

Kotak on IL&FS debt: ₹52.2K cr resolved, will address ₹4,800 cr more by March-end

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OF THE targeted Rs 61,000 crore debt resolution by the fiscal-end, IL&FS has resolved Rs 52,200 crore by October-end and will address another Rs 4,800 crore more by March-end 2022, the management said on Tuesday. The company is sitting on a cash balance of Rs 16,700 crore as of end-October and has repaid Rs 14,100 crore of debt this fiscal so far, IL&FS chairman Uday Kotak said in a press briefing via a video-link.

The IL&FS resolution shows that “a fair amount of money can be recovered even from the most complex and challenging resolutions,” Kotak said, adding that the recovery is much higher than the average seen under the Insolvency and Bankruptcy Code. Most group resolutions, like in the case of IL&FS, have shown recovery rate



UDAY KOTAK

Chairman, IL&FS

of less than 39 per cent under the Insolvency and Bankruptcy Code.

Public sector banks seem to have recovered higher money when compared with the private sector lenders and other debt investors. In case of IL&FS, public sector banks have turned out to be “much smarter” than others as bulk of their lending was to operating SPV, he said.