

3 January 2019

Ref No. ITNL/2018-19/NCD/AM/023

HUDCO Employees CPF Trust  
India Habitat Centre  
Lodhi Road, New Delhi - 110003



**Kind Attention:** Shailu Bhardwaj – Trust Secretary

Re: Your letter ref. no. HUDCO/CPF/Corresp./Invest/2018 dated 9<sup>th</sup> October 2018 and email dated 21<sup>st</sup> December 2018

1. We refer to the aforesaid letter and related correspondence in this regard, basis which we had notified you of:
  - (i) the reconstitution of the board of our parent company Infrastructure Leasing and Financial Services Limited (“IL&FS”) pursuant to the order dated October 01, 2018 of National Company Law Tribunal, Mumbai Bench (“NCLT”);
  - (ii) the order passed by the NCLT on October 9, 2018 which empowered the newly constituted board of IL&FS to replace the directors of subsidiary companies of IL&FS (which also includes our company); and
  - (iii) the order passed by the National Company Law Appellate Tribunal (“NCLAT”) on October 15, 2018 (“Interim Order”) in the Company Appeal (AT) 346 of 2018 which *inter alia* restricts actions or proceedings by creditors against IL&FS and its group companies.
2. As per the provisions of the debenture trust deed executed by IL&FS Transportation Networks Limited (“ITNL”) in favour of IDBI Trusteeship Services Limited and Vistra ITCL (India) Limited, ITNL was required to make payment of interest to HUDCO Employees CPF Trust on 30<sup>th</sup> September 2018, 29<sup>th</sup> October 2018 and 31<sup>st</sup> December 2018, and the same payment has not been made on the required date.
3. The Interim Order enables value preservation of the group’s assets and will also assist the newly constituted board of directors of IL&FS (“New Board”) in its effort to evaluate and prepare a resolution plan keeping in mind the various stakeholders. In light of this, the moratorium imposed by this Interim Order restricts the creditors and lenders from taking actions against the interest of IL&FS and its 348 group companies, including payment of principal and interest during the moratorium as the same may affect going concern aspect of such companies.



4. We also wish to highlight that various steps have been taken on a best efforts basis to revive IL&FS and its 348 group companies. A report titled "*Report on Progress and Way Forward*" (the "**First Report**") has been submitted to the Ministry of Corporate Affairs ("**MCA**") by IL&FS on October 30, 2018, and has been filed by the MCA with the NCLT on October 31, 2018), in compliance of the NCLT's October 1, 2018 order. The First Report provides, amongst other things, broad options for the resolution of the IL&FS group and the indicative way forward. The New Board is engaged in evolving a transparent resolution process, while keeping public interest, financial stability, legality, various stakeholder interests (including interests of our joint venture partners) and commercial feasibility in view. Subsequently, a second progress report dated December 2, 2018 has also been submitted to the MCA (which in turn was filed by the MCA with the NCLT on December 3, 2018), which *amongst others* sets out certain cost optimization measures which have been undertaken by the New Board and the initial assessment of the options for resolution of the IL&FS Group which we referred to in the First Report.
5. As per the language of Paragraph 6 of the Interim Order, please also note that any action taken by any person, including HUDCO Employees CPF Trust, towards the enforcement of debt or acceleration of the loan, including debentures, is prohibited by the moratorium. In light of this, we request you to refrain from acceleration of the [interest/principal] payment or enforcement of the security, as it would be in violation of the Interim Order.
6. Notwithstanding anything contained in this letter, please note that ITNL reserves all its rights, remedies and powers, which it may now or subsequently have, in respect of the matters referred to in this letter or any provision of any law. No action or inaction or delay on our part shall be deemed or implied to be a waiver of any right or power or to preclude, in any manner, the exercise of any of our rights, remedies, powers or privileges under the Interim Order.

We look forward to your continued support and cooperation.

Yours Sincerely,



for **IL&FS Transportation Networks Limited**



CC:

✓ Vice President

**IDBI Trusteeship Services Limited,**

Asian Building, Ground Floor, 17, R Kamani Marg, Ballard Estate, Mumbai- 400 001

Senior Vice President

**Vistra ITCL (India) Limited**

The IL&FS Financial Centre, Plot C- 22, G Block, 7th Floor,  
Bandra Kurla Complex, Bandra (East), Mumbai 400051



हाउसिंग एण्ड अर्बन डेवलपमेंट कॉर्पोरेशन लिमिटेड, (भारत सरकार का उपक्रम), कोर 7ए, हडको भवन, भारत पर्यावास केन्द्र, लोधी रोड, नई दिल्ली - 110 003

दूरभाष : 24648160 फैक्स : 011-24625308 Visit us at : www.hudco.org सीआईएन : U74899DL1970GO1005276

Housing & Urban Development Corporation Ltd., (A Govt. of India Enterprise), Core-7A, HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi-110003  
Tel.: 24648160 Fax: 011-24625308 Visit us at : www.hudco.org CIN : U74899DL1970GO1005276

आई.एस.ओ. 9001 : 2008 प्रमाणित कम्पनी

HUDCO EMPLOYEES CPF TRUST

AN ISO 9001 : 2008 CERTIFIED COMPANY

No. HUDCO/CPF/Corresp./Invest/2018

Dated: 9.10.2018

✓ Krishna Ghag,

Vice President & Company Secretary,  
IL&FS Transportation Networks Limited,  
The IL&FS Financial Centre, 1st Floor,  
Plot No.C-22, G Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai-400 051.  
Email: ifnlinvestor@ifnsindia.com

**Subject: Payment of dues on NCD Obligations.**

Dear Sir,

HUDCO Employees CPF Trust has invested INR 3 Cr in the following corporate debt instruments issued by the IL&FS Transportation Networks Ltd.

Status	Category	ISIN No.	Particulars	Coupon Payments	Date of Investment	Face Value (INR)
Upcoming Payment	Private	INE975G08215	9.44% IL&FS Transportation Networks 2026	Semi Annual on 27 Apr-18, 29-Oct-18	09-02-2017	1 Cr.
Current Default	Private	INE975G08231	9.33% ITNL 2027	Quarterly Starting 30 June-17 till 31 Mar-27	13-10-2017	2 Cr.

The Quarterly Interest of Rs.4,66,500/- which has become due on 30.09.2018 on 9.33% ITNL 2027, bearing ISIN No. INE975G08231 has been not received till date. It is therefore requested that interest payment of Rs.4,66,500/- may be made immediately alongwith interest for delayed payment to HUDCO Employees CPF Trust.

It may also be ensured that the payment of semi-annual interest on 9.44% IL&FS Transportation Networks 2026 which becomes due on 29<sup>th</sup> Oct. 2018 is made on time.

Yours faithfully,

*Shailu Bhardwaj*  
( Shailu Bhardwaj )  
Trust Secretary

Copy to:

1. Debenture Trustee:  
Centbank Financial Services Ltd.  
Central Bank of India,  
MMO Building, 3<sup>rd</sup> Floor (East Wing),  
55 MG Road, Fort, Mumbai-400001.
2. Registrar and Share Transfer Agents,  
Link Intime India Private Limited  
C-101, 247 Park, LBS Marg,  
Vikhroli West, Mumbai-400 083.



हडको - 1970 से सुदृढ़ भारत का निर्माण।  
HUDCO - Strengthening India Since 1970.

From: HUDCO Trust <hudco.trust@gmail.com>  
To: Itnlinvestor@ilfsindia.com  
Date: 12/21/2018 05:44 PM  
Subject: Payment of quarterly interest on 9.33 % ITNL NCD

Dear Sir,

HUDCO Employees CPF trust has invested Rs 200 lakhs( Face Value) in 20 nos of Bonds of 9.33% ITNL NCD( SERIESB) 31/03.2027 bearing ISIN no INE975G08231. The interest payment of Rs 466500/- on the bonds is due on 30th December, 2018. It may be ensured that payment of interest to HUDCO employees CPF Trust is made on time alongwith the interest payment that became due on 30th september, 2018 alongwith the interest for delayed payment.

Yours faithfully  
Shailu Bhardwaj  
HUDCO Employees CPF Trust



4 January 2019

Ref No. ITNL/2018-19/NCD/AM/030

ASEB Employees Pension Fund Investment Trust  
Bijulee Bhawan, Paltanbazar, Guwahati 781 001

**Kind Attention:** Member and Chief Executive – ASEB Employees Pension Fund Investment Trust

Re: Your letter ref. AEGCL/ACT/PEN-TRUST/2017/255/PART-I/142  
dated 14<sup>th</sup> November 2018.

1. We refer to the aforesaid letter and related correspondence in this regard, basis which we had notified you of:
  - (i) the reconstitution of the board of our parent company Infrastructure Leasing and Financial Services Limited (“**IL&FS**”) pursuant to the order dated October 01, 2018 of National Company Law Tribunal, Mumbai Bench (“**NCLT**”);
  - (ii) the order passed by the NCLT on October 9, 2018 which empowered the newly constituted board of IL&FS to replace the directors of subsidiary companies of IL&FS (which also includes our company); and
  - (iii) the order passed by the National Company Law Appellate Tribunal (“**NCLAT**”) on October 15, 2018 (“**Interim Order**”) in the Company Appeal (AT) 346 of 2018 which *inter alia* restricts actions or proceedings by creditors against IL&FS and its group companies.
2. As per the provisions of the debenture trust deed executed by IL&FS Transportation Networks Limited (“**ITNL**”) in favour of IDBI Trusteeship Services Limited, ITNL was required to make payment of interest to ASEB Employees Pension Fund Investment Trust on 29<sup>th</sup> October 2018, and the same payment has not been made on the required date.
3. The Interim Order enables value preservation of the group’s assets and will also assist the newly constituted board of directors of IL&FS (“**New Board**”) in its effort to evaluate and prepare a resolution plan keeping in mind the various stakeholders. In light of this, the moratorium imposed by this Interim Order restricts the creditors and lenders from taking actions against the interest of IL&FS and its 348 group companies, including payment of principal and interest during the moratorium as the same may affect going concern aspect of such companies.

4. We also wish to highlight that various steps have been taken on a best efforts basis to revive IL&FS and its 348 group companies. A report titled "*Report on Progress and Way Forward*" (the "**First Report**") has been submitted to the Ministry of Corporate Affairs ("**MCA**") by IL&FS on October 30, 2018, and has been filed by the MCA with the NCLT on October 31, 2018), in compliance of the NCLT's October 1, 2018 order. The First Report provides, amongst other things, broad options for the resolution of the IL&FS group and the indicative way forward. The New Board is engaged in evolving a transparent resolution process, while keeping public interest, financial stability, legality, various stakeholder interests (including interests of our joint venture partners) and commercial feasibility in view. Subsequently, a second progress report dated December 2, 2018 has also been submitted to the MCA (which in turn was filed by the MCA with the NCLT on December 3, 2018), which *amongst others* sets out certain cost optimization measures which have been undertaken by the New Board and the initial assessment of the options for resolution of the IL&FS Group which we referred to in the First Report.
5. As per the language of Paragraph 6 of the Interim Order, please also note that any action taken by any person, including ASEB Employees Pension Fund Investment Trust, towards the enforcement of debt or acceleration of the loan, including debentures, is prohibited by the moratorium. In light of this, we request you to refrain from acceleration of the [interest/principal] payment or enforcement of the security, as it would be in violation of the Interim Order.
6. Notwithstanding anything contained in this letter, please note that ITNL reserves all its rights, remedies and powers, which it may now or subsequently have, in respect of the matters referred to in this letter or any provision of any law. No action or inaction or delay on our part shall be deemed or implied to be a waiver of any right or power or to preclude, in any manner, the exercise of any of our rights, remedies, powers or privileges under the Interim Order.

We look forward to your continued support and cooperation.

Yours Sincerely,



  
for IL&FS Transportation Networks Limited

CC:

Vice President

**IDBI Trusteeship Services Limited,**

Asian Building, Ground Floor, 17, R Kamani Marg, Ballard Estate, Mumbai- 400 001



**NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI**

**COMPANY APPEAL (AT) NO. 346 OF 2018**

**IN THE MATTER OF:**

Union of India

...Appellant

Vs

Infrastructure Leasing & Financial  
Services Ltd. & Ors.

....Respondents

**Present:**

**For Appellant:**

Mr. Tushar Mehta, S. G., Mr. Sanjay Shorey,  
D(L&P), Mr. Anil Yadav, Dy. ROC for Union of  
India.

**For Respondent:**

Mr. Ramji Srinivasan, Senior Advocate with  
Ms. Gauri Rasgotra, Mr. L. Vishwanathan,  
Mr. Raunak Dhillon, Mr. Vikash Kumar Jha,  
Mr. Karan Khanna, Mr. Aditya Sikka, Ms.  
Sylona Mohapatra and Ms. Ananya Dhar  
Choudhury, Advocates for Respondent No.1  
(IL&FS)

Mr. Rajnish Singh and Ms. Shreya Kohli,  
Advocates for M/s Expo Infrastructure.

Mr. Vardhman Kaushik and Mr. Sangkrito  
Ray Chaudhuri Advocates for Intervenor (Tata  
Motor Finance Ltd. )

Mr. Arun Kumar Varma, Senior Advocate  
along with I.P.S. Oberoi, Advocates for India  
Factoring and Finance Solutions Ltd.

Mr. Vikram Hegde, Advocate for IREDA  
Applicant.

Mr. Alok Dhir, Ms. Varsha Banerjee and Mr.  
Kunal Godhwani, Advocates for PNB.

Mr. Sanjay Kapur, Ms. Megha Karnawal and  
Bharath Gangadharan, Advocates for SBI.

Mr. Avishkar Singhvi, Mr. Diwakar  
Maheshwari, Mr. Aditya V. Sinmgh, Mr.  
Shreyas Edupuganti, Mr. Rajeev Vidhani,  
Advocates for IndusInd Bank.

Mr. Anshuman Gupta, Mr. Syed Arsalan Abid  
and Mr. Prateek Khitn, Advocates for Jammu  
& Kashmir Bank Ltd.

Mr. Arun Kathpalia, Senior Advocate along with Mr. Mohit Singh, Advocates for ICICI Bank Ltd. and Axis Bank Ltd.

Mr. R.B. Trivedi, Advocate and Mr. CR. Latha for (BOI).

Mr. Debal Banerjee, Senior Advocate assisted by Mr. Pankaj Vivek, Advocate for R-13 (Bank of Baroda)

Mr. Krishnen Venugopal, Sr. Advocate with Mr. Abhishek Kumar, Advocate for R-14 (Power Finance Corporation).

Mr. R. B. Trivedi, Advocate for R-15 (BOI).

Mr. Sanjiv Sen, Sr. Advocate with Mr. Satendra K. Rai, Advocate.

Ms. Priya Sharma, Advocate for Vijaya Bank.

Mr. Vishnu Sharma and Sourav Roy, Advocates for Noida Authority.

Mr. Jay Savla and Mr. Jasdeep Singh Dhillon, Advocates in IA No. 2002 of 2018.

Mr. Atul S. Mathur, Ms. Priya Singh and Ms. Sweta, Advocates for Mother Dairy.

Mr. Ajay Bhargava, Ms. Vanita Bhargava, Mr. Aseem Chaturvedi and Mr. Karan Gupta, Advocates for Mashreq Bank and Max Bhupa.

Mr. Mahfooz Nazki and Mr. Sanyam Saxena, Advocates for ICB.

Mr. Gaurav Panchnanda, Sr. Advocate with Mr. Shivam Pandey and Ms. Eshna Kumar, Advocates for Intervener- Mutual Funds.

Mr. Vikas Goel, Mr. Abhishek Kumar and Ms. Arushi Gupta, Advocates for Respondent No. 14.

Mr. Siddharth Bhatnagar, Mr. Vasanth Rajasekharan and Mr. Soumya, A.K. Advocates for Intervenors.

**With**



**Company Appeal (AT) No. 347 of 2018**

**IN THE MATTER OF:**

Infrastructure Leasing and  
Financial Services Ltd.

...Appellant

Vs.

Union of India & Ors.

...Respondent

**For Appellant:**

Mr. Ramji Srinivasan, Senior Advocate with  
Ms. Gauri Rasgotra, Mr. L. Vishwanathan,  
Mr. Raunak Dhillon, Mr. Vikash Kumar Jha,  
Mr. Karan Khanna, Mr. Aditya Sikka, Ms.  
Sylona Mohapatra and Ms. Ananya Dhar  
Choudhury, Advocates

**For Respondents:**

Mr. Tushar Mehta, S. G., Mr. Sanjay Shorey,  
D(L&P), Mr. Anil Yadav, Dy. ROC for Union of  
India.

Mr. Sanjay Kapur, Ms. Megha Karnawal and  
Bharath Gangadharan, Advocates for SBI

Mr. Rajnish Singh and Ms. Shreya Kohli,  
Advocates for M/s Expo Infrastructure.

Mr. Arun Kumar Varma, Senior Advocate  
along with I.P.S. Oberoi, Advocates for India  
Factoring and Finance Solutions Ltd.

Ms. Priya Sharma, Advocate for Vijaya Bank.

Mr. Alok Dhir, Ms. Varsha Banerjee and Mr.  
Kunal Godhwani, Advocates for PNB.

Mr. Sanjay Kapur and Bharath Gangadharan,  
Advocates for SBI.

Mr. Avishkar Singhvi, Mr. Diwakar  
Maheshwari, Mr. Shreyas Edupuganti, Mr.  
Rajeev Vidhani, Mr. Ashwij and Mr. Rahul  
Arya, Advocates for IndusInd Bank.

Mr. R.B. Trivedi, Advocate for (BOI).

Mr. Debal Banerjee, Senior Advocate assisted  
by Mr. Pankaj Vivek, Advocate for R-13 (Bank  
of Baroda)

Mr. Krishnen Venugopal, Sr. Advocate with  
Mr. Abhishek Kumar, Advocate for R-14  
(Power Finance Corporation).

Mr. R. B. Trivedi, Advocate for R-15 (BOI).

Mr. Sanjiv Sen, Sr. Advocate with Mr. Satendra K. Rai, Advocate.

Mr. Anshuman Gupta, Mr. Syed Arsalan Abid and Mr. Prateek Khitn, Advocates for Jammu & Kashmir Bank Ltd.

Mr. Vishnu Sharma and Sourav Roy, Advocates for Noida Authority.

Mr. Jay Savla and Mr. Jasdeep Singh Dhillon, Advocates in IA No. 2002 of 2018.

Mr. Atul S. Mathur, Ms. Priya Singh and Ms. Sweta, Advocates for Mother Dairy.

Mr. Ajay Bhargava, Ms. Vanita Bhargava, Mr. Aseem Chaturvedi and Mr. Karan Gupta, Advocates for Mashreq Bank and Max Bhupa.

Mr. Mahfooz Nazki and Mr. Sanyam Saxena, Advocates for ICB.

Mr. Gaurav Panchnanda, Sr. Advocate with Mr. Shivam Pandey and Ms. Eshna Kumar, Advocates for Intervener.

Mr. Vikas Goel, Mr. Abhishek Kumar and Ms. Arushi Gupta, Advocates for Respondent No. 14.

Mr. R.B. Trivedi, Advocate and Mr. CR. Latha for (BOI).

Mr. Siddharth Bhatnagar, Mr. Vasanth Rajasekharan and Mr. Soumya, A.K. Advocates for Intervenors

**And**

**Company Appeal (AT) No. 422 of 2018**

**IN THE MATTER OF:**

**For Appellant:** Mr. Abhijeet Sinha, Mr. Shashank Agarwal and Mr. Satendra Kumar AAI, Advocates

**For Respondents:**



## **ORDER**

**20.12.2018:** Appeals are admitted for hearing. Pleadings are complete.

Heard Mr. Tushar Mehta, learned Solicitor General appearing on behalf of Union of India. Hearing remained inconclusive. Post these appeals for furthering hearing on **28<sup>th</sup> January, 2019 at 2.00 P.M.** on the top of the list. If necessary, the matters may be taken up on 29<sup>th</sup> January, 30<sup>th</sup> January and 31<sup>st</sup> January, 2019 at 2.00 P.M.

In the meantime, it will be open to the parties, including the Intervenors, to file their respective Written Submissions, not more than three pages, only on the question of interpretation of Sections 241 & 242 of the Companies Act, 2013. Infrastructure Leasing and Financial Services Ltd. may also file Progress Report by way of affidavit.

In so far as question of continuation of arbitrary proceedings is concerned, as raised in the Interlocutory Applications No. 1960 of 2018 and 1962 of 2018, we will consider the issue on 11<sup>th</sup> January, 2019. Appellants may file reply to I.A. aforesaid. Post the case 'for orders' on **11<sup>th</sup> January, 2019.**

Pendency of these appeals will not come in the way of the Appellant- 'S. Rengarajan' in Company Appeal (AT) No. 422 of 2018 to disclose the details as sought for by the Tribunal subject to rights and contentions of the Appellant

[Justice S. J. Mukhopadhaya]  
Chairperson

[Justice Bansilal Bhat]  
Member (Judicial)

*akc/Sk*