

## SECTOR WATCH

### INFRA LENDING

# IL&FS addresses debt of ₹43K cr so far; ups recovery estimate to ₹61K cr

**ENSECONOMIC BUREAU**  
MUMBAI, APRIL 15

THE NEW board of Infrastructure Leasing and Financial Services (IL&FS) on Thursday revised the aggregate debt recovery estimate by the group to Rs 61,000 crore, or about 62 per cent of overall debt of over Rs 99,000 crore as of October 2018. "The group has also enhanced its estimates of aggregate debt recovery to Rs 61,000 crore — an increase of Rs 5,000 crore over its earlier estimate," said Uday Kotak, Chairman of the board of IL&FS.

The new board, that took over the crisis-hit infrastructure group two and a half years ago, had earlier estimated a recovery of Rs 56,000 crore.

Kotak said the management has addressed a debt of Rs 43,000 crore till April 15 — nearly 77 per cent of the revised recovery target — and it aims to address debt of another Rs 8,000 crore by September. He added that of the total 347 entities under the IL&FS Group, about 186 entities have been resolved through either sale or liquidation, while the rest 161 entities are under various stages of resolution.

Of the Rs 43,000 crore, IL&FS has recovered Rs 26,800 crore through entity monetisation initiatives and accrued cash balance; Rs 14,350 crore is likely to be recovered from resolution and restructuring applications that are awaiting approval of NCLT and NCLAT; and Rs 1,926 crore from the Supreme Court verdict passed in favour of IL&FS in the case of Gurgaon Rapid Metro, said the company in a statement.

CS Rajan, managing direc-



**IL&FS Chairman Uday Kotak said the group aims to address debt of another ₹8,000 crore by September.** *Expressfile*

tor, IL&FS, said that by September, IL&FS will have in its fold "less than 100 functional companies across different/unrelated businesses". He also said that the management is in discussions with the Ministry of Corporate Affairs (MCA) for a possible interim distribution of the recovery proceeds from asset monetisation of about Rs 26,800 crore to the financial creditors of the group.

The group said it aims to recover about Rs 10,000 crore after September through various means, including stake sale in Paradip Refinery, Mangalore SEZ, Hill County Properties; recovery of pending claims from NHAI; and through the third phase of InvIT. It is also looking to raise at least Rs 1,350 crore through the sale of its headquarters at Bandra Kurla Complex in Mumbai and another building at Gift City in Gujarat.

Kotak said the IL&FS collapse has brought to the fore the issue of conglomerate risk where there is intermingling of the financial sector and the industrial or the infrastructure sector under one group.