

# SBI, Axis, IndusInd in race for IL&FS sec arm

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**Mumbai:** SBI, Axis Bank and IndusInd Bank have emerged three key bidders for IL&FS Securities Services (ISSL) and ISSL Settlement & Transaction Services — the twin capital market arms of the beleaguered infrastructure and financing group. The securities business, which is understood to be valued at around Rs 1,500 crore, was put on the block by the new board last month.

SBI and Axis Bank are new entrants while IndusInd had earlier entered into a deal to acquire the two firms from IL&FS group before the board was scrapped and a new board was appointed by the government in October. The new bo-

ard, headed by veteran banker Uday Kotak, had decided to revisit all the deals and had called for fresh bids.

A statement issued by parent IL&FS had said that as on November 23 — the last date for receiving bids, expressions of interest (EoIs) were received from over a dozen entities like banks, private equity firms and

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other financial services companies. According to sources, there has been improved interest from banks as they are no longer required to take specific approval from the central bank for acquiring companies.

IL&FS Securities provides depository services, loans against shares, securities lending

and custodial lending. The company is 81.24% owned by IL&FS group with another 9% held by IL&FS Employee Welfare Trust, 4.75% by Orix Corporation and 5% by Croupier Prive Mauritius. After the securities business the next round of assets to be sold by IL&FS group will be its green energy businesses. In November, IL&FS had sought bids for wind power-generating plants with capacity of 874MW as well as under-construction wind power-generating plants with capacity of 104MW. There is also a separate business of relating to project development and implementation of solar-power generating plants and projects under development of approximately 300MW capacity.