

# IL&FS Group may surpass ₹61k-cr debt recovery goal

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**IL&FS GROUP MAY** surpass its debt recovery target of ₹61,000 crore, helped by increase in the valuation of assets, better recovery and uptick in economic activity, experts believe.

The group has already paid nearly ₹36,000 crore debt till now and the recovery of the remaining ₹25,000 crore is likely to spill over beyond March next year due to litigation and procedural complexities.

“Our immediate focus is to complete the interim distribution across pending companies, conclude monetisation of assets, list our InvIT and overcome dependencies to complete the resolution,” said Nand Kishore, managing director, IL&FS Group.

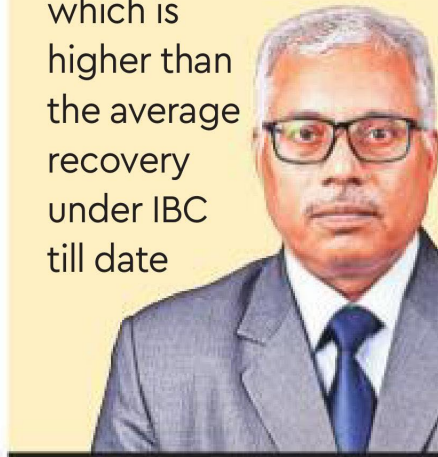
“The new IL&FS Board has discharged (paid) nearly ₹36,000 crore debt, including ₹10,000 crore under interim distribution, across group companies. This is higher than the average recovery under IBC till date,” Kishore said. “We have a clear line of sight for resolving additional ₹25,000 crore — that has huge exter-

NAND KISHORE

MD, IL&FS GROUP

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nal dependencies, some of which are time consuming,” he added.

The corporate affairs ministry had superseded the board of IL&FS in October 2018 following reports of financial irregularities. The group had a debt of nearly ₹99,000 crore among nearly 347 group entities at

the time. To resolve the crisis, the government appointed veteran banker Uday Kotak the non-executive chairman of the company in October 2018. The new board led by Kotak framed India’s first ‘Group Resolution Framework’ for debt resolution of companies under ILFS. This framework will also help in debt resolution in future where more than one company is involved.

According to the latest status report, IL&FS Group has 82 unresolved entities as on September 30, 2023, in which the resolution plan is yet to be filed with the NCLT. Incremental resolution of 29 entities is estimated by December 31, 2023, and 29 entities by March 31, 2024. The group, which has set ₹61,000 crore as a recovery target, is facing multiple challenges in its debt resolution process due to cases pending in courts and delays in responses from joint venture partners.

The group has resolved debts through monetisation and termination or settlement of payments by group entities from the concessioning authorities and counterparty to the relevant contract.