

IL&FS to approach NCLT to recover ₹187 cr from ex-directors

Press Trust of India

New Delhi

The IL&FS Group will initiate before National Company Law Tribunal (NCLT) the process to recover ₹187 crore excess remuneration paid to its former directors and two subsidiaries, who have refused to return the excess managerial remuneration, according to the latest affidavit filed by the debt-ridden firm before the National Company Law Appellate Tribunal.

Moreover, IL&FS also plans to reopen the financial statements for 2018-19 and 2019-20. It has received approval from the NCLT for incorporating impacts arising from the recast financial statements.

“Such revised financial statements for FY19 have been prepared and are being audited by statutory auditors appointed by NCLT. The revised financial statements will be finalised before the



end of 31st December 2025,” said IL&FS Group.

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Last year, books of accounts and financial statements of IL&FS and its two subsidiaries — IFIN and ITNL — were recast on the directions of the NCLT for five years — FY2013-14 to FY2017-18 — and a loss of around ₹9,600 crore was found.

Based on this, IL&FS is in the process of recovering ₹187 crore from the directors and independent directors of the previous board, during whose tenure the company and its two subsidiaries — IFIN and ITNL—

were shown in profit of ₹1,869 crore, through financial engineering, though they were in loss.

“IL&FS is now in the process of filing an application with the NCLT for recovery of excess managerial remuneration from its erstwhile whole-time directors and is in the process of finalising the next steps with respect to pursuing recovery from the erstwhile independent directors in accordance with guidance received from its legal advisors,” according to the latest affidavit filed before the NCLAT.

IL&FS said it will file an application before the NCLT against the erstwhile whole-time directors, who owe nearly 90 per cent of the total dues, and also seek recovery from independent directors of these three companies.

In pursuance of the audited re-casted financial statements of 2013-14 to 2017-18, three IL&FS entities had already issued notices.