

**AXIS TRUSTEE SERVICES LIMITED**

**NON-COMPLIANCE WITH TERMS OF DEBENTURE ISSUE - AS ON AUGUST 31, 2014**

Name of Company	Issue Size (Rs. in Cr.)	Secured/ Unsecured	Default committed by Company in payment of interest and/or redemption of debentures and/or delay or default in creation of Security	Brief details and Action Taken as on August 31, 2014
Arch Pharmed Labs Ltd.	20	Secured	Delay in creation of security	<p>The Issuer Company was required to create complete security by November 30, 2012. Creation of security over movable assets/ other immovable assets is pending due to non receipt of NOC from the existing charge holders.</p> <p>Various e-mail/ letters have been sent to the Issuer Company to expedite the security creation, last being August 5, 2014. It is understood that the Issuer Company has approached CDR cell and thus we have requested the Issuer Company vide our letter dated August 5, 2014 to appraise the status of the same.</p>
Beeta Infocom Pvt. Ltd.	140	Secured	Non Payment of Interest due on October 10, 2012, January 03, 2012 & April 03, 2013	<p>On the instructions of the Debenture Holder a winding up petition has been filed against Tulip Telecom Ltd., the Corporate Guarantor for the issue. ICICI Bank filed impleadment application in Delhi High Court on September 16, 2013 to vacate the stay order and injunctions passed by the court for implementation of the CDR scheme.</p> <p>The Court has vacated the stay order to the extent of enabling the CDR process to continue and has ordered that any sale or creation of charge on the pooled security shall be subject to order or prior permission of Court.</p> <p>The matter was listed for arguments on August 01, 2014 and at the request of Counsel for Company all the matters pertaining to Tulip have been directed to be listed on 25th September 2014 .</p>

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Bhushan Steel Ltd.	200	Secured	Delay in creation of security	<p>The Issuer Company was required to create complete security before December 02, 2013.</p> <p>The Company has created security over its immovable properties situated in the State of Uttar Pradesh on 16th June 2014, in State of Odhisa on 12th June, 2014 and immovable properties situated in the State on Maharashtra on 16th July, 2014.</p> <p>The charge so created are subject to obtainance of NOC from certain Lenders, We have sent various communications to the Lenders seeking information regarding the NOC status and completion of Security, latest being August 27, 2014.</p>
Core Education & Technologies Ltd.	100.00 (Issue Size) 71.00 (subscribed)	Secured	Non Payment of Interest due and redemption due on 31/03/2014 and 17/06/2014	<p>One of the debenture holder Oriental Bank of Commerce informed the non receipt of outstanding vide its letter dated August 11, 2014 received on August 27, 2014. We have written an email on August 28, 2014 to the Company asking to make the payment at the earliest. In the same email, we have requested the Company to arrange the meeting of the debenture holders and update the status of the CDR.</p>
Core Education & Technologies Ltd.	59	Secured	Non Payment of annual interest due on December 30, 2013	<p>We had received a letter from the Debenture Holders on January 06, 2014 informing us about the non-receipt of annual interest due on December 30, 2013. On the same day we had sent a letter to the Issuer Company to make the payments immediately along with penal interest. We have received a letter from the Company dated January 22, 2014 informing us that the Company has approached CDR cell.</p> <p>We have written various emails/letter to the Company last being August 28, 2014 requesting to arrange the meeting of the debenture holders, update the status of the CDR and immediately make the payment outstanding to them.</p>

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Educomp Solutions Ltd.	35	Secured	<p>1. Non Payment of annual interest due on May 24, 2014</p> <p>2. Delay in creation of security</p>	<p>1. The company has made part payment of interest due of May 24, 2014 aggregating to Rs. 1 crore on July 25, 2014 and also on August 28, 2014 for Rs. 1 Crore. Further on account of the current liquidity constraints, the company has requested the debenture holders for additional time to repay the pending due amount. The company proposes to pay Rs. 1 crore per month to settle the interest dues.</p> <p>2. Follow up is on. We have informed the proposal of one of the Debenture Holder, to appoint Mr. Alok Singh as a nominee director on the BOD of the Issuer Company and filing of winding up petition, to the Issuer company vide our letter dated November 11, 2013 and communicated other debenture holders vide our letter dated November 11, 2013 to obtain their consensus for the same. The Final CDR Package has been approved under CDR system. MRA has been executed on March 25, 2014 and other documents including security documents are yet to be executed.</p> <p>We have written a follow up letter dated August 26, August, 2014 for payment of due interest and security creation.</p>

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Elder Pharmaceuticals Ltd.	70	Secured	<p>1. Non-Payment of half yearly interest due on August 23, 2013, February 23, 2014 and August 23, 2014</p> <p>2. Delay in creation of security</p>	<p>1. We were informed by the Debenture Holder about the non-receipt of half-yearly interest due on August 23, 2013, February 23, 2014 and August 23, 2014. We are constantly following up with the Issuer Company, last being July 31, 2014 and requesting them to update us on the payment of outstanding dues to the Debentureholders.</p> <p>We have proposed to appoint a nominee director. Various joint meetings of the Debenture Holders and Issuer Company were conducted last being August 23, 2014 wherein the debentureholders have agreed to take legal action against the Issuer Company. The issuer Company is yet to clear the outstanding payment.</p> <p>On instructions of the debenture holders, we have filed a chamber summons no. 1069/2014 on 09/07/2014 in the Bombay High Court for impleadment to the suits filed by unsecured creditors, the matter is subjudice.</p> <p>2. We are constantly following up with the Issuer Company, last being July 31, 2014 and requesting them to expedite and complete the security creation at the earliest. Various Joint Meetings of the Debenture Holders and Issuer Company were conducted last being August 23, 2014 in which the Issuer Company has assured the debentureholders that the pending security will be created upon obtaining NOC from the existing chargeholders.</p>

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Elder Pharmaceuticals Ltd.	73	Secured	Non Payment of half yearly Interest due on March 31, 2013, September 30, 2013 and March 31, 2014. Non Payment of Redemption installment due on September 30, 2013 and March 31, 2014	<p>We were informed by the Debenture Holder about the non-receipt of Half-yearly interest due on March 31, 2013, September 30, 2013 and March 31, 2014. We are constantly following up with the Issuer Company, last being on July 31, 2014 requesting them to update us on the payment of the outstanding dues.</p> <p>We have also sent a letter to NSE on April 30, 2013 informing them about the default.</p> <p>We have proposed to appoint a nominee director. Various Joint Meetings of the Debenture Holders and Issuer Company were conducted last being August 23, 2014 wherein the debentureholders have agreed to take legal action against the Issuer Company. The Issuer Company is yet to clear the outstanding payment.</p> <p>On instructions of the debenture holders, we have filed a chamber summons no. 1069/2014 on 09/07/2014 in the Bombay High Court for impleadment to the suits filed by unsecured creditors, the matter is subjudice.</p>
Elder Pharmaceuticals Ltd.	118.8	Secured	Non Payment of Redemption installment due on March 23, 2013, June 23, 2013, September 23, 2013, December 23, 2013, March 23, 2014 and June 23, 2014. Non-Payment of Half-yearly Interest due on June 23, 2013, December 23, 2013 and June 23, 2014.	<p>We were informed by the Debenture holder about the non-receipt of redemption installment due on March 23, 2013, June 23, 2013, September 23, 2013, December 23, 2013, March 23, 2014, June 23, 2014 and Non-Payment of half-yearly Interest due on June 23, 2013, December 23, 2013 and June 23, 2014. We are constantly following up with the Issuer Company, last being July 31, 2014 and requesting them to expedite the payment of the dues.</p> <p>We have proposed to appoint a nominee director. Various Joint Meetings of the Debenture Holders and Issuer Company were conducted last being August 23, 2014 wherein the debentureholders have agreed to take legal action against the Issuer Company. The Issuer Company is yet to clear the outstanding payment.</p> <p>On instructions of the debenture holders, we have filed a chamber summons no. 1069/2014 on 09/07/2014 in the Bombay High Court for impleadment to the suits filed by unsecured creditors, the matter is subjudice.</p>

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Era Infra Engineering Ltd.	39	Secured	Non Payment of annual interest and annual Part Redemption due on July 31, 2013.	<p>We were informed by the Debenture holder about the non-receipt of annual interest and annual part redemption due on July 31, 2013.</p> <p>We had written various letters last being January 16, 2014 to the Issuer Company, to expediate the payment of the part redemption and interest. Various Joint Meetings of Issuer Company and Debenture Holders were held, last being March 19, 2014 to discuss and consider the views of debenture holders with regard to the restructuring of Debentures of the company.</p> <p>In the meeting representatives of Debenture holders were apprised that the Lead Bank has provided their mandate for CDR and other banks are in various stage of processing positive restructuring proposal. The concerns of debenture holders were clarified and they were requested to consider the proposal and provide their opinion at the earliest. The response is awaited.</p> <p>Despite our various communications and follow up, the issuer has failed to pay various interest and principal obligations due to debenture holders.</p> <p>Company has informed that MRA has been signed including few Debenture holders. We have asked for copy of signed MRA and the same is awaited.</p>

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Era Infra Engineering Ltd.	100	Secured	Non Payment of annual interest and half-yearly Part Redemption due on October 31, 2013.	<p>We were informed by the Debenture holder about the non-receipt of annual interest and annual part redemption due on July 31, 2013.</p> <p>We had written various letters last being January 16, 2014 to the Issuer Company, to expediate the payment of the part redemption and interest. Various Joint Meetings of Issuer Company and Debenture Holders were held, last being March 19, 2014 to discuss and consider the views of debenture holders with regard to the restructuring of Debentures of the company.</p> <p>In the meeting representatives of Debenture holders were apprised that the Lead Bank has provided their mandate for CDR and other banks are in various stage of processing positive restructuring proposal. The concerns of debenture holders were clarified and they were requested to consider the proposal and provide their opinion at the earliest. The response is awaited.</p> <p>Despite our various communications and follow up, the issuer has failed to pay various interest and principal obligations due to debenture holders.</p> <p>Company has informed that MRA has been signed including few Debenture holders. We have asked for copy of signed MRA and the same is awaited.</p>
Essar Power Ltd.	1000	Secured	Delay in creation of Security	<p>The Issuer Company was required to create complete security by 02/12/2013. The Issuer Company is in process of procuring NOCs for creation of security on immovable properties, after which the Issuer Company shall proceed with security creation and perfection.</p> <p>The Issuer Company has requested the debentureholder for extension of time for creation of security, the debentureholders agreed to give such extension till 02/03/2014 but security was not created. The Debenture holders have also invoked the provisions of LOI thereby exercising their right to recall the NCDS principal amount along with all the outstanding due. We have inquired for the status by our email dated 15/01/2014, 12/03/2014, 22/04/2014, 06/05/2014, 30/05/2014, 08/07/2014 and 06/08/2014. The Company has requested the debentureholder for further extension of time for creation of security till 30/10/2014 and reply from the Debentureholder is awaited.</p>

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Essar Power Ltd.	1150	Secured	Delay in creation of Security	<p>The Issuer Company was required to create complete security by 25/09/2013. The security creation deed for part of the immovable property was executed and registered.</p> <p>The Issuer Company is in process of procuring NOCs for creation of security on balance portion of the immovable properties. The Issuer Company has requested the debentureholder for extension of time for completion of creation of security. We have sent various communications to the Issuer Company being 15/01/2014, 06/02/2014, 15/04/2014, 06/05/2014, 30/05/2014, 08/07/2014 and 06/08/2014 to asking them to inform the current status of the security creation and redemption of the NCDs.</p> <p>The debentureholders have charged penal interest due to delay in security creation, which has been paid by the Issuer Company.</p>
First Leasing Company of India Ltd.	150	Secured	Non Payment of Interest due on December 04, 2013 and May 31, 2014	<p>It is understood that the issuer company has not made the payment of the interest to the debentureholders due on December 04, 2013.</p> <p>We have sent letters to the Issuer Company last being July 31, 2014 for immediate payment of the dues to debentureholders. The issuer company's in its response informed us that post the inspection by RBI during August / September 2013, the priority on the payments on behalf the Company are determined by RBI. We are following up with the Company to clear the outstanding dues at the earliest. Further, we have received letter from the debentureholder informing non receipt of interest due on May 31, 2014. We have again requested the company in our letter/email dated July 31, 2014 to make the payment to the debentureholder at the earliest.</p> <p>We also understand from several press releases in leading newspapers that an official liquidator has been appointed by Madras High Court and accordingly we have lodged claims of the Debentureholders with the official liquidator vide our letter dated August 26, 2014.</p>



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Gitanjali Gems Ltd.	125	Secured	Non Payment of Part Principal & Interest since June 22, 2013	<p>We have been informed by the debentureholder about non payment of part principal and interest since June 22, 2013. Debentureholder has instructed to initiate action under SARFAESI Act and we have initiated the same. Accordingly, we have identified the Securitisation agent to proceed with the SARFAESI Action and have informed the Debenture Holder about the same along with the scope of work of the agents. We are yet to receive the reply from debenture holder on their preference of agents to proceed with the action. We have again vide our email dated 27 August, 2014 to the debenture holder requested for their confirmation on the appointment of agents.</p>
Gujarat NRE Coke Ltd.	50	Secured	Non Payment of Interest and redemption since May 30, 2013	<p>We were informed by the Debenture holder on August 12, 2013 about the non-receipt of interest and redemption instalment due on May 30, 2013. We have sent various letters, last being January 14, 2014 to the Issuer Company requesting them to make the outstanding payments to the Debenture Holder at the earliest. We have requested the Issuer Company vide our letters last being October 25, 2013 to make the payment of interest and redemption due as well as to conduct a Joint Meeting with all the Debenture holders. We are awaiting the response from the Debentureholders and the Issuer Company.</p> <p>We understand that the Issuer Company is proposing restructuring of the NCD's, however one of the Debenture Holders has conveyed its dissent to the Scheme which has been communicated by us to the Issuer Company vide our letter dated November 07, 2013.</p> <p>Further, we have vide emails/letters last being on August 5, 2014, have requested the Company to hold a meeting of the Debenture holders, reply for the same is awaited. The Company and debenture holders are in the process of signing the Master Restructuring Agreement under the CDR Package. Further update from the Company is awaited.</p>

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Gujarat NRE Coke Ltd.	100	Secured	Delay in creation of Security	<p>The Issuer Company was required to create complete security by November 27, 2012.</p> <p>The Issuer Company has created security over its Gujarat immovable properties and all of its movable properties. However, security over its balance immovable properties is pending due to non receipt of NOCs from existing charge holders.</p> <p>We have sent various e-mail/ letters to the Issuer Company to expedite the security creation, last being August 5, 2014 and vide this letter we have also proposed to appoint a nominee director. We have also written letter dated May 28, 2013 to the Debenture Holder seeking their advise for further course of action for which the response is awaited.</p>
Metropolitan Infra housing Pvt. Ltd.	100	Secured	<p>1. Non Payment of Mandatory Redemption</p> <p>2. Non Payment of Interest due on July 01, 2014 and August 01,2014</p>	<p>1. In terms of the Information Memorandum, if the credit rating of the NCDs fell below A+ (SO) or Gammon India Ltd.'s credit rating falling below A+, the Issuer Company was required to redeem all the outstanding Debentures. As the rating of the Issuer Company was downgraded to BBB+ in September 2012, the Debentures are due for mandatory redemption. The Issuer Company was requested to advise the date and time for conducting a Joint meeting with the Debenture Holders.</p> <p>However, despite of several notices last being on July 31, 2014, the Issuer Company has not redeemed the outstanding Debentures however the company had confirmed orally that they had paid interest till May 14. We are further following up with the company for appointment of Nominee director, last communication in this regards was sent on June 10, 2014. Apart from this, we are also having regular telephonic conversation on the subject.</p> <p>2. We were informed by the Debenture holder about the non-receipt of interest installment due on July 01, 2014 and August 01,2014. Accordingly we have written email to company on July 15, 2014 and August 19, 2014 requesting them to make payment of outstanding amount. Further we have also appointed a nominee director vide letter dated June 10, 2014 on the board of Issuer Company.</p> <p>Further, we have written to the company to appoint Nominee director in their Board vide our letter dated June 10, 2014. However, Company has responded with a request for deferment in appointment of Nominee Director vide their letter dated August 25, 2014. They have informed that they are in process to sell part of the mortgaged land to redeem the entire outstanding NCDs. Request of the company was referred to the Debentureholders.</p>

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Metropolitan Infra housing Pvt. Ltd.	75	Secured	Non Payment of Mandatory Redemption	<p>In terms of the Information Memorandum, if the credit rating of the NCDs fell below A+ (SO) or Gammon India Ltd.'s credit rating falling below A+, the Issuer Company was required to redeem all the outstanding Debentures. As the rating of the Issuer Company was downgraded to BBB+ in September 2012, the Debentures are due for mandatory redemption. The Issuer Company was requested to advise the date and time for conducting a Joint meeting with the Debenture Holders.</p> <p>However, despite of several notices last being on July 31, 2014, the Issuer Company has not redeemed the outstanding Debentures however the company had confirmed orally that they had paid interest till May 14. We are further following up with the company for appointment of Nominee director, last communication in this regards was sent on June 10, 2014. Apart from this, we are also having regular telephonic conversation on the subject. Further we have also appointed a nominee director vide letter dated 10/06/2014 on the board of Issuer Company.</p> <p>Further, we have written to the company to appoint Nominee director in their Board vide our letter dated June 10, 2014. However, Company has responded with a request for deferment in appointment of Nominee Director vide their letter dated August 25, 2014. They have informed that they are in process to sell part of the mortgaged land to redeem the entire outstanding NCDs. Request of the company was referred to the Debentureholders.</p>
Neptune Developers Limited	120	Secured	Non-payment of Interest due on March 31, 2014 and redemption due on May 27, 2014	<p>We have received a letter from ILMS Realtors Pvt Ltd on May 13, 2014 informing the non-receipt of interest due on March 31, 2014 and and a letter on May 30, 2014 informing the non-receipt of redemption amount due on May 27, 2014 and from HSBC on May 28, 2014 informing the non-receipt of interest and redemption amount due on May 27, 2014. We have further received reminder letters from HSBC on June 16, 2014 and July 02, 2014 to making the payment. We have promptly written to the company asking them to make the payment at the earliest.</p> <p>We have also asked the Company to arrange the meeting of the debenture holders.</p>