

IL&FS has resolved over ₹52,200cr of debt: Kotak

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Mumbai: Uday Kotak, chairman of the government-appointed board of IL&FS, has said that over Rs 52,200 crore of debt of the beleaguered group has been resolved, which included Rs 14,100 crore of creditors' liability that has already been discharged. In addition, the group entities held Rs 16,700 crore in cash and another Rs 21,000 crore of sale and resolution plans are pending final approval.

“Effectively, lenders have got a 60% recovery from something that was a basket case,” said Kotak. “We had earlier given an estimate that the total resolution would be around Rs 61,000 crore (of total debt of around Rs 99,000 crore). We believe by March we should be around Rs 57,000 crore,” said Kotak.

While close to 93% of the expected resolution would be achieved by the end of the financial year, policymakers would need to take a call on how to deal with the remaining lot of 97 of 347 companies in the group. These included entities that have partnered with states.

“The public interest board has done the hard work, having done 93% of the resolution. It is now for policymakers to take a call,” said Kotak at a briefing to provide an update on IL&FS. Kotak said that there would be four options. The first was to put in more hard work and persevere to get the best possible recoveries, the other options included putting in place an administrator to manage the remaining assets, liquidation or a fire sale of the companies.