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IL&FS Clears ₹1.3kcr Dues of Canara, Others



In second payout from defunct Infrastructure Leasing & Financial Services (IL&FS), a clutch of lenders led by Canara Bank have received close to ₹1,300 crore out of their dues totalling ₹1,500 crore. **Joel Rebello** reports. >> 10

SECOND PAYOUT OF OUTSTANDING DUES

IL&FS Pays Canara, Others ₹1,300 crore

Amount paid to creditors of metro rail firm RMGSL against dues of ₹1,500 cr, a recovery of 87%

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Mumbai: Lenders led by Canara Bank have received close to ₹1,300 crore as part of their dues from Infrastructure Leasing & Financial Services (IL&FS) in what is a second payout from the defunct infrastructure financier.

The amount was distributed to secured creditors late last month as a settlement for their dues from Rapid MetroRail Gurgaon South (RMGSL), three people familiar with the process said.

Secured creditors received a total of about ₹1,300 crore for their dues totalling ₹1,500 crore, a recovery of 87%.

Canara Bank, Union Bank of India, Central Bank of India, Punjab & Sind Bank and IIFC are the five secured creditors that received the funds.

An IL&FS spokesperson confirmed that with the latest distribution to lenders, IL&FS has returned over ₹1,900 crore representing more than 80% recovery for secured financial creditors, in Rapid MetroRail Gurgaon (RMGL) and RMGSL.

"The money was distributed on December 31 and is the second settlement for banks from IL&FS. A couple of months ago dues from RMGSL's twin company Rapid MetroRail Gurgaon (RMGL) were also cleared. These two accounts are now the first among the long-awaited settlement from banks from IL&FS," said one of the persons cited above.

In November, IL&FS distributed



₹623.38 crore to the secured creditors of RMGL comprising Union Bank of India, Bank of India, Indian Bank, Punjab & Sind Bank, UCO Bank, Bank of Baroda, Punjab National Bank and Indian Overseas Bank. The total claims of these lenders

In November 2022, IL&FS distributed ₹623.38 crore to creditors of metro firm RMGL, which translated into recovery of 83%

were ₹715 crore, translating into a recovery of 83%.

With the distribution of dues from RMGSL secured creditors to the Gurgaon Rapid Metro have recovered 87% of their receivables from the company.

The IL&FS board was appointed by the government after the spectacular collapse of the company in September 2018. The company now has around ₹16,360 crore — including ₹11,295-crore cash and ₹5,065-crore InvIT units — available for distribution to creditors across the IL&FS Group.

Banks are relieved that finally, the distribution of monies is happening which will allow them to get some provision write-backs in the third quarter.

The IL&FS board has maintained a resolution target at ₹61,000 crore or 61% of the nearly ₹1 lakh crore outstanding loans.