

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

Company name:	Reliance Capital Limited (“RCL” or “Company”)
outstanding Issuance as on September 30, 2019	16273.53 crores
Number of Series	137 ISINs
Number of Debenture Holders	1624
Security type	Secured / Unsecured
Interest/Principal payment default started since	October 13, 2019
DATE	EVENTS
June 2019	Vistra made disclosures on its website with regard to abrupt resignation of PWC, Joint Statutory Auditor of RCL
	Vistra made disclosures on its website with regard to downgrading of Credit Rating by Brickwork and CARE from “A” to “BBB”
July 2019	Vistra had discussions with portfolio managers of EPFO to provide updates on the recent events happened in RCL
	Vistra sought clarification from RCL on extraordinary events as per clauses of Debenture Trust Deeds (DTD), emanating from the abrupt resignation of PWC and Credit Rating downgrade of RCL.
	Vistra directed to provide additional certification from a practicing Chartered Accountant whether RCL is maintaining minimum security cover of 100% of the NCDs issued.
	Vistra directed RCL to provide the list and current value of future book debts, business receivables and pending documents
	RCL submitted is reply to Vistra letter dated 4 th July 2019. In reply RCL stated that, <i>“no such circumstances have taken place in the company which puts the security of the beneficial owners in jeopardy, no breach of the terms of the prospectus, the company has no plans for any amalgamation, reorganization or reconstruction and the company shall provide the security cover certificate post approval of audited financials for FY 2018-19 by their Board.”</i> This reply was considered not- satisfactory by the Trustee.
August 2019	Vistra had meeting with EPFO-FIAC Officials (representing significant debentures interest) at Mumbai to inform the status of the issuance and seek directions on next steps on behalf of the investor. Nominee director appointment was proposed by EPFO.
	Vistra sent Notice of debenture holders meeting to all debenture holders and RCL which was scheduled on 23 rd August 2019 from 10.30 am to 11.30 a.m. at Mumbai In this meeting, Vistra updated the debenture holders on recent events

	<p>in the company and status of information awaited from RCL. viz.</p> <ol style="list-style-type: none"> 1) Downgrade of credit Rating by Brickwork Ratings and CARE Ratings 2) Resignation of Joint Statutory Auditor of the Company 3) Delay in conducting the board meeting for financial year 2018-2019 4) Delay in providing Security cover certificate from Statutory Auditor for March-2019 and June-2019 5) As per information available in public domain, sale of RCL stake in subsidiary companies <p>Vistra directed the company to appoint a nominee director on behalf of debenture holders, on its Board in ensuing Board meeting, as the reply submitted by RCL on 22nd July 2019 was non satisfactory. On the same day Vistra updated SEBI - MIRSD Department on the matter.</p> <p>RCL submitted Audited Financial Results (both standalone and Consolidated) for the financial year ended 31st March 2019 and unaudited financial Results for the quarter ended June 2019.</p> <p>Since Debenture holder approval is important in this case, Vistra sent reminders for the first debenture holders meeting to all debenture holders, to ensure maximum attendance for carrying out productive meeting aimed at decision making on next steps</p> <p>Vistra conducted first meeting of Debenture Holders, Vistra updated debenture holders and proposed possible next steps for debenture holder approvals. It was directed by the debenture holders to seek further details/documents from RCL. RCL sent two representatives who did not respond to any questions asked by debenture holders. Debenture holders were of the view that a written response be sought from RCL post which the Debenture Holders will decide on way forward and contemplate on appointing an expert for next steps</p> <p>Vistra made website disclosures with regard to revision in Credit ratings of the Company from CARE "BBB" to CARE "BB"</p> <p>Vistra shared minutes of 23rd August 2019 meeting with all the debenture holders.</p> <p>Vistra directed RCL to provide requisite details/documents within 10 business days from the date of receipt of letter</p> <p>Vistra further updated SEBI, Department of Debt and Hybrid Securities and MIRSD on the matter.</p>
<p>September 2019</p>	<p>Vistra made website disclosure of revision in Credit ratings from BWR BBB to BWR BB</p> <p>Vistra made disclosure to rating agencies and SEBI on delay in Interest payment due on 9th September 2019 by RCL. Payment received with delay on 11th September 2019 for series No. INE013A070E2, INE013A071E0 and INE013A079D5</p> <p>Vistra informed all debenture holders with regard to extension of time sought by RCL to furnish their reply to Vistra letter dated 27th August 2019.</p> <p>RCL submitted its reply on Vistra's letter dated 23rd August 2019. Letter along with annexures provided was shared with all the debenture holders.</p> <p>Vistra made website disclosure with regard to change in rating of the Company from CARE "BB" to CARE "D"</p> <p>Vistra made website disclosure with regard to change in Credit ratings of</p>

	<p>the Company from BWR “BB” to BWR “D”</p> <p>Vistra sought approvals from majority Debenture holders for obtaining confirmation for initiating legal action against RCL</p> <p>For taking next steps, Vistra sent Notice of the second Debenture holders meeting, which was scheduled to be held on October 03, 2019</p>
October 2019	<p>Second joint meeting of all the Debenture Holders was held. Vistra provided updates and further strategies for next steps to all debenture holders.</p> <p>Vistra also sought debenture holder approvals for next steps. The Debenture Holders and Vistra discussed on various concerns with respect to documents/information received from RCL <i>vide</i> letter dated 16th September 2019.</p> <p>Considering the large number of debenture holders and no clarity emerging on approvals, Vistra sought nominations for forming a ‘Committee of Debenture Holders’ for taking such decisions. The attendees also discussed the immediate need for creating a corpus of funds by the Debenture Holders to meet with expenses for taking next steps including appointment of legal counsel and possible litigation.</p> <p>Vistra shared draft Minutes of the 3rd October 2019 meeting with all Debenture holders for comments and approval.</p> <p>Vistra shared final minutes of 3rd October 2019 meeting with all Debenture holders.</p> <p>Vistra sent updates to SEBI on following disclosures made by RCL to stock exchanges.</p> <ol style="list-style-type: none"> 1. RCL filed disclosure with the stock exchange that “As a direct consequence of the chain reaction of events triggered by the unwarranted rating action of CARE, it is expected that the debt servicing of the Company in relation to the accelerated amounts and otherwise will be delayed. The requisite disclosures in respect of Non-Convertible Debentures (NCDs) for which recall notice was received and other payments falling due on or prior to October 14, 2019 which will be delayed.” The list of ISINs where the Company will make delayed payment is also provided as an Annexure to the said intimation. 2. RCL filed another disclosure to the stock exchanges in relation to sale of its stake in Reliance Securities Limited and Reliance Financial Limited to Quantum Benefit Trust. <p>Vistra made website disclosure with regard to default in interest payment to be paid on October 13, 2019 by RCL (INE013A074P0)</p> <p>Pursuant to RCL disclosures made to NSE/BSE on 11th October 2019, Vistra sought explanations from RCL, Reliance Securities Limited and Reliance Financial Limited</p> <ol style="list-style-type: none"> 1) Letter sent by Vistra to RCL seeking explanation on sale of shares of Reliance Securities Limited and Reliance Financial Limited without the consent of Debenture Holders and the debenture Trustee. 2) Letter sent to Reliance Securities Limited and Reliance Financial

	<p>Limited in capacity of Debenture trustee to their issuances, seeking explanation on the sale of Shares by RCL.</p> <p>3) Vistra website disclosure with regard to default in interest payment by RCL (INE013A075G6)</p>
	<p>Vistra fully updated SEBI on the default and all aspects of the matter seeking guidance</p> <p>Vistra also informed BSE and NSE with regard to RCL disclosure/Intimation made to the Stock Exchanges dated October 11, 2019 in relation to sale of stake in Reliance Securities Limited and Reliance Financials Limited</p>
	<p>Vistra held concall with Committee of Debenture holders.</p> <p>In 1st concall of committee of Debenture Holders, Trustee along with committee members decided on below points:</p> <p>(i) Shared quotes received from the law firms to the Committee.</p> <p>(ii) Vistra to follow up with the Committee on finalization of law firm, post sharing of fee quote.</p> <p>(iii) Vistra to send the acceleration notice (ISIN wise)</p> <p>(iv) Committee members present on con-call suggested to directly initiate legal action, citing reasons of non-cooperation from the Issuer and rapidly deterioration security value.</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 RCL</p>
	<p>Vistra sought approvals from majority Debenture holders for obtaining confirmation for initiating legal action against RCL</p>
	<p>Vistra sent second direction to RCL regarding appointment of Nominee Director on the Board of the Company.</p>
	<p>During the month Vistra informed SEBI and rating agencies with regard to default in interest payment by RCL (INE013A074P0, INE013A075G6, INE013A07G11, INE013A077G2, INE013A076G4, INE013A079G8, INE013A07A33, INE013A070S2, INE013A08150, INE013A076O8, INE013A078E5, INE013A077B3)</p>
November 2019	<p>Vistra had a concall with Committee members on Legal Expenses and opening of Escrow account, committee decided to share the legal expenses on pro-rata basis</p> <p>Vistra shared the break-up of the estimated legal expenses with all the Committee members</p> <p>Vistra had a concall with Committee members along with appointed lawyer (DSK) on the way forward regarding legal action and escrow agreement</p> <p>Vistra again sought approvals from all Debenture holders for obtaining confirmation for initiating legal action against RCL</p> <p>In its last communication, RCL confirmed to appoint Nominee director proposed by Vistra on the board of RCL</p> <p>Basis the consent received from certain debenture holders, authorizing Trustee to proceed with the filing at the Debt Recovery Tribunal (“DRT”),</p>

	<p>duties enshrined under SEBI (Debenture Trustee) Regulations, 1993 and as per the legal advice received from DSK Legal, the law firm appointed in the matter; Trustee has filed the Original Application at the DRT in Mumbai on 29th November 2019. The matter has been listed under reference no. Original Application No. (L) 787/19 of 2019.</p> <p>During the month Vistra informed SEBI and rating agencies with regard to default in interest payment by RCL (INE013A074H7, INE013A07SK3, INE013A076H2, INE013A073H9, INE013A075H4, INE013A076P5, INE013A077P3, INE013A078P1, INE013A078H8, INE013A071I1, INE013A076G4, INE013A071O1, INE013A074I5, INE013A08317, INE013A073I7, INE013A070J1, INE013A079I4, INE013A078I6, INE013A072J7, INE013A071J9 and INE013A07NU3)</p>
December 2019	<p>The matter before DRT was listed for hearing on 3rd December 2019 in Pune wherein Vistra succeeded in getting the injunction order from the Presiding officer, the said Order prohibited Reliance Capital Limited from alienating any assets/subsidiaries. The next date for hearing of the matter was scheduled on 26th December 2019.</p> <p>RCL conducted a meeting of Debenture Holders on December 06, 2019 at their office to update the Debenture Holders on the legal action taken by the Debenture Trustee and provided presentation on the financial position of the company. In this meeting RCL proposed to the Debenture Holders to:</p> <ol style="list-style-type: none"> 1) Withdraw proceedings initiated against RCL before DRT 2) Constitute a Committee of Debenture Holders (COD) to discuss and arrive at a resolution outside the DRT process. <p>Vistra <i>vide</i> its letter dated 5th December 2019 informed Reserve Bank of India (RBI) and to SEBI about the details of events and updates in the matter and requested the Regulators to issue necessary directions to the issuer company in the interest of debenture holders.</p> <p>RBI <i>vide</i> its letter dated 24th December 2019, informed Vistra that RBI is aware of the developments in the matter and have given necessary directions to the company to monitor its developments.</p> <p>Vistra <i>vide</i> letter dated 20th December 2019, have requested RBI to take cognizance of the hardships faced by our Debenture Holders, take over the management of the Issuer and take such necessary steps as is required, in its sacrosanct discretion, so that the interest of the Debenture Holders may be protected. Same was informed to SEBI through email.</p> <p>RCL invited Vistra for the debenture holders meeting to be held on 17th January 2020 at their office premise, Notice received by Vistra on 20th December 2019.</p> <p>During the month Vistra informed SEBI and rating agencies with regard to default in interest payment by RCL (INE013A075J0, INE013A08325, INE013A07S41, INE013A07TA2, INE013A071D2, INE013A08168, INE013A071B6, INE013A08176)</p>
January 2020	<p>Meeting of Debenture Holders was held by RCL on 17th January 2020 to discuss the following agenda:</p> <ol style="list-style-type: none"> 1) Proposal for withdrawal of proceedings initiated by Debenture holders against RCL before DRT; and

	<p>2) Constitute a Committee of Debenture Holders(COD) to discuss and arrive at a resolution outside the DRT process. After discussion <i>inter alia</i> on the above points the meeting was adjourned to 30th January 2020.</p>
	<p>The matter before the DRT listed on 17th January 2020, adjourned to 28th February 2020.</p>
	<p>DNBS Department of RBI called Vistra for a meeting on 22nd 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 23rd January 2020 on conduct of the matter till date.</p>
	<p>Letter sent to EPFO on 23rd January 2020 on conduct of the matter till date and to provide necessary support in taking swift action in the interest of all PF Trusts debenture holders by giving their consent in joining the Committee of Debenture Holders ('COD').</p>
	<p>On 23rd January 2020 Letter sent to RCL regarding their conduct in debenture holders meeting including (i) Unsatisfactory responses at meeting, (ii) Abrupt end, (iii) No resolution plan (iv) Incorrect intimation to the Stock Exchange (v) Non-inclusion of Forensic Audit, (vi) Their stand on withdrawal of DRT proceeding (vii) Failure to correct misleading statement (copy of letter uploaded on our website section - Press Release - Dissemination of Information on Debentures)</p>
	<p>Letter sent to Majority Debenture holders on 28th January 2020 to provide their support in taking swift action in the interest of all the debenture holders by giving consent in joining the Committee of Debenture Holders.</p>
	<p>Meeting of Debenture holders conducted by Vistra on 29th January 2020, where representatives of RCL were also present to discuss on way forward in the matter.</p>
	<p>Debenture holders at their meeting held on 30th January 2020 at RCL's office passed the Special Resolution to constitute the Committee of Debenture Holders (CoDH).</p>
	<p>On 31st 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 RCL.</p>
	<p>Vistra informed SEBI and rating agencies with regard to default in interest payment by RCL (INE013A08333, INE013A08184, INE013A08341, INE013A078R7, INE013A08358, INE013A07TN5 and INE013A07TV8)</p>
February 2020	<p>RCL made disclosure of voting results on their website on 1st February 2020. As per the disclosure, the Special Resolution to consider and approve withdrawal of proceedings initiated before the Debt Recovery</p>

	<p>Tribunal was not been passed by Debenture holders and Special Resolution to consider the constitution of Debenture holders for Debenture Holder Led Resolution Plan (DRHP) was passed by the Debenture Holders through poll at the meeting and remote e-voting with requisite majority.</p>
	<p>Committee of Debenture Holders (CoDH) was reconstituted on 6th February 2020 to include new members in the CODH.</p>
	<p>The 1st meeting of the CODH was held on 20th February 2020 wherein amongst other discussion, one of the key discussion was regarding filing of the intervention application by Vistra to the Appeal filed by Nippon India Mutual Fund (“NIMF”) and Nippon Life India Asset Management Limited (“NLIAM”) before Securities Appellate Tribunal (“SAT”) against the impugned order issued by Insurance Regulatory & Development Authority of India (“IRDAI”) dated 4th December 2019 and 27th December 2019. The order of IRDAI stated “that the pledge/ transfer of Reliance General Insurance Company Ltd (“RGICL”) shares is in violation of Sec 6(4)(b)(iii) of the Insurance Act, 1938 read with Regulation 3 of IRDAI (Transfer of Equity Shares of Insurance Companies) Regulations, 2015 and that the transfer / pledge of the RGIC shares is void ab initio. Aggrieved by the above order, NIMF and NLIAM filed an appeal before SAT seeking quashing and setting aside of the impugned order passed by IRDAI. The respondents in this regard are IRDAI, IDBI Trusteeship Services Limited (ITSL), RCL and RGICL.</p> <p>Pursuant to the instructions from the CODH and in consultation with the law firm appointed, intervention application at the SAT was filed on 21st February 2020 for hearing to be held on 24th February 2020 by Vistra. Further Vistra has also filed suit at the Bombay High Court for claiming superior charge on any sale proceeds of RGICL shared on 21st February 2020.</p>
	<p>SAT at the hearing held on 24th February 2020 informed Vistra to amend the plaint and include the argument that the creation of pledge itself is questionable, as the prior consent of IRDAI was not obtained. SAT vide its order dated 27th February 2020 has struck down 4th December and 27th December 2019 orders of IRDAI.</p>
	<p>Vistra informed SEBI and rating agencies with regard to</p> <ol style="list-style-type: none"> default in interest payment by RCL (INE013A072L3, INE013A070D4, INE013A073L1, INE013A074L9, INE013A07QX0 , INE013A075D3 and INE013A073S6) no information received from company or available on stock exchange website (INE013A077L2 and INE013A08192)
	<p>The matter before the DRT listed on 28th February 2020 was adjourned to 6th March 2020</p>
March 2020	<p>At CODH meeting held on 3rd March 2020, a Steering Committee has been constituted.</p>
	<p>Update sent to RBI (CC to SEBI) vide letter dated 4th March 2020 on conduct of the matter till date and requested to take suitable action in the matter.</p>
	<p>The matter before the DRT listed on 6th March 2020 was adjourned to 20th March 2020 to enable RCL to file its Written Statement.</p>
	<p>1st Con-call meeting of Steering Committee was held on 5th March 2020</p>

	<p>2nd meeting of Steering Committee was held on 6th March 2020</p> <p>The Debenture Trustee with Steering Committee in consultation with appointed legal council filed a civil appeal before the Supreme Court challenging the order of the SAT dated 27th February 2020</p> <p>Letter sent to Employees' Provident Fund Organisation (EPFO) requesting to join Steering Committee of Debenture holders</p> <p>Request letter sent to The Insurance Regulatory and Development Authority of India on the instructions of Steering Committee to provide notice for any request(s) for approval for sale/transfer of shares of Reliance General Insurance Company Ltd.</p> <p>3rd Con-call meeting of the Steering Committee held on 16th March 2020</p> <p>4th Con-call meeting of the Steering Committee held 18th March 2020.</p> <p>5th Con-call meeting of the Steering Committee held on 20th March 2020</p> <p>The matter before the DRT was listed on 20th March 2020 however was adjourned to 8th May 2020 due to the ongoing Corona outbreak.</p> <p>6th Con-call meeting of the Steering Committee held on 24th March 2020</p> <p>7th Con-call meeting of the Steering Committee held on 26th March 2020.</p> <p>8th Con-call meeting of the Steering Committee was held 31st March 2020</p> <p>Credit Rating Revised by CARE on 27th March 2020 from "CARE D" to "CARE D; Issuer Not Cooperating" for long-term debt program, market linked debentures and subordinated debt of the Company.</p> <p>Vistra informed SEBI and rating agencies with regard to</p> <p>a) default in interest payment by RCL (INE013A08200, INE013A072M, INE013A074M7, INE013A070R4, INE013A073M9, INE013A08366, INE013A08275, INE013A08218, INE013A07UY0, INE013A08283 and INE013A077S7)</p> <p>b) no information received from company or available on stock exchange website (INE013A074S4)</p>
April 2020	<p>9th Con-call meeting of the Steering Committee held on 1st April 2020.</p> <p>Letter sent to IRDAI on 1st April 2020 in furtherance to our letter dated 13th March, to notify IRDAI of certain developments that have taken place since and to request for continued support of the IRDAI to inform us about any approval request made to it for transfer of the shares of Reliance General Insurance Company Limited owned by Reliance Capital Ltd</p> <p>10th con-call meeting of the Steering Committee held on 6th April 2020.</p> <p>Letter sent to SEBI on 9th April 2020 updating the conduct of the matter.</p> <p>11th con-call meeting of the Steering Committee held on 24th April 2020.</p> <p>12th con-call meeting of the Steering Committee held on 30th April 2020.</p> <p>Vistra informed SEBI and rating agencies with regard to</p> <p>a) default in interest payment by RCL (INE013A073J5, INE013A079F0, INE013A073L1, INE013A08291, INE013A077M0, INE013A08226, INE013A078M8 INE013A07A33 and INE013A07Y19)</p> <p>b) no information received from company or available on stock exchange website (INE013A075R3)</p>
May 2020	<p>13th con-call meeting of the Steering Committee held on 8th May 2020</p> <p>The matter before the DRT was listed on 8th May 2020 however adjourned due to ongoing Covid-19 outbreak.</p> <p>14th con-call meeting of the Steering Committee held on 15th May 2020</p> <p>15th con-call meeting of the Steering Committee held on 19th May 2020</p>

	16 th con-call meeting of the Steering Committee held on 20 th May 2020
	17 th con-call meeting of the Steering Committee held on 22 nd May 2020
	18 th and 19 th con-call meeting of the Steering Committee held on 27 th May 2020
	20 th con-call meeting of the Steering Committee held on 28 th May 2020
	Various con-calls were arranged during the month between RCL, Vistra and law firm for finalization of Non-Disclosure Agreement.
	Vistra informed SEBI and rating agencies with regard to default in interest payment by RCL (INE013A07Y27, INE013A072I9, INE013A08101, INE013A07WB4, INE013A08317, INE013A08234, INE013A075K8, INE013A077K4 and INE013A076M2)
June 2020	21 st con-call meeting of the Steering Committee held on 29 th May 2020
	22 nd con-call meeting of the Steering Committee held on 1 st June 2020
	23 rd con-call meeting of the Steering Committee held on 4 th June 2020
	Letter sent to RBI Governor Shri Shaktikanta Das on 19 th May 2020 requesting RBI's intervention in the matter.
	Vistra informed SEBI and rating agencies with regard to default in interest payment by RCL (INE013A07Z83, INE013A071A8, INE013A070L7, INE013A076A7, INE013A075A9 and INE013A08242)