

Date wise action taken by Vistra ITCL (India) Ltd ("Vistra") as Debenture Trustee to NCD issuance of Reliance Commercial Finance Limited (RCFL). This is published for information of Debenture holders, Credit Rating Agencies and all other stakeholders.

<b>Company name:</b>	<b>Reliance Commercial Finance Limited ("RCFL" or "Company")</b>
<b>outstanding Issuance as on November 29, 2019</b>	<b>2230.57 crores</b>
<b>Number of Series</b>	<b>20</b>
<b>Number of Debenture Holders</b>	<b>310</b>
<b>Security type</b>	<b>Secured / Unsecured</b>
<b>Default of interest/Principal started since</b>	<b>September 20, 2019</b>
<b>DATE</b>	<b>EVENTS</b>
<b>April 2019</b>	Vistra made website disclosure with regard to change in Credit ratings from CARE "BBB" to CARE "C" Vistra made website disclosure with regard to change in Credit ratings from BWR A+ to BWR C
<b>July 2019</b>	Trustee sought clarification on compliance to the clauses of Debenture Trust Deed (DTD), certification from a practicing Chartered Accountant certifying that RCFL is maintaining minimum security cover of 100% of the Issue Amount, Trustee also asked RCFL to provide the current value of the present and future book debts, business receivables and signed Quarterly Compliance Report for the quarter ended March 2019.
<b>August 2019</b>	Trustee reminders on its letter dated 24 <sup>th</sup> July 2019
<b>September 2019</b>	Trustee shared Inter Creditor Agreement (ICA) draft received from Deloitte, the resolution professional appointed by the Company on the instructions of their lenders, with all the debenture holders Trustee sent letter to RCFL seeking further information Trustee made website disclosure with regard to revision in Credit ratings BWR C to BWR D Trustee Informed rating change to all debenture holders Trustee informed to SEBI and rating agencies with regard to default in interest payment by RCFL (INE126D08014) Trustee made disclosure with regard to revision in Credit ratings from CARE C to CARE D
<b>October 2019</b>	Trustee sent reminders to debenture holders to revert on ICA Trustee informed to SEBI and rating agencies with regard to default in interest payment by RCFL (INE126D08022) Trustee informed to SEBI and rating agencies with regard to default in interest payment by RCFL (INE126D07065 & INE126D07073) Trustee sent letter to SEBI through Trustees Association of India (TAI), seeking their guidance on the ICA process and challenges for the Debenture Trustee Trustee sent notice for the 1st meeting of Debenture Holders scheduled to be held on 17 <sup>th</sup> October 2019 at BKC, Mumbai

	<p>In first meeting of Debenture holders RCFL management gave presentation on the general financial status of RCFL and on the terms of the proposed ICA and replied to investors queries/concerns.</p> <p>Trustee informed the debenture holders on the correspondence had with RCFL and details awaited from RCFL.</p> <p>Trustee informed to attendees that it has not received debenture holders approvals on ICA in this situation the next step is to take legal action against RCFL. Trustee informed the debenture holders that for initiating legal action against RCFL, majority debenture holders need to come forward for creating corpus of funds in order to enable the Trustee to take necessary legal actions to protect the interest of all the Debenture holders.</p> <p>Trustee proposed appointment of nominee director on the Board of RCFL and informed RCFL to revert within 15 days</p> <p>On receipt of notice of Invocation of RGICL Shares from IDBI Trustee, Vistra sent notice, restraining them from invoking the same since the shares are security available as debenture holders of RCFL</p> <p>Trustee shared minutes of the meeting held on 17<sup>th</sup> October 2019 with all the debenture holders along with quotes received from Law Firms. Trustee also shared the names and profile of the proposed Nominee Directors and requested debenture holders to come forward for forming Committee of Debenture Holders for expediting further action in the matter.</p> <p>As per the discussion had with debenture holders in first meeting held on 17<sup>th</sup> October 2019, Vistra had a meeting with SEBI team on ICA process and status of default committed by RCFL.</p> <p>Trustee send further Notice to IDBI Trustee restraining them from invoking the security</p> <p>Trustee sent notice for the second meeting of Debenture Holders scheduled to be held on 6<sup>th</sup> November 2019 at BKC, Mumbai</p> <p>Trustee on request of Kerala Finance Corporation, changed meeting timing to 11.30 am</p> <p>Trustee has identified that there are 10 ISINs with single debenture holder, Trustee has sent them emails and letters requesting them to provide consent on ICA and attend the meeting scheduled on November 06, 2019</p>
<p><b>November 2019</b></p>	<p>On 6<sup>th</sup> November 2019 Vistra conducted 2<sup>nd</sup> Meeting of Debenture holders at their office wherein:</p> <p>(i) Yes Bank, the debenture holder which holds majority NCDs by value across the overall outstanding NCDs and majority Debenture Holder across its 3 (three) ISINs, attended the meeting but refused to take any active participation in the decision making process, even for the ISINs where they constitute majority holding;</p> <p>(ii) Debenture Holders present at the 2nd Meeting insisted that the cost of the legal actions to be taken in the matter shall be borne by Vistra and majority debenture holder;</p> <p>(iii) in the second meeting there was no clear concurrence on constituting a Committee of Debenture Holders.</p>

	Trustee informed SEBI on sequence of events happened in RCFL and sought their necessary guidance.
	Defaulted in interest payment by RCFL (ISIN - INE126D07016), (INE126D07024) and (INE126D07032). Reminder email sent to RCFL with regard to pending list of information/ documents.
	Quarterly Compliance Report for quarter ended June 2019 received from Company
	Vistra <i>vide</i> its email dated 21 <sup>st</sup> November 2019 informed all Debenture Holders that Trustee has not received confirmation from the Debenture Holder who had provisionally agreed to become part of the 'Committee of Debenture Holders'.
	Vistra send email/s to majority debenture holders for ISIN - INE126D08063 / INE126D08022 / INE126D07149 / INE126D07156 / INE126D07065, INE126D07073 / INE126D07123 / INE126D07016 / INE126D07040 / NE126D07057 / INE126D08022 / INE126D08030 to sought Debenture Holders instruction on legal action/s
	Default in interest payment by RCFL (INE126D07040)
	Letter sent to majority Debenture holders for any legal action/s proceedings against RCFL (ISIN - INE126D07040; INE126D07016; INE126D07057; INE126D07115; INE126D08030; INE126D07024; INE126D07032; INE126D08014; INE126D07073; INE126D08048)
	Vistra <i>vide</i> its email dated 28 <sup>th</sup> November 2019 requested all Debenture to provide consent with regard to recalling the outstanding amount in order to enable Vistra to issue Acceleration notice to RCFL
	During the month Vistra informed SEBI and rating agencies with regard to default in interest payment by RCFL (INE126D08048, INE126D08030, INE126D07016, INE126D07024, INE126D07032, INE126D07040)
<b>December 2019</b>	Vistra <i>vide</i> its letter dated 6 <sup>th</sup> December 2019 informed Reserve Bank of India (RBI) and SEBI the details of events and updates in the matter and requested both the Regulators to issue necessary directions to the Company in the interest of debenture holders.
	Vistra sent reminder to all the Debenture holders <i>vide</i> email on 6 <sup>th</sup> December 2019 seeking their approved instructions on the legal opinion and the way forward. Vistra requested Debenture holders to revert latest by 12 <sup>th</sup> December 2019.
	Notice dated 20 <sup>th</sup> December 2019 received from RCFL regarding meeting of Debenture Holders at their premise on 14 <sup>th</sup> January 2019, wherein RCFL has proposed following agenda: <ul style="list-style-type: none"> <li>a. Discuss on "<i>Debenture holders lead Resolution plan</i>" and</li> <li>b. constituting a "<i>committee of debenture holders</i>"</li> </ul>
	RBI <i>vide</i> its letter dated 30 <sup>th</sup> December 2019, informed Vistra that RBI is aware of the developments in the matter and have given necessary directions to RCFL to monitor its developments.
	During the month Vistra informed SEBI and rating agencies with regard to default in interest payment by RCFL (INE126D07156)
<b>January 2020</b>	Vistra <i>vide</i> letter dated 3 <sup>rd</sup> January 2020, had requested RBI to take cognizance of the hardships faced by our Debenture Holders, take over the management of the Company and take such necessary steps as is required, in its sacrosanct discretion, so that the interest of the Debenture Holders is protected.

	<p>Vistra <i>vide</i> its letter dated 7<sup>th</sup> January 2020 provided further updates to SEBI in the matter and sought necessary guidance.</p> <p>RCFL conducted a meeting of Debenture holders on 14<sup>th</sup> January 2020 wherein they proposed Debenture Holders to constitute a Committee of Debenture Holders post which a resolution plan can be framed. While the Debenture Holders present at the meeting were still clarifying their queries on the way forward, RCFL team chose to adjourn the meeting.</p> <p>DNBS Department of RBI called Vistra for a meeting on 22<sup>nd</sup> January 2020 to discuss the matter. In this meeting Vistra explained the time bound action taken by trustee and intimation sent to Debenture Holders, challenges faced by Vistra in enforcement process, reluctance exhibited by the Company, either in replying to the queries or giving any resolution plan to the Debenture Holders. Vistra had requested for necessary support from RBI for protecting interest of the Debenture Holders and the economy at large, as the magnitude of risk involved in non-repayment of investments under these NCDs issuance would not only impact the massive number of investors but also pose a significant systemic risk to Banking, Financial Services and Insurance sector.</p> <p>Update sent to SEBI vide letter dated 27<sup>th</sup> January 2020 on conduct of the matter till date.</p> <p>On 28<sup>th</sup> January 2020 Letter sent to RCFL regarding their conduct in debenture holders meeting including (i)Unsatisfactory responses at meeting, (ii)Abrupt end, (iii)No resolution plan (iv)No minutes of the Meeting (v)Incorrect intimation to the Stock Exchange (copy of letter uploaded on our website section - <b>Press Release - Dissemination of Information on Debentures</b>)</p> <p>On 31<sup>st</sup> January 2020 Letter sent to RBI requesting intervention in the matter and to take similar course of action/s as DHFL in respect to the NCDs defaults of RCFL.</p> <p>During the month Vistra informed SEBI and rating agencies with regard to default in interest/ redemption payment by RCFL (INE126D08055)</p>
<b>February 2020</b>	<p>Vistra <i>Suo-moto</i> on behalf of Debenture holders have filed the <b><u>Original Application before Debt Recovery Tribunal-1 Mumbai on February 04, 2020</u></b> for recovery of outstanding dues along with penal interest.</p> <p>Letter sent to RBI and SEBI on 6<sup>th</sup> February 2020 providing update on Legal action taken against the company.</p> <p>During the month Vistra informed SEBI and rating agencies with regard to default in interest payment by RCFL (INE126D07057)</p>
<b>March 2020</b>	<p>During the month Vistra informed SEBI and rating agencies with regard to default in interest payment by RCFL (INE126D08014, INE126D07131)</p>
<b>April 2020</b>	<p>During the month Vistra informed SEBI and rating agencies with regard to default in interest payment by RCFL (INE126D07123, INE126D08022)</p>
<b>May 2020</b>	<p>During the month Vistra informed SEBI and rating agencies with regard to default in interest payment by RCFL (INE126D08048, INE126D08030, INE126D07016, INE126D07024, INE126D07032 and INE126D07040)</p>
<b>June 2020</b>	<p>1) Bank of Baroda, which is the Lead Banker in the consortium of Lenders of the Company (“Lead Banker”), vide its letter dated 12<sup>th</sup> June 2020 (received on 13<sup>th</sup> June 2020) informed Vistra that some of the lenders of the Company have commenced resolution process of the Company as per RBI (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 (“RBI Directions”). The lenders of the Company had entered into an inter-creditor agreement (“ICA”)dated 6<sup>th</sup> July 2019 as per RBI Directions.</p>

	<p>As per the said letter, the Lenders at their meeting held on June 06, 2020 have proposed and approved to distribute/appropriate the existing cash available with the Company, amongst all the financial creditors of the Company, on a pro rata basis, irrespective of their security status or other ICAs, as an interim measure.</p> <p>2) Informed the Debenture holders about the aforesaid letter immediately on the same day.</p>
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