

IL&FS to give creditors ₹2k cr from Metro sale

TIMES NEWS NETWORK

Mumbai: The National Company Law Appellate Tribunal (NCLAT) has allowed IL&FS to distribute Rs 1,925 crore received as compensation for the Gurgaon Metro to creditors of the troubled infrastructure group.

Last year, the IL&FS Group received Rs 1,925 crore from Haryana Shahari Vikas Paradhikaran (HSVP) as interim termination payment in an escrow account. The payment followed a Supreme Court order that ruled in favour of IL&FS in respect of the Gurgaon Metro project. In its order, the Supreme Court had said that any appropriation of any amount from the escrow accounts shall be subject to further orders of the NCLAT or any other competent legal authority according to the said order, which would be duly complied with by IL&FS.

NCLAT has allowed this disbursement under the interim distribution framework on a pro-rata basis approved by the IL&FS board. This project was earlier kept out from the list of other companies that were approved under the interim distribution framework in the tribunal's May 31 order.