponsors ($396 million); export credit agencies ($200 million); bilateral donors ($75 million); and from state government and other public agencies ($100 million). **Against an expected total project cost of $ 1,600 million, actual project financing, as well as IBRD financing, turned out to be only 13% of appraisal**. IL&FS' actual contribution was 65% and that of export credit agencies/bilateral donors was 0% of appraisal. **$168.87 million was cancelled from the IBRD/IDA loan/credit**. Little of the $5 million allocated to subproject preparation was used, as IL&FS used its own less expensive funds.

The report states **the project fell well short of its ambitions regarding entry of the private sector in the targeted infrastructure sectors and more efficient delivery and use of infrastructure services** and that it succeeded in piloting contractual arrangements and in assisting the institutional development of IL&FS.

The major factors negatively affecting implementation were the need to develop from scratch a regulatory and legal framework for PPI in the targeted sectors; weak subproject readiness and viability assessments by the Bank and IL&FS; and convoluted IDA credit arrangements for on -lending to states.

Significant shortcoming included that only four road infra sub-projects were financed and merely used 13% of total project finance. It did not attract foreign financing, according to the OED-ICR. And At the country and state levels, the Country Assistance Strategy objectives of the World Bank for overcoming overall policy and institutional weaknesses and the capacity constraints on the government's side hampering PPI have hardly been addressed.

In short, the project was seriously over-funded and did not contribute much to the PPI. The impact was very less in creating a conducive environment for PPI state wide or country wide.

Which means the Bank itself admitted PPP model was a failure, though Government of India and ILFS disagreed stating the project benefited in terms of 'institutional development'. **The country and ILFS borrowed too much and incurred unnecessary commitment charges [Government is still paying back].**[8] It also did not conduct due diligence economic and financial analyses as to willingness to pay for tolls.

The Bank also admits that the most important lesson from this experiment was "in untested areas and in weak institutional environments, the Bank should only offer TA and small pilot investment projects to foster institutional development. If policy changes are called for, an adjustment operation may be considered. A (large) credit line is not the appropriate instrument to deal with either poor policies or institutions. Another lesson is that (ii) once a loan is approved, the Bank should try to make the best of it for either commercial or development purposes rather than contributing to its non -utilization five years later. Other lessons well elaborated in the ICR are that : (iii) while public-private partnerships in infrastructure are possible even in non-enabling

[8] http://projects.worldbank.org/P039935/private-infrastructure-finance-ilfs-project?lang=en&tab=financial

environments, enhancement of capacity and actions in improving the enabling environment in the public sector ought to be emphasized from the start; (iv) country-, state-, and project-specific frameworks for private sector participation are often more important bottlenecks than the lack of appropriate financing; (v) the Bank should leave to IFC, which is comparatively better suited for this kind of operations, the financing and capacity building of private sector entities."[9]

The 9.2-km Delhi-Noida Delhi toll way, completed in 2001, was among the first few infrastructure projects to be developed in PPP and was presented as a mascot project where private capital could be raised to provide public services.[10] But the contract was one-sided. IL&FS was to get a return of 20% on investment (not just equity). This included the cost of construction and major maintenance costs. In 2002, the lenders took a haircut and brought down the interest rate from 14.7% to an average 8.5%. Yet ILFS continued to earn 20% of return on borrowed capital. In 2016, the Allahabad High Court found the finance deal gravely problematic and cancelled the concession of Noida Toll Bridge Company, a subsidiary of IL&FS, in response to a public interest suit. It noted that the project cost of Rs. 325 crore at the time of completion in 2001 had swelled to more than Rs. 5,000 crore because of the formula IL&FS had employed. The company had collected Rs. 810 crore in tolls by 2014, yet wanted the initial concession period of 30 years to be extended to 100 years so it could recover its investment.

ILFS's Environmental and Social Governance, they claim, is adopted from World Bank's Environmental and Social Framework and became the first NBFC to do so.[11]

World Bank and the ILFS Ethiopian Crisis

Early this year, World Bank had to step in to save ILFS Indian employees in Ethiopia to resolve hostage, imprisonment, project termination and salary issues, as the joint venture was funded by World Bank. ITNL-Elsamex is a joint venture between IL&FS Transportation Networks Ltd and Elsamex S.A. This Indo-Spanish joint venture is engaged in road projects for the Ethiopian Roads Authority. Of the 44 Indians working for the joint venture, 36 were called back to India and none of them has been paid for 9 months during 2018, according to Rajesh Davuluri, an IL&FS employee in Ethiopia.[12]ILFS management cited restrictions imposed by the Reserve Bank of India for its inability to send funds, since heavy default of debt repayments had already happened.

The Nexus of Asian Infrastructure Investment Bank [AIIB], National Infrastructure Investment Fund [NIIF], Abu Dhabi Investment Authority [ADIA] and ILFS

AIIB, NIIF and ILFS: NIIF is a financial intermediary which is 50% owned by the Government of India. They have categorised their investment funds into Master Fund, Strategic Fund, and Fund of Funds. To address infrastructure financing gap in the country, particularly on the equity front it is envisaged

[9] http://documents.worldbank.org/curated/en/458101474650725305/pdf/000020051-20140607145741.pdf
[10] https://www.nationalheraldindia.com/opinion/uday-kotak-will-have-to-move-with-skill-and-speed#

[11] https://www.ilfsindia.com/about-us/environment-society/
[12] https://www.thehindubusinessline.com/money-and-banking/world-bank-steps-in-to-defuse-ilfs-ethiopia-crisis/article26063170.ece

to be developed as a platform that can attract national and international investors keen on investing in commercially viable Indian infrastructure projects. AIIB has invested USD 100 million in NIIF's Fund of Funds and another 100 million is considered to be provided by AIIB on Environmental and Social Governance compatibility.

There have been few critical reports by Centre for Financial Accountability and Bank Information Centre Europe on AIIB and NIIF about their dubious nature of lending[13], and till now there is no information on any of the sub-projects being funded through the investment. There is complete lack of transparency or information as far as this investment is concerned.

A significant risk associated with the NIIF is its mandate to re-start 'stalled' projects. This is in line with former Prime Minister Modi's vow to revive long-stalled infrastructure projects, especially in the coal, power, petroleum, rail- ways and road sectors. Raising finance to re-start stalled projects brings with it high social and environmental risks.

There is no mention of ILFS in NIIF's website[14] while media reports the energy and road portfolio of ILFS will be sold to NIIF. According to a report by Mint, Singapore-based Cube Highways and Infrastructure, US private equity company Lone Star and National Investment and Infrastructure Fund are eyeing transport, energy, waste and water management assets of ILFS.[15] In another report, NIIF and IL&FS have been in talks for conducting due diligence on the road and renewable energy assets.[16] The enterprise value of the operational road assets is about Rs 30,000 crore or $4 billion. With about 33 projects, IL&FS Transportation Networks (ITNL) has among the largest portfolio of build-operate-transfer projects in the country. Of these, 28 are road projects, of which about 25 are operational and the remaining under different stages of construction. Five projects are in sectors such as metro and others. Besides, the company also has four projects under the engineering, procurement and construction (EPC) mode. The decision to purchase the roads and renewable energy portfolio would require the finance ministry's nod as NIIF was set up under it.

ADIA, NIIF and ILFS

An emerging name these days in the country as a critical stakeholder of many important ventures, Abu Dhabi Investment Authority [ADIA] carries out its investment activities independently and without reference to the Government of the Emirate of Abu Dhabi. ADIA has no visibility on either the spending requirements of the Government of the Emirate of Abu Dhabi or the activities of other Abu Dhabi-owned investment entities. ADIA's assets are not classified as international reserves. [17]

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[13] https://www.cenfa.org/?s=NIIF

[14] https://niifindia.in/

[15] https://www.vccircle.com/lone-star-cube-highways-niif-and-others-circle-il-fs-assets/

[16] https://www.financialexpress.com/industry/debt-reduction-ilfs-in-talks-with-niif-to-sell-roads-energy-portfolios/1255732/

[17] https://www.adia.ae/En/About/History.aspx

ADIA, shareholder of NIIF, and an important shareholder of ILFS too with 12.56 percent stake, has invested USD 1 billion in NIIF's Master Fund.

ADIA, as of 28 February 2019, has planned to launch Kotak Special Situation Fund with Kotak Investments Advisors Ltd, which will target a range of non-performing loans [NPL] opportunities in India. [18]**ADIA's commitment if 500 million US dollars and would provide finances to pre-stress businesses to prevent them from entering insolvency, in line with Govt.'s objective to reduce NPA volume in the country.**[19]

ADIA has increased activity in India over recent years, and their recent investments align closely with key Indian government priorities, including affordable housing, infrastructure development, renewable energy and corporate credit. The Kotak Special Situations Fund is structured as an Alternative Investment Fund under SEBI regulations. It will be managed by the Alternate Asset Management AMC - Kotak Investment Advisors Ltd. Srini Sriniwasan, Managing Director & CEO, Kotak Investment Advisors Ltd. said: "The Kotak Special Situations Fund has been created to address the NPL issue and market dislocation by providing much-needed capital and momentum to finding resolutions in both pre-stress and distressed situations."

ADIA, NIIF and Jet Airways: Recent talks are on for Etihad Airways, who already holds 24% stake with Jet Airways to bid for the crisis-hit airlines. A UAE owned airline is not ready to give up its stake and in fact wants to increase its stake to 49% and intends to control Jet Airways with an Indian partner - with NIIF where ADIA has important stake.[20]

Asian Development Bank, the long-time technical multilateral lender of ILFS

ADB has been the official partner for financial engineering backed by technical capabilities for ILFS's many road projects in PPP model. ILFS has always relied on ADB's Compliance Guidelines, along with that of World Bank, for competitive bidding procedures. ILFS has also been ADB's technical assistance partner in many PPP projects in India. For instance, Govt. of Maharashtra's ADB assisted Agribusiness Infra Development Investment Programme was a PPP model for an IVC project – Integrated Value Chain agribusiness model in Nashik, Aurangabad and Amaravati.[21] The DPR for this USD 85 million project was prepared by ILFS. ILFS and KPMG were the technical assistance partners for the same.[22]

A recent report which came early last month by Money Life revealed how Government continued to pay back Asian Development Bank and the German Development Bank KfW on behalf of ILFS.[23] Titled Private Sector Infrastructure Facility at State Level Project on ADB records, the report says that

[18] https://www.thehindu.com/business/adia-to-invest-500-mn-in-kotak-fund/article26400607.ece
[19] https://www.adia.ae/En/pr/Kotak_Special_Situations_Fund_press_release.pdf

[20] https://www.thehindu.com/business/Industry/etihad-in-talks-with-partner-to-bid-for-jet/article26667114.ece
[21] https://www.adb.org/projects/37091-033/main#project-pds
[22] https://www.msamb.com/Documents/AR_2012-13/Page_47_49.PDF
[23] https://www.moneylife.in/article/ilfs-shocker-govt-quietly-paying-up-on-sovereign-guarantees-to-adb-and-kfw-for-failed-groups-504-million-loan/56743.html

"two payments have been made to the two multilateral institutions in the past couple of months. Reliable sources have confirmed at least one payment of $2 million in the past two months to ADB, for instalments that fell due, and about €600,000 to €700,000 have been paid to KfW. $100-million loan was originally sanctioned to IL&FS around 2001 but half of it was cancelled sometime in 2007 due to "the lack of a subproject pipeline" as part of a revised loan agreement. Finally, a loan of $50.4 million was disbursed."

Before the Private Sector Infrastructure Facility at State Level Project (PSIF II), the Asian Development Bank (ADB) had provided a loan of $15 million to IL&FS in 1993.[24] Since 2002, the borrowings from bilateral and multilateral agencies have included the ADB loan under PSIF II and €30.55 million from KfW.[25]

The impact according to ADB's report[26] says ADB has continued its engagement with the Government in support of its initiatives to set up (i) a PPP nodal division at the Ministry of Finance, (ii) the India Infrastructure Project Development Fund, (iii) viability gap funding schemes, (iv) a panel of PPP transaction advisers, and (v) the India Infrastructure Finance Company Limited. ADB has adopted several measures to assist the Government, such as (i) TA grants to assist 15 state governments and 6 central line ministries in developing their awareness and capacities for PPP project development, appraisal, and monitoring; (ii) TA to develop replicable PPP projects across infrastructure sectors with bankable structures, which will leverage ADB funds with the India Infrastructure Project Development Fund; and (iii) a sovereign loan to India Infrastructure Finance Company Limited. **According to ADB, ADB's and government initiatives have seen a good response with additional states requesting assistance in mainstreaming PPP. Moreover, a pipeline of PPP project concepts for development has emerged**.

New Development Bank and Infrastructure Projects in Madhya Pradesh

The New Development Bank, popularly known as the BRICS bank had approved 525 million US dollars for infrastructure projects in Madhya Pradesh in September 2018. The proposed NDB loan through the modality of Project Financing Facility will be used by the Government of India for on-lending to the State Government of Madhya Pradesh for rehabilitating Major District Roads with a total length of about 2,000 km.[27] The total cost of the Project is estimated to be USD 500 million. The NDB will finance USD 350 million, accounting for 70% of the total cost. The remaining balance will be financed by the Government of Madhya Pradesh. The Project is estimated to be implemented over 5 years. Madhya Pradesh Public Works Department will be the Project Implementation Agency. Contractors for the Project will be selected through a competitive and transparent bidding process, NDB says.

[24] ADB. 1993. Report and Recommendation of the President to the Board of Directors on Proposed Private Sector Facility in India. Manila.
[25] https://www.adb.org/sites/default/files/project-document/64982/34262-ind-pcr.pdf
[26] https://www.adb.org/sites/default/files/project-document/64982/34262-ind-pcr.pdf
[27] https://www.ndb.int/madhya-pradesh-major-district-roads-ii-project/

This includes a USD 175-million loan to the Madhya Pradesh Bridges Project, under which 350 bridges will be built or upgraded. The proposed NDB loan through the modality of Sovereign Multi-tranche Financing Facility will be used by the Government of India for on-lending to the State Government of Madhya Pradesh, to reconstruct selected bridges that are weak, narrow and accident-prone, with the majority built more than 40 years ago and past the design life. The total cost of the Project is estimated to be USD 250 million. The NDB will finance USD 175 million through the modality of Sovereign Multi-tranche Financing Facility, of which the first tranche is USD 105 million. The NDB loan accounts for 70% of the total cost. The remaining balance will be financed by the Government of Madhya Pradesh.[28]

According to the ILFS Engineering Services website, The Joint Venture comprising IL&FS Engineering and Construction Company Limited (IL&FS Engineering Services) and IL&FS Transportation Networks Limited in the ratio of 49:51 (Joint Venture) has received LOA for Package No. P-2 from Madhya Pradesh Road Development Corporation Limited (MPRDC) worth Rs. 175. 48 Crores. The scope of work includes Widening and Reconstruction of Ganj-Rajnagar Road (MP-MDR-35-02), Laundi-Mahoba Road (MP-MDR-35-11), Nawgong Shrinagar Road (MP-MDR-35-04) & Baxwaha Dalpatpur Road (MP-MDR-35-18) and is being funded by New Development Bank under Madhya Pradesh Major District Roads Upgradation Project (MPMDRUP). The completion schedule of the works is 20 months.[29]

Other Related Facts

According to an article by Business Line two years ago, ILFS was targeting 500 million US dollars from overseas borrowings through masala bonds, masala loans, and external commercial borrowings [ECBs]. In the years preceding this info, ILFS had raised funds from China, Japan, Australia, South Korea and the UK, with largest borrowing so far being the $1 billion arrangement from the Industrial and Commercial Bank of China. Also, several masala loans, starting with $50 million loan from Export Development Canada (EDC) secured under the Rupee ECB facility, followed by $30 million from Mauritius-based AfrAsia Bank Ltd and SBM (Mauritius) Bank Ltd.[30]

In February 2017, IL&FS teamed up with global PE fund Lone Star Funds to create a $550 million stressed assets fund to buy stressed Indian assets from the banking system to the tune of $2.5 billion.[31]

IL&FS PE, in partnership with Standard Chartered bank, has previously raised a $660 million infrastructure fund with Standard Chartered known as Standard Chartered IL&FS Asia Infrastructure

[28] https://www.ndb.int/madhya-pradesh-bridges-project/
[29] http://www.ilfsengg.com/html/Roads_Bridges.php/

[30] https://www.thehindubusinessline.com/money-and-banking/ilampfs-targets-500-m-in-overseas-borrowings/article9745398.ece
[31]//economictimes.indiatimes.com/articleshow/59746533.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Growth Fund, which focuses on investing in Asia market, in road and energy projects focussed in India.

IL&FS Investment Managers Ltd will raise a $1-billion infrastructure fund from pension funds in South Korea and Japan to invest in Indian companies which build power plants, logistic and set up waste management businesses

Not barring few other important reports: Investigation by the Serious Fraud Investigation Office has led to the arrest of its ex- Chairman for his abuse of power, last month, for his granting of loans to underserving or ineligible entities.[32] The same grounds have been established to arrest the ex-MD and ex-CEO of ILFS Financial Services Ltd as well. [33] There were also serious corporate related deficiencies in the entire group. Assets and receivables were exaggerated in the financial statements and the top managers took home large pay-outs and continued to pay dividends to shareholders despite the financial situation.[34]

It is now known, thanks to media and the ones who seriously pursue this crime, that ILFS is an unholy alliance of bankers and retired IAS officers. Many of its projects are negotiated deals. Many of the infrastructure projects had no bidders for them and so they were awarded on nomination basis.

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[32] https://economictimes.indiatimes.com/industry/banking/finance/banking/sfio-arrests-ex-chairman-of-ilfs-hari-sankaran-on-grounds-of-abusing-his-power/articleshow/68676550.cms
[33] https://www.thehindubusinessline.com/money-and-banking/ilfs-case-sfio-arrests-ramesh-bawa/article26829194.ece
[34] https://www.thehindu.com/business/Industry/a-beleaguered-behemoth-and-its-169-units/article25099283.ece