

IL&FS wants to distribute cash, InvIT units of ₹20k cr

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New Delhi: In what will come as a relief for pension and provident funds, including those of army personnel as well as other creditors, IL&FS Group has proposed to distribute cash and InvIT units of nearly Rs 20,000 crore.

The board, headed by banker Uday Kotak, has already held discussions with the ministry of corporate affairs (MCA) and suggest that the government approach the National Company Law Appellate Tribunal (NCLAT) to transfer the money lying with various entities after clearing some of the payments at the entity level, as well as dealing with debt of over Rs 8,500 crore, while selling some of the companies and their assets.

“The new IL&FS board had proposed interim distribution of resolution proceeds to MCA and has filed this framework with NCLAT for approval. Once approved, this will allow distribution of over Rs 20,000 crore in cash and InvIT units, without wai-

The move is seen as relief for pension & provident funds

ting for final resolution of individual entities,” an IL&FS spokesperson said in response to a **TOI** questionnaire.

Till the end of December, 191 IL&FS Group entities resolved, with the number expected to be close to 250 by end March. According to data shared with the government, until mid-December, Rs 16,742 crore is available with various group entities

from sale of assets. Again, by the end of the current financial year, this number is projected to rise to Rs 21,300 crore, which will be available as cash and InvIT units. Till December, around Rs 7,000 crore have been received by creditors directly from the sale of assets and Rs 8,650 crore of loans have been taken over by purchaser. The remaining funds are lying with the parents of the entities, which have been sold or whose assets have been disposed of.

When IL&FS Group was taken over by the government and a new management put in place, the group had liabilities of nearly Rs 1 lakh crore. By March, the IL&FS board expects Rs 55,000 crore of debt would have been resolved against overall estimate of Rs 61,000 crore, sources said.