

## Minutes of the Thirty First Meeting of the Committee of Creditors

**Name of the Corporate Debtor:** Reliance Capital Limited ("RCAP")

**Meeting Date & Time:** Friday, January 06, 2023, 2.00 P.M. onwards

**Venue/Mode:** Four Seasons Hotel, 1, 136, Dr. E. Moses Road, Gandhi Nagar, Upper Worli, Worli, Mumbai 400018 (Meeting Room: South Gallery)

1. "Administrator" or "Chair"- Mr. Nageswara Rao Y
2. Members of the Advisory Committee ("ACM")
  - Shri Srinivasan Varadarajan, ex-DMD, Axis Bank (via audio-video conference)
  - Shri Praveen P Kadle, ex-MD & CEO, Tata Capital (via audio-video conference)

**The meeting was attended by Authorized representatives of the following members of the committee of creditors ("CoC Members"):**

1. Vistra ITCL (India) Limited ("Vistra") (via audio-video conference)
  - Mr. Rajat Srivastava

**Representatives of Debenture Holders under Trusteeship of Vistra ITCL (India) Limited**

- a. Life Insurance Corporation of India ("LIC") (via audio-video conference)
  - Mr. BJ Roy
  - Mr. Shrinath
- b. Employee Provident Funds Organization ("EPFO")
  - Mr. Manish Joshi (via audio-video conference)
  - Mr. Mohd Shuaib Shaikh (via audio-video conference)
  - Mr. Ashraf (via audio-video conference)
  - Mr. Pankaj Raman (via audio-video conference)
  - Mr. Hardik Shah (via audio-video conference)
  - Mr. Siddharth Jaiprakash (via audio-video conference)
- c. J.C. Flowers Asset Reconstruction Private Limited ("JCF ARC")
  - Mr. Debasish Bose
  - Mr. Bhavya Udani
  - Mr. Akash Suri
  - Mr. Rajat Lahoty

- d. Trust Capital Group (“Capital Group”)
- Mr. Amit Oke
- e. Deutsche Bank – IA (“DB”)
- Mr. Vignesh Meyyappan
- f. Broad Peak Investment Advisers Pte Ltd (“Broad Peak”)
- Mr. Prashanth Venkatesh
- g. Investment Opportunities V Pte. Limited (“SSG”)
- Mr. Parag Gupta
  - Mr. Ayush
2. IDBI Trusteeship Service Limited (“IDBI”)
- Representatives of Debenture Holders under Trusteeship of IDBI Trusteeship Service Limited (“ITSL”)
- a) Investment Opportunities V Pte. Limited (“SSG”)
- Mr. Puneet Hans
- b) Credit Suisse, AG Singapore (“CS”) (via audio-video conference)
- Ms. Sapna Bhawnani
  - Mr. Mukesh Talreja
- c) Franklin India (“Franklin”) (via audio-video conference)
- Mr. Arun Gupta
3. Asset Care and Reconstruction Enterprise Limited (“ACRE”)
- Mr. Amit Kariwala
4. Process Advisor of CoC- KPMG India (“KPMG”)
- Mr. Siddharth Suri
  - Mr. Aditya Srimal
  - Mr. Yash Shah
5. Legal Counsel of CoC- Luthra & Luthra (“L&L”)
- Mr. Piyush Mishra

**Administrator's Authorized representatives from Deloitte India Insolvency Professionals LLP (DIPE)  
("Authorized Representative/s of the Administrator"):**

1. Mr. Sumit Khanna
2. Mr. Nirav Pujara
3. Mr. Aditya Somani
4. Ms. Deepali Rai
5. Mr. Mayank Sanghvi

**Other Attendees:**

1. AZB & Partners ("AZB") ("Legal Counsel to the Administrator")
  - Mr. Avinash Subramanian
  - Mr. Nilang Desai (via audio-video conference)
  - Mr. Reuben Mascreen (via audio-video conference)

**Agenda 1 – The Administrator to take the Chair**

The Thirty first meeting of the committee of creditors for the Corporate Debtor ("CoC") was called to order by the Chair, Mr. Nageswara Rao Y. The Chair acknowledged the presence of the representatives of the financial creditors attending the meeting in person and through video conference.

Further, the Administrator acknowledged the presence of the Authorized Representatives from Deloitte India Insolvency Professionals LLP ("Authorized Representatives of the Administrator"), representatives of AZB ("Legal Counsel to the Administrator"), Advisory Committee Members and the CoC Advisors ("KPMG and L&L").

The Administrator requested to the CoC members to maintain the confidentiality of the CoC meeting discussion and restrain themselves from giving any information to any third party.

**Agenda 2 - To take roll call and determine requisite quorum and mode of participation**

The Chair established the requisite quorum, based on the attendance of the financial creditors, attending in person and present through video conference, which was adequate as required by the regulations.

**Agenda 3 - To confirm the minutes of the Thirtieth meeting of the committee of creditors held on January 03, 2023.**

The minutes of the 30<sup>th</sup> CoC meeting held on January 03, 2023 was circulated to members of the CoC and the same has been confirmed by the CoC members

#### Agenda 4 – To Update on the Resolution Process of the Corporate Debtor

The legal counsel of the Administrator updated CoC members that as per the interim order of Hon'ble NCLT dated January 3, 2023, only the draft resolution plan that are in accordance with the Challenge Mechanism note issued on December 14, 2022 can be considered by the Administrator.

The legal counsel of the Administrator further updated the CoC members that in the interest of time and efficacy a request was made to Torrent Investments Private Limited (“Torrent”) and IndusInd International Holdings Ltd (“IIHL”) vide email to submit the draft resolution plan incorporating the highest Bid Amount (along with details of Upfront Payment and Deferred Payment) submitted by them in the Challenge Mechanism process conducted on December 21, 2022 by January 06, 2023.

The plans were received from Torrent and IIHL and the same is under review by the Administrator and advisors to the Administrator and the CoC.

The legal counsel of the Administrator apprised the CoC members that the highest NPV as per the last challenge mechanism was INR 8,640 crores. The CoC discussed at length the developments since the conclusion of its challenge mechanism. It was summarized as below. That the resolution plans were first received on November 28, 2022. Comments on plans were circulated to the bidders by the Administrator and CoC's process and legal advisors on December 12, 2022. Revised drafts were received from certain bidders on December 19/20, 2022. The draft plans that were received had outstanding compliance as well as interpretational issues. CoC expressed its anguish and dissatisfaction with the outcome of the process and the events that have transpired thereafter. The COC was of the view that it demonstrates that outcome of the challenge mechanism undertaken was sub optimal and not satisfactory. The CoC discussed various options and the extant provisions of the RFRP enabling the same were set out. The COC specified that the RFRP specifically contained provisions which enabled the CoC to improve resolution plans in such manner as it deems fit. Amongst other clauses, clause 3.17.17, clause 4.2.4, clause 4.2.9 clause 4.3.7, clause 4.4.4 and clause 4.4.7 specified that the CoC retained the right at all times to negotiate with bidders to improve the resolution plans. The challenge mechanism note had also specifically provided that the note will have to read along with the aforementioned provisions in the RFRP. The Administrator and his advisors gave their views on the way forward. However, in light of the above, the COC, in its commercial wisdom, proposed that an extended round of challenge mechanism with the existing bidders is conducted.

In terms of incremental bids for the further rounds, SSG, Trust Capital and ACRE recommended increments of INR 500 crores each in the subsequent 2 rounds (from round 1) and INR 250 crores per round thereafter. Further, Deutsche Bank suggested recommended increments of INR 1,000 crores, INR 750 crores and INR 500 crores in the 3 subsequent rounds post Round 1 an INR 250 crores per round thereafter.

As concurred by the CoC members it was agreed that the threshold bid amount for the respective bidding round shall be as follows:

Round 1	Threshold Bid Amount (NPV basis)
Round 1	INR 9500 crores <b>Additional condition</b> - Upfront cash amount should be - INR 8000 crores
Round 2	Threshold Bid Amount of Round 1 + INR 500 crores (INR 10,000 crores)
Subsequent Rounds	Threshold Bid Amount of Round 2 + INR 250 crores thereafter

The commercial decision of the CoC was that the bids received on December 21, 2022 as per the outcome of challenge mechanism shall stand valid and any increment by the bidder in the extended round of challenge mechanism shall be over and above the NPV bid submitted on December 21, 2022.

The CoC discussed at length and specified that any payments to creditors will be included in the calculation of NPV being bid for as part of the Challenge Mechanism.

It was proposed by the CoC that the challenge mechanism is conducted on January 16, 2022.

The Legal counsel to the Administrator mentioned that there is a hearing before NCLT on January 12, 2023. In the event the above proposal of the CoC is approved by the CoC's vote, then the Administrator shall update the NCLT of the said development. The legal counsel to the CoC also mentioned that the CoC shall file necessary intervening application in the said matter along with the decision of the CoC to continue the bidding process.

Necessary communication will be done to the PRAs in relation to the next steps. Further, details of the extended round of challenge mechanism shall be circulated to all the 4 Resolution Applicants who submitted under Option 1 as on November 28, 2022.

**Voting agenda 4(a):** RESOLVED THAT the Challenge Mechanism note for conduct of extended round of challenge process including the thresholds and conditions of bidding and for removal of difficulties in terms of the provisions of the RFRP be approved and issued on behalf of the CoC to the resolution applicants that have submitted their Resolution Plan on the Submission Date.

The Administrator raised concerns on the timeline considering the litigation that are ongoing and there is limited time available for achieving the milestone as envisaged under RFRP and for putting the compliant resolution plan for approval of the CoC, having said that it was proposed that an exclusion of 90 days be sought from the NCLT for completion of the CIR process and accordingly necessary application be filed with the NCLT.

CoC members concurred with the same and accordingly the said agenda shall be put to vote.

**Voting agenda 4(b):** RESOLVED THAT CoC hereby approves filing of exclusion application with the Adjudicating Authority for a period of 90 days from the CIR Process of the Corporate Debtor and the Administrator is hereby authorized to file the same with the NCLT

**Any other matter:**

Participants	Comments/Suggestion	Response
Legal counsel of CoC	Enquired on the status of internal approval in relation to the corpus funding	Vistra clarified that the as on date internal approval has been received by SSG and Broadpeak.

The CoC agreed to fund a corpus for CoC expenses including outside counsel / attorneys' fees, CoC advisors' fees etc. The CoC proposed that it will be to the amount of 12 crores including 4 crores of prior commitments and fundings (the CoC Fund). The CoC Fund funded amounts will bear an interest of 25 percent per annum from the date of funding and shall rank higher in priority to any payments to financial

creditors pursuant to the resolution plan. This shall not form part of CIRP cost and shall be in addition to the same and to be specified in the plan.

Accordingly, the following agenda will be put to vote:

RESOLVED THAT CoC hereby approves creation of Corpus fund amounting to INR 12 crores including 4 crores of prior commitments and fundings (the CoC Fund). The CoC Fund funded amounts will bear an interest of 25 percent per annum from the date of funding and shall rank higher in priority to any payments to financial creditors pursuant to the resolution plan.

The Chair concluded the meeting with a vote of thanks to all the participants

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Name and Signature of Administrator

Nageswara Rao Y

Attendance Sheet:

Attendance Sheet – Thirty First Committee of Creditors Meeting of Reliance Capital Limited held on January 06, 2023

Sr. No.	Name of Authorised Representative	Organization	Email Id	Contact No.	Signature
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