

IL&FS resolves ₹56,943 crore debt

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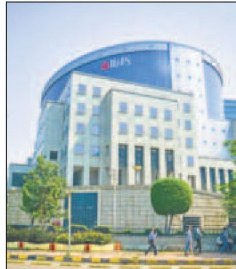
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NEW DELHI: Infrastructure finance firm IL&FS said it has resolved its debt of up to ₹56,943 crore by September 30, 2022 through monetisation of various assets and reduced the number of entities to 101 from 302.

The debt-ridden firm informed about the progress made in the ongoing resolution process till September 30, 2022 in an affidavit filed before the National Company Law Appellate Tribunal (NCLAT).

"Estimated debt resolution as on date" was ₹55,612 crore, and another ₹1,331 crore debt was fully served by its green entities, which are profitable, said Infrastructure Leasing & Financial Services (IL&FS).

Moreover "entities in the respondent no 1 (IL&FS) has reduced to 101 from 302", which includes 88 domestic entities and 13 offshore entities, said the



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affidavit filed by its Managing Director Nand Kishore.

IL&FS, which defaulted its loan repayment for the first time in September 2018, had to pay back its lenders over ₹90,000 crore at that time.

In its earlier affidavit filed by the new board then headed by Uday Kotak in February this year, IL&FS group had said it will resolve ₹55,000 crore debt

by March 2022.

The new board of IL&FS initiated various measures to pair debts, which included asset monetisation, debt restructuring, cost optimisation and liquidity management.

It has also been focused on multiple resolution initiatives, including expediting loan recoveries and investment by IL&FS group companies. The amount will be utilised towards discharging claims of creditors in accordance with the revised distribution framework.

"This has also resulted in an accumulated cash balance (across various entities in IL&FS group) of approximately ₹19,699 crore (as of September 30, 2022)," said the 226-page affidavit.

NCLAT had on March 12, 2020 approved a distribution framework based on "pro-rata distribution" among creditors of IL&FS group from the proceeds of the sale, as suggested by the government.