

● DEBT RESOLUTION

IL&FS on track to resolve ₹4,800 cr more by March end: Uday Kotak

FE BUREAU

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THE DEBT-LADEN IL&FS has so far resolved ₹52,200 crore of debt till date and is on track to resolve an additional ₹4,800 crore by March end, the group's chairman Uday Kotak said on Tuesday. "I am happy to report that IL&FS Group has addressed ₹52,200-crore debt...we believe the total recovery and resolution will be around ₹61,000 crore, which is around 61-62% of original debt," Kotak said.

Of the total debt resolved till date, ₹14,100 crore comprises of debt discharged to creditors, available balance of ₹16,700 crore, ₹13,200 crore from cases approved by the courts and are pending transaction closure on account of documentation, and balance ₹8,200 crore from applications filed with courts which are pending approval.

Continued on Page 2

Debt resolution: IL&FS on track to resolve ₹4,800 cr more by March end, says Uday Kotak

He added that out of the total 347 IL&FS Group companies, a total of 235 entities have been resolved. These include entities whose resolution application has been filed before a court. Further, 15 more entities will likely see resolution by March, Kotak said. The IL&FS crisis, Kotak said, showcases that complex resolution of conglomerates is possible if done in a calibrated manner.

“Group resolution has always

been a big challenge, you see many many cases out there in the public domain whether it's a Videocon, whether it's a Lanco, or many other situations where group resolution process in IBC framework has had its challenges of recovery...,” he said. Since July, the IL&FS Group has addressed additional debt of Rs 8,500 crore from monetisation initiatives including: InvIT Phase 1; Terracis Technology (erstwhile IL&FS Technologies); ONGC Tripura Gas based power project; Warora Chandrapur Road project and IL&FS Prime Terminals Fujairah.

“In addition, the Group has filed an application with National Company Law Tribunal (NCLT) seeking approval for transfer of 5 Road projects, with approximate resolution value of ₹4,000 crore, under Phase 2 of the InvIT and has launched sale process of IFIN's external non-performing loan portfolio of around ₹4,300 crore under Swiss Challenge,” the company said in a release.

“The selection and finalisation of H1 bidder in the TIFC sale process (IL&FS Headquarters in Mumbai) is also underway,” it added.