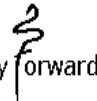


Restructuring & Insolvency Situations in India

Status Update- Volume III



INTEGRATED CAPITAL SERVICES LIMITED

RAAS  way forward

The logo for "way forward" consists of the words "way forward" in a lowercase, sans-serif font. To the right of the text is a stylized graphic element that looks like a vertical line with a curved top, resembling a stylized '2' or a path leading forward.

December 2017

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- **This deck covers developments in particular for the period 01 November 2017 to 30 November 2017**

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SECTION

1

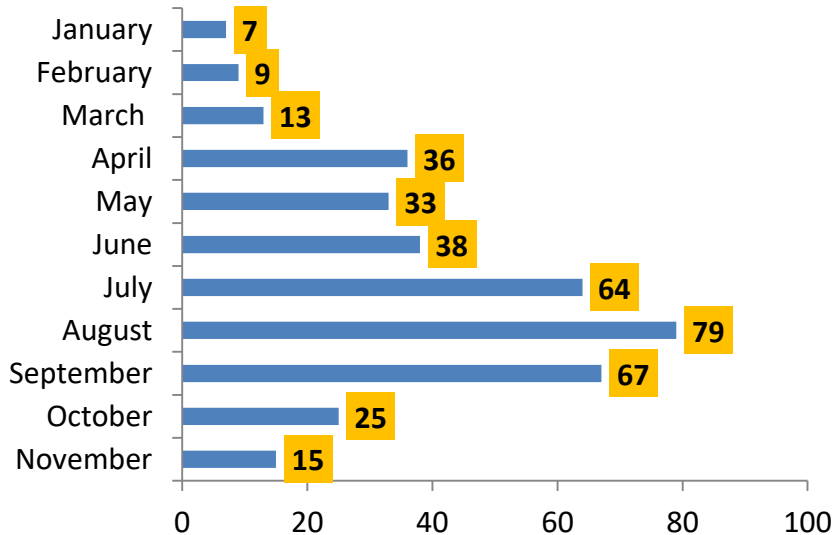
Restructuring Status Update

Quantum of Unique Cases Filed*

Announced on IBBI website till 30th November 2017

386

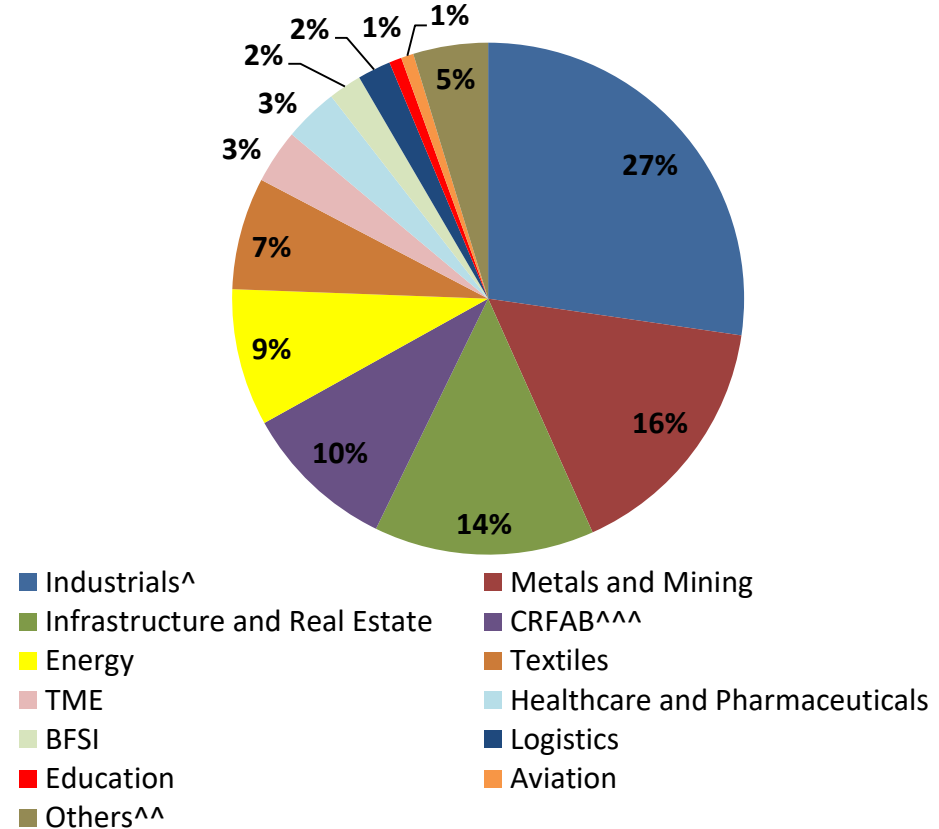
Cases filed with NCLT till 30th Nov 2017 and the number is expected to increase as indicated by the trends below



*Multiple cases against a corporate debtor counted as one

Sector Wise Allocation (by number of cases filed)

Announced on IBBI website till 30th November 2017



[^]Industrials includes – Chemicals, Cement, Auto and Auto Parts, Machinery, Paper, Valves, Tiles, Mills, Electricals.

^{^^}Others includes – Security Services, Consulting Services, Facility Management, Printing Services etc.

^{^^^}CRFAB- Consumers, Retails, Food , Agri and Beverages

Industrials, Metals & Mining and Infrastructure & Real Estate sectors account for 57% of the cases filed (by volume)

Phases

Phase 1



Phase 2



Phase 3



Phase 4



Timeline of the proceedings

First 30 days from the date of filing

Day 31 to Day 150

Day 151 to Day 180/270

Case Resolved/ Liquidation Proceedings (If Required)

Activities to be undertaken

- Declare moratorium
- NCLT to appoint interim resolution professional.
- Public announcement
- Appoint 2 registered valuers to calculate liquidation value
- Submission of Proof of claims

- Verification of claims by IRP
- IRP to constitute CoC and file a report
- Convene and hold 1st CoC meeting
- Appointment of resolution professional
- Preparation of complete IM
- Submission of resolution plan

- CoC's approval of resolution plan
- Approval of resolution plan by NCLT

- Case resolved
- **OR**
- Liquidation order will be passed if:
 - CIRP ends
 - Plan not submitted to NCLT
 - Plan not approved
 - Decided by CoC
 - Plan not properly implemented

Phase 1: First 30 days from the date of filing

20

Moser Baer India

Vardhman Industries

NCML Industries

Tirupati Inks Limited

SECL Industries

Frontline Printers

Phase 2: Day 31 to Day 150

238

Amtek Auto

Orchid Pharma

Bhushan Steel

ABG Shipyard

Amrapali Infra

Bhushan P&S

Ferro Alloy Corp

Lanco Infra

Jyoti Structures

Phase 3: Day 151 to Day 180/270

115

Bharati Defence

LML Limited

Clutch Auto

Educomp

James Hotels

Gujarat NRE

Murli Industries

HDO Tech

MBL Infra

Phase 4: Case Resolved/ Liquidation Proceedings (if required)

1+12

■ Liquidation

■ Case Resolved

Synergies Dooray



Resolution Plan Approved by NCLT

Bhupen Elec

VNR Infra

Nicco Corp

REI Agro

Abhayam T

Innoventive Ind

Keshav Sponge

Announced on IBBI website till 30th November 2017

SECTION

2

**Key Developments in
November 2017**

Key Circulars/ Notifications

- The Government of India vide its Notification dated Nov 23, 2017 has issued The Insolvency and Bankruptcy Code (Amendment) Ordinance, 2017 (“Ordinance”) amending the Insolvency and Bankruptcy Code, 2016 (“Code”).
- **Key Amendments are as follows:**
 - Clause (e) of Section 2 of the Code, i.e. “partnership firms and individuals” has been substituted with following 3 (three) Clauses,
 - personal guarantor to corporate debtors,
 - partnership firms and proprietorship firms, and
 - individuals, other than persons referred to in clause (e).”
 - Section 5(25) has been amended to state that the term Resolution Applicant shall cover a person who either individually or jointly with any other person submits a resolution plan.
 - Section 5(26) of the Code have been amended to provide clarity in the definition of “Resolution Plan”. It has been clarified that resolution plan means a plan, which is proposed by a Resolution applicant.
 - Section 25(2) (h) of the Code has been amended to enable the Resolution Professional (RP), with the approval of the Committee of Creditors (CoC), to specify eligibility conditions while inviting Resolution Plans from Resolution Applicants (RA) in view of the scale and complexity of operations of business of Corporate Debtor (CD) to avoid frivolous applicants
 - Section 29A is a new Section that makes certain persons ineligible to be a RA. Those being ineligible include
 - a. Undischarged insolvents
 - b. Wilful defaulters
 - c. Those who have their accounts classified as NPA for one year or more and are unable to settle their overdue amounts include interest thereon and charges relating to the account before submission of the Resolution Plan
 - d. Persons who has been convicted of any offence punishable with imprisonment for 2 years or more,

Key Circulars/ Notifications

- e. A person disqualified to act as director under Companies Act, 2013,
 - f. A person who has been prohibited by SEBI from trading in securities or accessing securities market,
 - g. A person who has indulged in preferential transaction or undervalued transaction or fraudulent transaction in respect of which an order has been passed by the Adjudicating Authority under the Code
 - h. Persons who have executed an enforceable guarantee in favour of a creditor, in respect of a Corporate Debtor undergoing a Corporate Insolvency Resolution Process or Liquidation Process under the Code
 - i. Connected persons to the above, including promoters or in management of control of the Resolution Applicant, or will be Promoters or in management of control of Corporate Debtor during the implementation of the Resolution Plan, the holding company, subsidiary company, associate company or related party of the above referred persons
- It has also been specifically provided that CoC shall reject a Resolution Plan, which is submitted before the commencement of the Ordinance but is yet to be approved, and where the RA is not eligible as per the new Section 29A. In such cases the Committee of Creditors, may invite fresh resolution plans
- Amendment to Section 30(4) imposes an obligation on the CoC to consider feasibility and viability of the Resolution Plan in addition to such conditions as may be specified by IBBI, before according its approval
- Amendment in Section 35(1)(f) prohibits sale of property to a person who is ineligible to be a RA under Section 29A.
- New Section 235A provides for punishment by way of fine, which shall not be less than INR 100,000 but which may extend to INR 20,000,000, for contravention of the provisions where no specific penalty or punishment is provided.
- Amendments to Section 240 of the Code provide for IBBI to make regulations for regulating the powers provided under Section 25(2)(h) and 30(4) of the Code.

Key Judgments

- In the case of **Uttara Foods and Feeds Private Limited vs. Mona Pharmachem**
 - The Supreme Court while deciding on the issue whether an application filed under the IBC can be withdrawn on the ground that a settlement has been reached between the parties after the same has been admitted, set aside the order of the NCLAT, and recorded the settlement arrived at between the parties
 - Also, the Supreme Court further took the view that the Rules under the Code do not at present provide inherent powers to the Adjudicating Authority to record such settlements and therefore such rules should be amended accordingly.

Select New Cases in November 2017



NCML Industries
Ltd.



Eastern Gases Ltd.



Jalaram Cotton &
Proteins



Tirupati Inks Limited



CK Infrastructures
Limited



A. POWER HIMALAYAS LIMITED

A Power Himalayas
Limited



Ireo Fiveriver
Private Limited

VARDHMAN INDUSTRIES LIMITED

Vardhman
Industries Limited



Moser Baer India Limited



Air Carnival Private Limited



Pickthemup Technologies
Private Limited

NSR Elkemet

Precision
Fasteners
Limited

Frontline
Printers

Avance Logistics
& Trading

- 21 companies bid to complete Jaypee Infratech's real estate projects
- SC has frozen all personal assets of all 13 directors.
- SC has accepted payment of Rs 275 crore from Jaiprakash Associates.

Jaypee Infra

- IFCI has initiated insolvency proceedings against Anil Ambani-led Reliance Naval & Engineering at NCLT in Ahmedabad

Reliance Naval & Engineering

- Lenders file insolvency plea against SevenHills Hospital

SevenHills Hospital

- RCom's biggest creditor, China Development Bank (CDB) files insolvency petition in NCLT
- In the CoC meeting, 30 lenders have voted to oppose the petition of CDB before NCLT

Reliance Communications

- Videocon Industries is finalizing a resolution plan with its lenders involving deep restructuring to stay out of NCLT

Videocon Industries

SECTION

3

RBI's list of Defaulters

3A

First List of Defaulters

Key Cases (1/2)

Name of Company	Industry	O/S Debt (INR mn)	Last available Revenue (INR mn)	FY	Market Cap* (INR mn)	Date of Completion of Restructuring	Status
Bhushan Steel Limited	Metals and Mining	462,632	150,273	FY17	15,867	22-Jan-2018	<ul style="list-style-type: none"> Last date of filing claims by creditors was 9th August 2017 And the last date to submit EOI bids was 6th October 2017
Lanco Infratech Limited	Infrastructure	435,018	73,437	FY17	2,874	3-Feb-2018	<ul style="list-style-type: none"> Last date of filing claims by creditors was 22nd August 2017 And the last date to submit EOI bids is 4th Jan 2018
Bhushan Power & Steel	Energy	356,850	76,998	FY16	NA	22-Jan-2018	<ul style="list-style-type: none"> Last date of filing claims by creditors was 9th August 2017 And the last date to submit EOI bids was 6th October 2017
Essar Steels Limited	Metals and Mining	312,110	156,497	FY16	NA	29-Jan-2018	<ul style="list-style-type: none"> Last date of filing claims by creditors was 16th August 2017 And the last date to submit EOI bids was 23rd Oct 2018
Alok Industries Limited	Textiles	234,430	89,194	FY17	5,124	14-Jan-2018	<ul style="list-style-type: none"> Last date of filing claims by creditors was 1st August 2017 And the last date to submit EOI bids was 12th Oct 2017
Monnet Ispat & Energy Limited	Energy	103,333	13,751	FY17	6,806	13-Jan-2018	<ul style="list-style-type: none"> Last date of filing claims by creditors was 7th August 2017 And the last date to submit EOI bids was 25th September 2017

*Market Cap as of 30th Nov 2017

Key Cases (2/2)

Name of Company	Industry	O/S Debt (INR mn)	Last available Revenue (INR mn)	FY	Market Cap*	Date of Completion of Restructuring	Status
Era Infra Engineering Limited	Infrastructure	101,290	12,731	FY17	474	NA	<ul style="list-style-type: none"> Currently, insolvency proceedings against Era Infra on hold
ABG Shipyard Limited	Industrials - Shipbuilding	87,307	343	FY16	751	28-Jan-2018	<ul style="list-style-type: none"> Last date of filing claims by creditors was 16th August 2017 And the last date to submit EOI bids was 21st September 2017
Jaypee Infratech Ltd	Infrastructure	79,222	11,581	FY17	19,459	5-Feb-2018	<ul style="list-style-type: none"> Last date of filing claims by creditors was 24th August 2017 And the last date to submit EOI bids was 7th November 2017
Electrosteel Steels Limited	Metals and Mining	76,161	27,743	FY17	12,649	16-Jan-2018	<ul style="list-style-type: none"> Last date of filing claims by creditors was 4th August 2017 And the last date to submit EOI bids was 30th September 2017
Jyoti Structures Ltd.	Infrastructure	33,873	9,034	FY17	1,144	31-Dec-2017	<ul style="list-style-type: none"> Last date of filing claims by creditors was 26th July 2017 And the last date to submit EOI bids was 12th September 2017
Amtek Auto Limited	Industrials- Automobiles	39,281	19,668	FY17	6,628	20-Jan-2018	<ul style="list-style-type: none"> Last date of filing claims by creditors was 10th August 2017 And the last date to submit EOI bids was 11th September 2017

*Market Cap as of 30th Nov 2017

3B

Second List of Defaulters

RBI's second List- Key Companies



Anrak Aluminium



Asian Colour Coated Ispat



BILT Graphic Paper Products



Castex Technologies



Coastal Projects



East Coast Energy



IVRCL



Jayaswal Neco Industries



Orchid Pharma



SEL Manufacturing



Soma Enterprise



Uttam Galva Metallic



Uttam Galva Steel



Videocon Telecom



Videocon Industries



Visa Steel



Essar Projects



Jai Balaji Industries



Jaiprakash Associates



Monnet Power



Nagarjuna Oil Refinery



Soya Industries

Ruchi Soya Industries



Wind World India



Shakti Bhog Foods Limited



Unity Infraprojects

SECTION

4

Annexures

4A

List of Cases filed with NCLT in November 2017

Cases filed with NCLT in Nov 2017*



INTEGRATED CAPITAL
SERVICES LIMITED

S.No.	Name of Corporate Debtor	Last Date for Claims	Date of Completion of Restructuring (180 days)	Industry
1	NSR Elkemet Pvt Ltd	1-Dec-2017	16-May-2018	Industrials- Automobiles
2	IREO Fiveriver Private Limited	27-Nov-2017	12-May-2018	Infrastructure & Real Estate
3	Vardhman Industries Limited	4-Dec-2017	15-May-2018	Metals and Mining
4	Precision Fasteners Limited	30-Nov-2017	6-May-2018	Metal and Mining
5	Jalaram Cotton & Protein Limited	29-Nov-2017	14-May-2018	Textiles
6	Moser Baer India Limited (MBIL)	28-Nov-2017	13-May-2018	Energy/Solar
7	A Power Himalayas Limited	24-Nov-2017	1-May-2018	Infrastructure & Real Estate
8	Pickthemup Technologies Private Limited	27-Nov-2017	13-May-2018	Others-Logistics
9	Frontline Printers Private Ltd	23-Nov-2017	30-Apr-2018	Others- Printers
10	Eastern Gases Limited	23-Nov-2017	6-May-2018	Industrials- Gases
11	Avance Logistics & Trading India Pvt. Ltd	23-Nov-2017	7-May-2018	Others-Logistics
12	NCML Industries Limited	21-Nov-2017	6-May-2018	Consumer
13	Tirupati Inks Limited	20-Nov-2017	1-May-2018	Industrials- Chemicals
14	Air Carnival Private Limited	15-Nov-2017	30-Apr-2018	Aviation
15	CK Infrastructures Ltd.	17-Nov-2017	2-May-2018	Infrastructure & Real Estate

*Announced on IBBI website till date by 30th November 2017

4B

About Aurum + ICSL Consortium

Aurum Equity Partners LLP

- Led by Sanjay Bansal, with 25 years of deal experience and one hundred and fifty successful transaction closures
- Deep **industry knowledge** of sectors that are the cornerstone of growth in the Indian economy
- Deep **restructuring experience** within the team through **Resolution by M&A** (Example Deals – Deccan Chronicle, BPL and Birla Tyres Business Acquisition by JK Tyres)
- Senior management has 50+ years of experience in deal making and have successfully closed 150+ transactions.
- **Long standing relationships with Key Institutional Investors – Indian and Global as well as Indian business houses.**
- Part of the following global networks:
 - **Crowe Horwath International – a global top-10 advisory network with 726 offices in 125 countries with more than 30,000 employees.**
 - **Black Olive Ventures – a real-estate focused fund management and investment banking firm**
- Professionals include MBAs, CAs, Engineers etc with offices in Delhi, Bangalore and Mumbai.

ICSL

- Led by **Sajeve Deora**, is amongst top **Restructuring Professionals** in India.
- Deep **restructuring and turnaround experience of 33+ years with over one hundred cases handled, including :**
 - Sales of shares and Changes of management of stress companies
 - Sales of assets of companies in Stress
 - Sales in Court processes wherein borrowers are in Stress
 - Formation of asset sale committees in discussions with lenders
 - Dealing with documentation for sales of shares and assets, in cases of Stressed borrowers before BIFR, DRT, SARFAESI, CDR, Winding up proceedings, CLB proceedings, etc.
- India partner of **BTG Global Advisory - an international alliance of independent restructuring and financial advisory firms operating in key jurisdictions across the globe.** Services include - Turnaround advisory and implementation, Performance improvement consulting, Loan workout, Interim management, Managed Exit Services, Forensic Accounting etc.
- India wide network through associated advisory firms in Mumbai, Chandigarh, Chennai, Hyderabad, Bengaluru, Kolkata.
- Team comprises of Accountants, Lawyers and Tax Experts.

Thank You

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