



8th Annual Conference on

Infrastructure Finance in India

New Sources and Instruments:
Opportunities and Challenges

December 13, 2017, Grand Hyatt, Mumbai

3rd Annual Conference on

Debt Restructuring and Refinancing

Trends, Challenges and the Way Forward

December 14, 2017, Grand Hyatt, Mumbai

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INFRASTRUCTURE FINANCE IN INDIA

Mission

- ❖ The year 2017 has been challenging for the Indian economy so far. GDP growth fell to 5.7 per cent in the first quarter of 2017-18, the lowest in the past three years. Poor performance of the external sector, which was hit by a strong rupee, the lingering impact of demonetisation and the roll-out of GST, are the key factors contributing to this decline. A rise in the current account deficit and inflation has further added to the worries.
- ❖ Amidst the slowdown, the infrastructure financing scenario has become even more challenging. Capital costs are high, infrastructure companies are highly leveraged and there is a scarcity of long-term funding sources.
- ❖ It is estimated that the infrastructure sectors require about \$1.5 trillion of investments in the next 10 years. In recognition of this, it has become important to recycle capital to enable fresh investments. At the same time, focused attention needs to be given to introducing sources that can attract long-term institutional investors.
- ❖ Stressed assets from infrastructure still account for about one-fifth of the total bank credit. While a number of schemes have been introduced to address the issue of stressed assets - the Joint Lenders' Forum (JLF) corrective action plan, 5/25 restructuring, the Strategic Debt Restructuring (SDR) scheme, and the Scheme for Sustainable Structuring of Stressed Assets (S4A) - most have met with limited success.
- ❖ The introduction of IBC 2016 is expected to expedite the stressed assets resolution mechanism, albeit at the cost of high provisioning by banks.
- ❖ Meanwhile new funding avenues have been introduced in the past couple of years. Initiatives such as the National Infrastructure Investment Fund (NIIF), the New Development Bank (NDB), Infrastructure Investments Trusts (InvITs), IDFs, etc. have opened up avenues to raise funds for completed infrastructure projects and unlock the invested capital.
- ❖ However, most of these have been slow to pick up and have met with limited success. The NIIF, set up with a corpus of Rs 400 billion, has been able to receive commitment from only one investor, Abu Dhabi Investment Authority, till date. NDB, on the other hand, has been able to provide a few loans, worth \$1.07 billion, to various infrastructure projects. InvITs have finally moved forward with IRB Infrastructure Developers and Sterlite Power Grid Ventures kick-starting the activity in this segment.
- ❖ As far as IDFs are concerned, there have been few takers for the instrument despite regulatory easing. The biggest hindrance in the take-off of the instrument is the unwillingness of banks to relinquish operational projects amidst weak credit growth.
- ❖ Another notable trend has been the changing strategies of PE players regarding operational assets, most prominent in the road and power sectors. While such transactions help the offloading promoters to pare their outstanding debt, it also suits the changed strategy of PE firms that are scouting for such assets that give them consistent cash flows. Valuations also appear to be more realistic, weighed towards the buyers.
- ❖ The bond market for the infrastructure sector looks more promising than ever before. Some notable policy developments have led to increased funding from this source. These include allowing foreign portfolio investors to invest directly, increase in partial credit enhancement provided by banks from 20 per cent to 50 per cent, allowing commercial banks to issue masala bonds, etc. At the same time, funding from public financing institutions is also increasing.
- ❖ These new and enabling sources are certainly promising greater participation by global and long-term investors. The overall sentiment seems positive amongst PE firms, venture capital firms, foreign pension and insurance funds.
- ❖ **The mission of this conference is to examine the progress of new funding sources and instruments for financing infrastructure, highlight the challenges and discuss the way forward.**

Target Audience

The conference is a must attend event for all infrastructure developers seeking financing and for financiers seeking projects for funding. The conference is targeted at:

- | | | |
|-------------------------------------|--|--------------------------|
| -Infrastructure developers | -Infrastructure finance groups in commercial banks | -Private equity firms |
| -Infrastructure fund managers | -Institutional investors | -Multilateral agencies |
| -Development agencies | -State financial corporations | -Insurance firms |
| -Credit rating firms | -Sector consultants | -Legal firms |
| -Infrastructure project contractors | -Technology providers | -Equipment manufacturers |

AGENDA/STRUCTURE

KEY TRENDS AND OUTLOOK

- ❖ What have been the key trends in infrastructure financing in the past one year?
- ❖ What are the new funding options?
- ❖ What are the key challenges? What is the outlook?

LENDERS' PERSPECTIVE

- ❖ What is the current stance of lenders on funding infrastructure projects?
- ❖ Which sectors are they keener to lend to in the current environment?
- ❖ What has been their experience with the various restructuring schemes?
- ❖ What are the strategies to address the problem of high NPAs?

BANKABILITY OF INFRASTRUCTURE PROJECTS

- ❖ What are the key factors that define the bankability of infrastructure projects in the current financing scenario?
- ❖ What are the key issues and challenges?
- ❖ What are the suggested strategies/solutions for ensuring the bankability of projects?

UPDATE ON NEW INITIATIVES: NIIF, NDB, AIIB, ETC.

- ❖ What are the new funding sources for financing infrastructure projects?
- ❖ What are the expectations from these initiatives/sources?
- ❖ What are the key issues and challenges?
- ❖ What is the outlook?

PERSPECTIVE OF PE PLAYERS: CHANGING STRATEGIES

- ❖ What is the stance of PE players on the infrastructure sector?
- ❖ How has their investment strategy changed in the past couple of years?
- ❖ What have the recent valuations been like? What are the expected returns?
- ❖ What is the outlook?

PERSPECTIVE OF LONG-TERM INVESTORS (INSURANCE FIRMS, PENSION FUNDS, SOVEREIGN WEALTH FUNDS, ETC.)

- ❖ What is the current stance of long-term investors in funding infrastructure projects?
- ❖ What are the key issues and challenges?
- ❖ What are the key opportunity areas?

BOND FINANCING

- ❖ What is the current role of the bond market in meeting investment needs?
- ❖ How has been the experience with regard to masala/green bonds?
- ❖ What are the key challenges? What is the outlook?

PROGRESS ON INVITS

- ❖ What has been the experience with respect to InvITs so far?
- ❖ What are the key features and benefits of the InvIT structure?
- ❖ What are the issues and challenges?

FOCUS ON INFRASTRUCTURE DEBT FUNDS

- ❖ What has been the experience with IDFs?
- ❖ What have been the key issues and challenges?
- ❖ What is the outlook for IDFs?

ROLE OF PUBLIC FINANCIAL INSTITUTIONS

- ❖ What role are the public sector FIs playing in the current environment?
- ❖ What are their investment/debt targets for the next couple of years?
- ❖ What are the typical terms and structures?

FINANCING OF PUBLIC SECTOR PROJECTS

- ❖ What have been the recent trends in financing public sector projects?
- ❖ What are the challenges being faced in the current environment?
- ❖ What are the new schemes/initiatives being launched to finance public sector projects?

Previous Participants

The participants at our previous conferences on Infrastructure Finance include: Acciona Energy, Adani Power, Aditya Birla Finance, Aditya Birla Insurance Brokers, AECOM, Aion Capital, ALMT Legal, Amarchand, Anand Rath, APIIC, Axis Bank, Axis Private Equity, B S R & Co. LLP, Balmer Lawrie, Barclays Capital, Baring Private Equity, BG Shirke, BMR Advisors, BMTC, Brescon Corporate Advisors, CARE Ratings, CESC, Chennai Metro Rail, Cipher Capital, Clasis Law, Crew Infrastructure, CRISIL, DBM Geotechnics, DBS Bank, DEG Invest, Desai & Dewanji, Dhir & Dhir Associates, DSK Legal, DSP Financial, Duet India, Edelweiss, ELP, Emkay Global, Essar Projects, Essel Mining, EY, Fortum India, Fox Mandal, Frischmann Prabhu, GAIL, Gammon, GE Capital, Gokal Group, Goldman Sachs, Green Infra, HCC, Hochtief Concessions, HPCL, HSA Associates, IARC, ICICI, IDBI, IDBI Capital, IDFC, IDFC Alternatives, IFCI, IIFCL, IL&FS, IL&FS Energy Development, IL&FS Maritime Infrastructure, IL&FS Renewable Energy, IL&FS Transportation Networks, IL&FS Trust, IL&FS Urban Infrastructure Managers, India Ratings & Research, IndusInd Bank, Invest Group, IRB, IREP Credit Capital, J Sagar & Associates, Jaipur Metro Rail, Jindal Power, JMC Projects, JSW, Karaikal Port, KW, Khaitan & Co., Khaitan Sud & Partners, KPMG, L&T IDPL, L&T Infra Finance, Link Legal, Little & Co, Louis Berger, Luthra & Luthra, Marsh, McKinsey, MEP Infra, NVNL, Pashchima Projects, PE Consulting, PFC, Phoenix Legal, Progressive Constructions, Reliance Capital, Relligare Capital Markets, RMG Alloy Steel Ltd., Rolls Royce, Safire Capital Advisors, Samsung, SBI, SBI Caps, Scomi, Shapoorji, Shardul Amarchand Mangaldas & Co., Shree Vaishnav Wire & Rod Pvt. Ltd., Simplex Infrastructures, SKS Ispat & Power Ltd., Societe Generale, Standard Chartered, State Bank of Bikaner & Jaipur, Sterlite Ports, Sun Capital, Talwar Associates, Tata Realty, TCE, TD Bank, Toyo Engineering, TRIL Roads Pvt. Ltd., Trilegal, UBS, Universal Crescent, UTI Capital, VA Tech Wabag, Vedanta, Vinci Concessions, Visa Steel, Vishwaraj Infrastructure, Wadia Gandhi, Welspun Group, Wipro, YES Bank, ZR Renewable Energy, etc.

DEBT RESTRUCTURING AND REFINANCING

Mission

- ❖ The gross NPAs of banks currently stand at about Rs 8 trillion, accounting for 12 per cent of the total bank loans. This is expected to further increase to 13-14 per cent by March 2018.
- ❖ About one fifth of the stressed loans of banks belong to the infrastructure sectors. Fresh lending to the sector has been falling consistently.
- ❖ A number of initiatives have been taken by the government in the past to address the issue of stressed assets. Restructuring schemes such as joint lenders' forum (JLF) corrective action plan, 5/25 restructuring, strategic debt restructuring (SDR), and the Scheme for Sustainable Structuring of Stressed Assets (S4A) have been introduced, but these have met with limited success.
- ❖ The stress advances ratio for infrastructure declined marginally from 18.6 per cent to 18.3 per cent between September 2016 and March 2017.
- ❖ While the 5/25 scheme is restricted to operational projects, under the SDR scheme, the revival or takeover of an entity within 18 months is difficult to execute. Moreover, under SDR, banks are facing difficulty in finding buyers for the underlying assets. Other challenges include complex legal procedures and arriving at a fair valuation in the conversion of debt to equity.
- ❖ The S4A scheme also suffers from a number of challenges. One of its key limitations is that it does not factor in the future cash flows to determine the sustainable debt. In addition, it lacks flexibility in pricing and tenure adjustment, and requires high provisioning by banks.
- ❖ The new Insolvency and Bankruptcy Code (IBC), which came into effect in December 2016 has introduced a consolidated legal framework for resolving the issue of defaults by infrastructure companies and partnership firms in a time-bound manner. The code supersedes all extant insolvency laws. While IBC 2016 is expected to play a key role in NPA revival, much of its success would depend on its implementation.
- ❖ Meanwhile, only a handful of asset reconstruction companies (ARCs) have been active in resolving the issue of stressed assets, which has prompted RBI to issue fresh licences. Moreover, banks have been reluctant to sell assets to ARCs and take a hair cut on their loans.
- ❖ New funds are also being set up in joint venture with PE firms and global investors to invest in stressed assets. Some of the recent joint ventures in this regard are IL&FS-Lone Star Funds, Piramal Enterprises-Bain Capital Credit, etc.
- ❖ While all these initiatives have been important steps in resolving the issue of stressed assets, it remains the biggest concern for the Indian financial sector. The stressed companies will still take some time to deleverage to sustainable levels, which in turn is expected to push the investment recovery cycle by a few years.
- ❖ The need of the hour is the enhanced role of the government in addressing this issue. It has been proposed that a public sector asset rehabilitation agency be set up with strong backing from the state and central governments to buy the bigger NPAs.
- ❖ **The mission of this conference is to examine the various schemes launched to address the issue of stressed assets, highlight the key challenges, and discuss the possible solutions and strategies.**

Target Audience

The conference is targeted at officials and managers from:

- | | |
|---|-------------------------------|
| -Institutional investors (pension funds, insurance firms, etc.) | -Infrastructure fund managers |
| -Commercial banks | -Multilateral agencies |
| -Non-banking financial companies | -Credit rating firms |
| -Infrastructure public sector units | -Sector consultants |
| -Infrastructure developers | -Legal firms |

AGENDA/STRUCTURE

TRENDS IN NPAS AND STRESSED ASSETS

- ❖ What is the quantum of stressed assets in the infrastructure sectors?
- ❖ What have been the various initiatives taken to resolve the issue of stressed assets?
- ❖ What is the outlook for stressed assets?

EXPERIENCE WITH SDR

- ❖ What has been the experience with the SDR scheme so far?
- ❖ What have been the hits and misses?
- ❖ What are the key challenges in the implementation of the scheme?

CHALLENGES UNDER THE S4A SCHEME

- ❖ What has been the experience with the S4A scheme so far?
- ❖ How has the determination of sustainable debt been a problem?
- ❖ What are the other loopholes of the scheme?

5/25 REFINANCING SCHEME

- ❖ What role has the 5/25 scheme played in the refinancing of infrastructure projects?
- ❖ What has been the appetite of banks with respect to refinancing?
- ❖ What are the key challenges being faced?

INSOLVENCY AND BANKRUPTCY CODE

- ❖ What are the key legal and regulatory aspects of the code?
- ❖ How is the IBC perceived by the industry? How is it expected to be a better framework than other restructuring/refinancing schemes?
- ❖ What are the key challenges in the implementation of the code?

PRICING AND VALUATION CHALLENGES

- ❖ What are the key issues and challenges with regard to asset valuation?
- ❖ What are the possible solutions and strategies for addressing the issues?
- ❖ What have been the key learning points?

FOCUS ON NEW FUNDS FOR STRESSED ASSETS

- ❖ How do the stressed assets funds work?
- ❖ What are the key issues faced in acquiring such assets?
- ❖ What are the turnaround strategies?

PERSPECTIVE OF ASSET RECONSTRUCTION COMPANIES

- ❖ What has been the experience of ARCs in reviving stressed assets?
- ❖ What have been the key challenges?
- ❖ What is their outlook for stressed assets in infrastructure?

Speakers from previous infrastructure finance conferences (in alphabetical order):

- ❖ **Gopal Agarwal**, SVP, SBI Caps
- ❖ **Manish Aggarwal**, Partner - Corporate Finance and Practice Head - Infrastructure, KPMG India
- ❖ **Pawan Agrawal**, Chief Analytical Officer, CRISIL Ratings
- ❖ **Dilip Bhatia**, Chief Financial Officer, ITNL
- ❖ **Harish Chander**, Executive Vice President, Edelweiss Asset Reconstruction Company
- ❖ **Deepak Chatterjee**, Chief Executive Officer, IIFCL
- ❖ **Jayesh Desai**, Co-Head, Structured Investments, Piramal Enterprises
- ❖ **Alok Dhir**, Founder and Managing Partner, Dhir and Dhir Associates
- ❖ **D.R. Dogra**, Managing Director, Credit Analysis & Research
- ❖ **Nagaraj Garla**, MD and CEO, IDBI Capital Market Services Limited
- ❖ **R. Govindan**, Vice-President, Corporate Finance, Larsen and Toubro
- ❖ **Suresh Goyal**, Managing Director and CEO, SBI Macquarie Infrastructure Fund
- ❖ **Sujata Guhathakurta**, Senior Executive VP and Head Debt Capital Markets, Kotak Mahindra Bank
- ❖ **Moses Harding**, Group Chief Executive Officer and Chief Economist, Srei Infrastructure Finance
- ❖ **Milind Joshi**, Partner, IDFC Alternatives
- ❖ **Eshwar Karra**, Chief Executive Officer, Phoenix ARC
- ❖ **Sanjeev Kaushik (IAS)**, Deputy Managing Director, India Infrastructure Finance Company
- ❖ **Pushkar Kulkarni**, Principal - Infrastructure, Private Investments, CPP Investment Board
- ❖ **Sampath Kumar**, Executive Director, Project and Export Finance, Standard Chartered Bank
- ❖ **Richard Lowe**, Managing Director, Macquarie Infrastructure and Real Assets (India)
- ❖ **Sanjay Mandavkar**, Executive Director, Infrastructure Business, Yes Bank
- ❖ **Satish Mandhana**, Managing Partner and Chief Investment Officer, IDFC Alternatives
- ❖ **Navneet Munot**, Executive Director and Chief Investment Officer, SBI Funds Management
- ❖ **Suvek Nambiar**, Managing Director and CEO, India Infradebt
- ❖ **G. Narayanan**, Partner, Infrastructure Funds, IDFC Alternatives
- ❖ **Virender Pankaj**, Chief Executive, Wholesale Finance, L&T Infra Finance
- ❖ **B.V. Rao**, Director, Indian Renewable Energy Development Agency
- ❖ **Sidharth Rath**, President and Head, Treasury and Transaction Banking, Axis Bank
- ❖ **Rudrapriyo Ray**, President, Structural Finance Group, Axis Bank
- ❖ **Sharad Rungta**, Head - Debt Capital Markets & Loan Syndication, HDFC Bank
- ❖ **Alok Sengupta**, Chief General Manager, IDBI Bank
- ❖ **Ravi Seth**, Chief Financial Officer, ReNEW Power
- ❖ **Rajesh K. Singla**, Vice-President, Finance, ONGC Videsh
- ❖ **Jayen Shah**, Senior Director and Head - Debt Capital Markets, Financial Markets Group, IDFC Bank
- ❖ **Kartik Srinivasan**, SVP and Co Head, Financial Sector Ratings, ICRA
- ❖ **Gaetan Tiberghien**, Principal Investment Officer, Infrastructure and Natural Resources, South Asia, IFC

Organisers

The conference is being organised by **India Infrastructure Publishing**, the leading provider of information on the infrastructure sectors through magazines, newsletters, reports and conferences. It publishes **Indian Infrastructure** (a magazine devoted to infrastructure policy and finance), as well **Power Line**, **Renewable Watch**, **Smart Utilities**, **Gujarat Infrastructure** and **tele.net** magazines. The group also publishes a series of reports on infrastructure sectors such as power, oil and gas, renewable energy, ports and shipping, roads and bridges, railways, telecommunications, aviation, and water.

REGISTRATION FORM

- I would like to register for the “INFRASTRUCTURE FINANCE IN INDIA” conference (December 13, 2017, Grand Hyatt, Mumbai)
- I would like to register for the “DEBT RESTRUCTURING AND REFINANCING” conference (December 14, 2017, Grand Hyatt, Mumbai)
- I would like to register for **both the conferences**

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REGISTRATION FEE

INFRASTRUCTURE FINANCE IN INDIA OR DEBT RESTRUCTURING AND REFINANCING

Delegates	Fee			
	INR	GST @18%	Total INR	Total USD
One delegate	22,500	4,050	26,550	443
Two delegates	37,500	6,750	44,250	738
Three delegates	52,500	9,450	61,950	1,033

BOTH CONFERENCES

Delegates	Fee			
	INR	GST @18%	Total INR	Total USD
One delegate	35,000	6,300	41,300	688
Two delegates	56,000	10,080	66,080	1,101
Three delegates	77,000	13,860	90,860	1,514

Terms and Conditions:

- To register online, please log on to <http://indiainfrastructure.com/conf.html>
- Registration will be confirmed on receipt of the payment.

For delegate registrations and sponsorship opportunities, contact:

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