

IL&FS Transportation seeks penalty waiver from NSE

FE BUREAU

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THE ROADS INFRASTRUCTURE arm of IL&FS, IL&FS Transportation Networks (ITNL), on Thursday responded to the National Stock Exchange (NSE) notice, requesting it to waive the penalty for not filing its financial results for the three months ended September 30, 2018.

Earlier this week, NSE imposed fines and issued notices to a number of companies for non-compliance with listing regulations with ITNL being one of them.

ITNL cited a circular by markets regulator Securities and Exchange Board of India (Sebi), which sets out that stock exchanges may delay punitive action on companies in specific cases such as the one ongoing at ITNL at present. It said, according to the Sebi circular, it may be exempt from penalties since it has obtained a moratorium on enforcement proceedings by creditors at the National Company Law Appellate Tribunal (NCLAT), and its new board of directors is working to resolve the constraints in mak-

ing payments to creditors and submit the financial results at the earliest.

Sebi rules mandate that exchanges follow uniform fine structures for non-compliance with listing norms. According to the rules, exchanges can impose a fine of ₹5,000 per day for failing to file financial results, till the date of compliance. This is payable if it is the first case of non-compliance by the company. For subsequent and consecutive non-compliance incidents, a daily fine of ₹10,000 can be imposed till the results are submitted. If the violation continues for more than 15 days, an additional fine of 0.1% of the paid up capital of the company, or ₹1 crore, whichever is less, is imposed.

As reported by *FE* on November 30, the government-appointed IL&FS board earlier this week put up a fleet of company-owned luxury cars for sale. These include Jaguars, Audis and BMWs, among other brands.

According to information submitted to the exchanges since the new board has taken over, the total amount of repayments that the company has defaulted on stands at about ₹6,000 crore.

IL&FS firm seeks time to declare Q2 results

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IL&FS Transportation Networks India Limited (ITNL), in a letter to NSE on Thursday, sought time to file its second quarter results and also asked the exchange to waive penalty imposed on the company for non-compliance of listing rules.

As the company is part of the IL&FS group's reorganisation plan under the National Company Law Tribunal and is under moratorium granted to 348 of group companies, ITNL requested for waiver of penalty. It also asked the exchange to not freeze the shareholding of the promoter and promoter group in ITNL and any other securities-held demat accounts of the promoter and promoter group. "We assure you that we are working earnestly to finalise and submit the financial results for the quarter ended September 30, 2018 to NSE at the very earliest," the letter said.

Meanwhile, ITNL has announced the appointment of Shaivali Parekh as its Chief Financial Officer. The decision was taken at the board meeting, the company said.