

OF ₹61,000 CR TARGET, ₹57,000 CR LIKELY BY MARCH 2022

Board Expects to Resolve 62% of IL&FS' ₹99k-cr Debt

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Mumbai: The IL&FS board expects to resolve around ₹57,000 crore of the ₹99,000 crore total debt inherited by the directors by March 2022. Overall, the Uday Kotak-led board expects to complete the resolution of ₹61,000 crore or about 62% of the total debt inherited by the new board in October 2018.

Chairman Kotak said that out of the 347 entities under IL&FS Group as of October 2018, a total of 235 entities stand resolved to date, including resolution applications filed with courts.

Applications for additional 15 entities are expected to be filed with courts by March 2022.

"We have thus managed a 60% recovery above the IBC average of 38% recovery for group companies. This is higher than the average resolution seen in India," Kotak said.

The group estimates the resolution of the remaining nearly ₹4,000 crore debt across 97 entities to move beyond March 2022 and thus achieve its overall debt resolution estimate of ₹61,000 crore.

Overall, to date, ₹52,200 crore of debt or 52% of total debt has been addressed. The group now has a cash balance of ₹16,700 crore.

"We will decide on whether to fully distribute the cash balance or



UDAY KOTAK

Chairman, IL&FS Board



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partly distribute depending on what the courts allow," Kotak said.

IL&FS has a balance of ₹8,200 crore from applications filed with courts which are pending approval.

Since the last update in July 2021, the group has addressed additional debt of ₹8,500 crore from monetisation initiatives including: InvIT Phase 1; Terracis Technology (erstwhile IL&FS Technologies); ONGC Tripura gas power project; Warora Chandrapur Road project and IL&FS Prime Terminals Fujairah, Kotak said.

IL&FS has also submitted an application with the NCLT seeking approval for transfer of five road projects, with an approximate resolution value of ₹4,000 crore, under Phase 2 of the InvIT and has launched a sale process of IFIN's external non-performing loan portfolio of around ₹4,300 crore under Swiss Challenge.