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## IL&FS creditors to get ₹3,200-cr payout



DEBT-LADEN  
INFRASTRUCTURE  
Leasing & Financial  
Services (IL&FS) has

initiated an interim distribution  
pay out of ₹3,200 crore in arm  
IL&FS Financial Services to  
creditors — the highest till date,  
reports **Rajesh Kurup**. ■ **PAGE 9**

# IL&FS initiates interim payout of ₹3,200 crore in group firm

RAJESH KURUP  
Mumbai, February 6

**INFRASTRUCTURE LEASING & Financial Services (IL&FS)** has initiated an interim distribution payout of ₹3,200 crore in group company IL&FS Financial Services (IFIN) to creditors, the highest till date. The group has already paid ₹1,900 crore for two other firms — Rapid Metro Gurgaon (RMGL) and Rapid Metro-rail Gurgaon South (RMGSL) — taking the total payout to ₹5,100 crore in these three companies (including IFIN).

Out of the ₹3,200 crore, approximately ₹2,250 crore is being paid to a combination of 28 PSU, private and foreign banks, and around ₹950 crore to over 500 public debenture holders, public funds, including EPFO, Army Group Insurance, etc) UTI retirement fund, DAV College Trust Fund, Infosys Provident Fund, BPCL Provident Fund and others.

The amount will be distributed in accordance with the revised distribution framework of the NCLAT.

This is the first interim distribution that will be completed for a ver-



## REPAYING DEBT

■ The group already paid ₹1,900 crore for two other firms — Rapid Metro Gurgaon and Rapid Metro-rail Gurgaon South

■ With this payout, the group will be discharging debt worth ₹27,000 crore since the resolution process began

■ The IL&FS board had proposed a total payment of ₹16,361 crore

tical holding company under the IL&FS Group. With this payout, the group will be discharging debt worth ₹27,000 crore since the resolution process began.

IL&FS had earlier completed interim distribution payout of ₹623.3 crore to the financial creditors of RMGL and ₹1,273 crore for RMGSL. With the IFIN payout, the group would be paying a total of ₹5,100 crore on an interim basis to

creditors of these three firms.

In May 2022, the NCLAT had approved the interim distribution application of the IL&FS board comprising cash payout and infrastructure investment trust (InvITs) units of select entities. This was based on the board's objective to release payments to creditors, especially to public funds, on an interim basis without waiting for the end resolution of the concerned entity.

While IL&FS has already initiated process for cash payout across select companies through interim distribution, issuance of InvIT units would be undertaken through an initial public offering (IPO).

The new IL&FS board has retained its overall resolution estimate at ₹61,000 crore, which represents 62% of overall debt of over ₹99,000 crore as of October 2018.

In its submission before the NCLAT in December 2022, IL&FS said it had addressed debt of nearly ₹57,000 crore as of September 30, 2022, which included ₹43,000 crore of cash and InvIT units and ₹7,254 crore of resolution proposals approved by the court.

Further, applications for another ₹5,269 crore were filed but pending approvals in courts and ₹1,331 crore of debt is being serviced across profitable entities.

The IL&FS board had proposed a total payment of ₹16,361 crore, including ₹11,296 crore of cash and ₹5,065 crore of InvIT units — under the interim distribution framework approved by the NCLAT in June 2022.