

NCLT approves ₹708-crore claim of IL&FS's FSEL from NHAI

THE NATIONAL COMPANY Law Tribunal (NCLT) has given approval for the settlement of ₹707.70 crore claim made by Fagne Sonagarh Expressway (FSEL), a special purpose vehicle of IL&FS for the expressway project, from National Highways Authority of India (NHAI).

The tribunal, chaired by members Mohammed Ajmal and V Nallasenapathy, allowed

FSEL to receive the settlement amount of ₹707.709 crore (subject to any deduction of tax as applicable and any further withholding of an amount of ₹16.93 crores towards royalty payment).

NHAI will pay the settlement amount under the approved guidelines for resolution of road projects that have been stuck for various reasons.

As per the road transport and highways ministry's guidelines formulated in March 2019, incomplete or stalled projects for various reasons, authorities would be able to foreclose the project's concession agreement and pay a compensation based on value of work done or 90% of debt due, whichever is lower.

— PTI