

**REPORT OF DEBENTURE TRUSTEES FOR THE HALF YEAR ENDED MARCH 2012**

NAME: IDBI Trusteeship Services Limited

REGISTRATION NUMBER: IND000000460

DATE OF REGISTRATION (Renewal Certificate dated 9th June, 2010)

**SECTION I: ACTIVITIES****A Details of Debenture Issues (Public (P)/Rights \* Privately Placed (PPL)/ Privately Placed Unlisted(PPUL)**

|                           | Number of Debenture issues accepted during the half year ended March 2012 |           |            | Cumulative Number of Debentures Issues handled up to the year ended March 2012 | Size (in Rs. Crore) of Debenture issues accepted during the half year ended March 2012 |             |              | Cumulative Size (in Rs. Crore) of Debenture Issues handled upto the year ended March 2012 |
|---------------------------|---|-----------|------------|--|--|-------------|--------------|---|
|                           | Secured   | Unsecured | Total      |  | Secured  | Unsecured   | Total        |   |
| Public                    | 2   | 0         | 2          | 22   | 3900   | 0           | 3900         | 8025  |
| Rights                    | 0   | 0         | 0          | 0  | 0  | 0           | 0            | 0   |
| Privately Placed Listed   | 248   | 40        | 288        | 1076   | 43969  | 3448        | 47417        | 321984  |
| Privately Placed Unlisted | 64  | 6         | 70         | 196  | 4028   | 2690        | 6718         | 25949   |
| <b>Total</b>              | <b>314</b>  | <b>46</b> | <b>360</b> | <b>1294</b>  | <b>51897</b>   | <b>6138</b> | <b>58035</b> | <b>355958</b>   |

**B Details of Bond Issues (Public (P)/Rights \* Privately Placed (PPL)/ Privately Placed Unlisted(PPUL)**

|                           | Number of Bond issues accepted during the half year ended March 2012 |           |           | Cumulative Number of Bond Issues handled up to the year ended March 2012 | Size (in Rs. Crore) of Bond issues accepted during the half year ended March 2012 |              |              | Cumulative Size (in Rs. Crore) of Bond Issues handled upto the year ended March 2012 |
|---------------------------|--|-----------|-----------|--|---|--------------|--------------|--|
|                           | Secured  | Unsecured | Total     |  | Secured   | Unsecured    | Total        |  |
| Public                    | 2  | 0         | 2         | 24   | 4400  | 0            | 4400         | 19043  |
| Rights                    | 0  | 0         | 0         | 0  | 0   | 0            | 0            | 0  |
| Privately Placed Listed   | 33   | 60        | 93        | 892  | 21025   | 26810        | 47835        | 703290   |
| Privately Placed Unlisted | 0  | 0         | 0         | 8  | 0   | 0            | 0            | 340  |
| <b>Total</b>              | <b>35</b>  | <b>60</b> | <b>95</b> | <b>924</b>   | <b>25425</b>  | <b>26810</b> | <b>52235</b> | <b>722673</b>  |



**C Activities other than debenture trusteeship**

| Activity Type           | Description of Activity | No. of Transactions |
|-------------------------|-------------------------|---------------------|
| Escrow Agency           |                         | 13                  |
| NDU Agency              |                         | 43                  |
| Securitization          |                         | 290                 |
| Security Agent          |                         | 15                  |
| Securitiy Trustee       |                         | 619                 |
| Share Pledge Trustee    |                         | 55                  |
| Venture Capital Fund    |                         | 36                  |
| Safe Keeping            |                         | 19                  |
| Special Purpose Vehicle |                         | 2                   |
| Power of Attorney       |                         | 2                   |
| Settlor                 |                         | 1                   |
| Private Trust           |                         | 6                   |
| SLR Trustee             |                         | 1                   |
| Facility Agent          |                         | 40                  |
| Legal Documentation     |                         | 26                  |

Name of Compliance Officer; Mr. S. Gunware

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Name of the DT: ITSL

SECTION II : REDRESSAL OF INVESTOR GRIEVANCES

For the Half Year ended 31st March , 2012

A Status of Investor Grievances

| Sr.No. | Name of the issuer (tranche wise)       | Issue Size (Rs. Crores) | Pending complaints at the end of the previous half year | No. of complaints received during the half year | No. of complaints resolved during the half year | No of complaints pending at the end of half year |
|--------|---|-------------------------|---|---|---|--|
| 1      | IDFC Ltd.                               | 472                     | 0   | 1944  | 1944  | 0  |
| 2      | IDFC Ltd.                               | 800                     | 0   | 4346  | 4346  | 0  |
| 3      | IDFC Ltd.                               | 250                     | 0   | 1842  | 1842  | 0  |
| 4      | SBI                                     | 1000                    | 0   | 0   | 0   | 0  |
| 5      | SBI                                     | 5496.99                 | 0   | 195   | 195   | 0  |
| 6      | Shriram Transport Finance Company Ltd.  | 1000                    | 0   | 0   | 0   | 0  |
| 7      | Shriram Transport Finance Company Ltd.  | 500                     | 0   | 1   | 1   | 0  |
| 8      | Jyoti Structures Ltd.                   | 123.36                  | 0   | 0   | 0   | 0  |
| 9      | Dr. Reddy's Laboratories Ltd.           | 507.76                  | 0   | 1   | 1   | 0  |
| 10     | Shriram Transport Finance Company Ltd.  | 1000                    | 0   | 15  | 15  | 0  |
| 11     | Muthoot Finance Ltd.                    | 750                     | 2   | 153   | 155   | 0  |
| 12     | Shriram City Union Finance Ltd.         | 750                     | 0   | 80  | 80  | 0  |
| 13     | India Infoline Investment Services Ltd. | 750                     | 0   | 67  | 67  | 0  |
| 14     | IDFC Ltd.                               | 5000                    | 0   | 8360  | 8360  | 0  |
| 15     | Muthoot Finance Ltd.                    | 300 plus GSO of 300     | 0   | 159   | 159   | 0  |
| 16     | Essar Oil Ltd.                          | 1693.78                 | 0   | 99  | 99  | 0  |
| 17     | ICICI Bonds- Feb.2001                   | 500                     | 0   | 1   | 1   | 0  |
| 18     | ICICI Bonds-March-2005                  | 350                     | 0   | 1   | 1   | 0  |



B

Details of the complaints pending for more than 30 days

| Sr. No. | Name of the Issuer | Issue Size (Rs. in Crores) | No. of complaints pending for more than 30 days | Nature of the Complaint(s)   |                                |                                | Steps taken for redressal | Status of the complaint (if redressed, date of redressal) |
|---------|--------------------|----------------------------|---|------------------------------|--------------------------------|--------------------------------|---------------------------|---|
|         |                    |                            |   | Delay in payment of interest | Delay in payment of redemption | Delay in payment of redemption |                           |   |
| NIL     |                    |                            |   |                              |                                |                                |                           |   |

Name of Compliance Officer:  
Email ID:

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Name of the DT: ITSL

Section III - DEFAULT DETAILS

For the Half Year ended 31st March , 2012

Information regarding default by the Issuer Companies in Public (P) / Rights (R) / Privately Placed Listed (PPL) Issues of Debentures up to the half year ended 31st March, 2012

| Sr. No. | Name of the Issuer                | Secured / Unsecured | Type (P/R/PPL) | Issue Size (in Rs. crores) | Type of Default*                                     | Details of action taken  |
|---------|-----------------------------------|---------------------|----------------|----------------------------|--|--|
| 1       | Gujarat Perstrop Elektroniks Ltd. | Secued              | PCD            | 7.98                       | Delay in payment of interest/redemption of principal | An amount of Rs. 3.49 Crores received from the official liquidator, Ahmedabad An amount of Rs. 60.43 per debenture of Rs. 40/- per debenture is distributed Cheques issued to the debentureholders through ISIL, the R & T Agent in June. 2011.  |
| 2       | JF Laboratories Ltd.              | Secued              | PCD            | 12.75                      | Delay in payment of interest/redemption of principal | Company is facing long term liquidity problems. Suit filed by IDBI as Trustees for recovery of dues which are secured on Second Charge basis. Affidavit of Evidence filed. In Recoery Proceedings initiated by Kotak Mahindra Bank the Asignee of First Chargeholders, the assets have been sold by DRT, Mumbai. Sale Proceeds were not suffucient to satisfy the dues of First Chargeholders. In a Company Petition No.442 of 2010, the company has been ordered to be wound up vide order dated the 24th March, 2011 passed by Hon'ble Bombay High Court. We have filed our Affidavit of Proof of Debt with OL, Bombay High court on 22/12/2011                          |
| 3       | KND Engineering Ltd.              | Secured             | NCD            | 29.53                      | Delay in payment of interest/redemption of principal | The Company's proposal for OTS payment of Rs.24.25 crore as full & final amount for the debenture holders was accepted and accordingly received the payment from the Company and the same has been paid to the debenture holders. Consent Terms filed with the Bombay High Court and Suit stands disposed of. The company has also paid majority of retail debentureholders. For the debenture holders who have not been paid of the amount, their amount approx. Rs. 28 lakhs has been deposited in a Separate Bank Account with Canara Bank, Kolkatta Branch. The Company is in process of paying the remaining retail investors out of the amount kept in said account. |



|    |   |         |        |       |  |   |
|----|---|---------|--------|-------|--|---|
| 4  | Montari Leathers Ltd.                   | Secured | PCD    | 11.89 | Delay in payment of interest/redemption of principal | Company is facing long term liquidity constraints. BIFR recommended winding up of the Company. The Company has gone in appeal to AAIFR against the order of BIFR. The said appeal has been rejected by the AAIFR. IDBI sold the assets of the Company for Rs.2 90 crores on 17/04/2008 under SARFAESI Act, 2002. Statutory dues like PF, ESIC, Gratuity etc. are to be adjudicated. Distribution of Sale Proceeds shall take place after the adjudication of said dues. |
| 5  | Pennar Aluminium Ltd.                   | Secured | PCD    | 56.5  | Delay in payment of interest/redemption of principal | Assets sold under SARFAESI Act, 2002 and amount deposited in Indusind Bank, Hyderabad. The Company has sent letters to individual debenture holders for surrender of duly discharged certificates. Amount is being distributed to the debenture holders.  |
| 6  | Rajasthan Petrosynthetics Ltd.          | Secured | PCD    | 9.43  | Delay in payment of interest/redemption of principal | We have received an amount of Rs. 28 lakhs from IDBI towards the share of Debentureholders which has been kept with the separate bank account with IDBI bank. We published notices in the Business Standard and Dainik Bhaskar about distribution of amount. Cheques issued to all the debenture holders.   |
| 7  | Spanco Ltd.                             | Secured | NCD    | 92    | Delay in payment of interest/redemption of principal | Constant & vigorous follow-up is being made. LIC the debenture holder is seized of the matter and granted rescheduling of interest to the company vide its letter dated the 28th March, 2011. Company has paid an amount of Rs. 2 crores to LIC the Debentureholder and we both Debenture Holder and Trustees are in constant dialogue with the Issuer.   |
| 8  | Parekh Aluminex Ltd.                    | Secured | NCD    | 122   | Non creation of Security.                            | Title Deeds are with IOB. NOCs from other lenders are awaited. Continuous follow-up is being maintained for creation of Security.   |
| 9  | Spartek Ceramics Limited                | Secured | Public | 5.03  | Redemption / Interest                                | Registered under BIFR 2006. IDBI Bank (OA) submitted BRS proposing to repay 40% of principal amount to all debentureholders. Accordingly, company has repaid all Institutional Debentureholders. While small debentureholders are yet to be repaid. Pending BIFR Clearance. IDBI Bank (OA) is holding amount due to small debentureholders Rs. 86 lacs in a separate account.   |
| 10 | Spartek Ceramics Limited                | Secured | Public | 2.75  | Redemption / Interest                                | Registered under BIFR 2004. BIFR vide its order dated 10.06.2010 has sanctioned Rehabilitation Scheme. Accordingly Company has paid all the Financial Institutions except NIA, NIC & OIC under OTS. Amount of Rs. 2.08 Crores is pending due to non surrender of debenture certificates. Company is following with them.  |
| 11 | Shalimar Wire Industries Limited (SWIL) | Secured | Public | 7.12  | Redemption / Interest                                | Registered under BIFR 2004. BIFR vide its order dated 10.06.2010 has sanctioned Rehabilitation Scheme. Accordingly Company has paid all the Financial Institutions except NIA, NIC & OIC under OTS. Amount of Rs. 2.08 Crores is pending due to non surrender of debenture certificates. Company is following with them.  |

\*Type of Default

1. Non-payment of interest;
2. Non-payment of Principal;



3. Delay in payment of interest/redemption;
4. Any other (like non-creation of security)

Name of Compliance Officer ( Mr. S. Gunware

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Name of the DT: ITSL

**SECTION - IV - COMPLIANCE**

**COMPLIANCE CERTIFICATE FOR THE HALF YEAR ENDED 31st MARCH 2012.**

**A No conflict of interests with other activities**

The activities other than debenture trusteeship performed by DT are not in conflict with DT activities and appropriate systems and policies have been put in place to protect the interests of debenture holders.

Yes.

**B Change in status or constitution**

Reporting of 'changes in status or constitution' of DT (In terms of SEBI Circular No. CIR/MIRSD/10/2011 dated June 20, 2011)

- i) Post SEBI Approval letter No. MIRSD-V/SK/28110/2011 dated the 6th September, 2011, IDBI Bank has acquired entire 14.92% shareholding held by IFCI in ITSL as on 30/09/2011.
- ii) Vide letter dated the 19th September, 2011 Ms. Bhagyam Ramani of General Insurance Corporation of India resigned from the Board of IDBI.
- iii) IFCI vide it's letter No. IFCI/INV/2011 withdrawn the nomination of Ms. Manju Jain from the Board of ITSL with immediate effect.
- iv) IDBI Bank vide their letter No. 838/FAD/(AI)/NOM dated the 21st November, 2011 withdrew the nomination of S/shri Viney Kumar, Executive Director, IDBI Bank and P. Sitaram, CFO, IDBI Bank from the Board of ITSL and inducted S/shri R.M.Malla, Chairman & Managing Director of IDBI Bank and N.S Venkatesh, Chief General Manager, Treasury, IDBI Bank as non-executive Chairman and Additional Director respectively with immediate effect. At the Board Meeting held on 28/12/2012 S/shri R.M.Malla and N.S.Venkatesh were co-opted as non-executive chairman and additional director respectively.

**C Other Information**

- (i) Details of arrest / conviction of key officials of DT NIL
- (ii) Details of prosecution cases or criminal complaints filed by investors against the DT NIL
- (iii) Details of any fraudulent activity by the employees associated with DT activities and action taken by the DT NIL
- (iv) Details of conviction of any offence involving moral turpitude or any economic offence by employees of DT NIL
- (v) Action taken by the DT on the above issues NIL

**D Compliance with registration requirements**

Certified that the requirements specified for SEBI registration as DT are fulfilled, the details are as under:

- (i) Net worth (audited) as defined in the Regulations as on FY ended 31/03/2011 (as per the latest audited financials) 51.69 crores
- (ii) Any change in infrastructure since the last report / registration! Renewal NIL





(iii) Changes in Key personnel during the half year ended 31st March, 2012

NIL

| Name(s) of the key personnel | Appointment Cessation | Date of Appointment cessation | Qualification | Experience | Functional areas of work |
|------------------------------|-----------------------|-------------------------------|---------------|------------|--------------------------|
|                              |                       |                               |               |            |                          |
|                              |                       |                               |               |            |                          |
|                              |                       |                               |               |            |                          |

**E Details of deficiencies and non compliances**

NIL

**F Details of deficiencies and non compliances**

Date of Board Review (ddmmlyyy)

10/04/2012

Observation of the BoD on

i) the deficiencies and non compliances

NIL

ii) corrective measures initiated

NIL

Certified that we have complied with SEBI (Debenture Trustee) Regulations, 1993, applicable provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008, Circulars issued by SEBI and any other laws applicable from time to time except the deficiencies and non compliances those specifically reported at Section IV (E) above:

Name of Compliance Officer: S.Gunware

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