

# IL&FS clears 35% of debt under new board

TIMES NEWS NETWORK

**New Delhi:** Five years after the government replaced the marquee board of IL&FS and took charge, amid a financial crisis that threatened to hit the system, the company on Tuesday said it has cleared Rs 35,660 crore—or around 36%—debt, with another Rs 25,000 crore in the pipeline.

“The group has also completed an aggregate payment of approximately Rs 10,000 crore by way of interim distribution across 14 companies, including two vertical holding companies (ITNL and IFIN) and the group holding company,” the group said in a statement.

On October 1, 2018, the government had stepped in to supersede the IL&FS board—led by Ravi Parthasarthy, which

## PARING FINANCIAL OBLIGATIONS

Aggregate payouts of IL&FS under interim distribution stand at **₹10,000 crore**



IL&FS board initiated interim distribution of over **₹2,400cr in holding companies** (IL&FS, ITNL and IFIN) in September 2023



This is in addition to interim payout of around **₹7,600cr completed** under several group companies in last one year



➤ IL&FS has completed **debt repayment of ₹2,150 crore** to senior secured creditors in IL&FS Tamil Nadu Power Company (ITPCL) on September 30, 2023



➤ Debt repayment disbursement in ITPCL is part of restructuring proposal approved by **88%** lenders



➤ ITPCL payout includes outstanding debt and interest to senior secured lenders due up to September 30, 2023

➤ Disbursal reduces debt of ITPCL by **over ₹1,900 crore**

also had Maruti Suzuki chairman R C Bhargava and former LIC chief S B Mathur—and installed six directors, inclu-

ding banker Uday Kotak, Tech Mahindra's Vineet Nayyar and retired civil servant G C Chaturvedi to navigate the

group through choppy waters.

The board set about clearing a maze of companies and sold assets to clear debt. While the erstwhile directors of the failed entity did not face action, cases were initiated against some executives who were part of the top management at the holding company and subsidiaries such as IFIN and ITNL, but they have not been completed yet.

The statement said the board has initiated the first interim payout of Rs 810 crore for IL&FS, the holding company. Of this, Rs 180 crore will be paid to 19 domestic and international banks and around Rs 630 crore to over 1,100 public debenture holders, public funds and others.

The group has also initiated an interim payment of Rs 796

crore to eligible creditors in ITNL, with Rs 305 crore to be given to secured and unsecured creditors, Rs 315 crore to around 1,300 public debenture holders, public funds and others, and Rs 176 crore to group creditors. Further, the board has initiated the second tranche of interim payout of Rs 807 crore to eligible lenders of IFIN, of which Rs 574 crore will go to banks and financial institutions.

In the last one year, the group has completed an interim payout to external creditors of 12 companies, including Rs 623 crore in Rapid Metro Gurgaon, Rs 1,252 crore in Rapid Metro rail Gurgaon South, Rs 3,200 crore in IL&FS Financial Services, Rs 920 crore in Chenani Nashri Tunnelway, and Rs 253 crore in Inox Wind Energy.