

IL&FS Fin creditors to get ₹3,200-cr interim payout

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IL&FS Financial Services' creditors, including 28 lenders and debenture holders, will get an interim amount of ₹3,200 crore, making it the largest cash payout since the government superseded its board in October 2018. The IL&FS group would also pay back another ₹1,900 crore for three of its other firms, making the aggregate payout at ₹5,100 crore, it said on Monday.

In the wake of the financial misdoings coming to light, the Corporate Affairs Ministry had superseded the board of IL&FS in October 2018. The group had a debt of more than ₹95,000 crore among nearly 347 group entities when the crisis came to light in October 2018. Since the resolution began, the group has so far discharged debt worth ₹27,000 crore. Banks have secured exposure of over ₹7,500 crore to IL&FS Financial Services Ltd

(IFIN) which will be resolved with a combination of cash payout under the interim distribution plan and allocation of InvIT (Infrastructure Investment Trust) units by way of an IPO later, sources told PTI.

PAYOUT BREAK-UP

The payout process has been initiated from Monday and will be completed over the next few weeks, one of the sources said. As part of the interim distribution, the group will be paying a total of ₹3,200 crore to eligible creditors of IFIN.

The amount is being distributed in accordance with the revised distribution framework that was approved by the National Company Law Appellate Tribunal.

Around ₹2,250 crore will be paid to 28 public sector, private and foreign banks, and about ₹950 crore to more than 500 public debenture holders, public funds (including the EPFO and the Army Group Insurance) and others, the statement said.