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LEGL: HO:DT:REF:87: 2021-22

DATE: 14.12.2021

To,
The Bondholders

Dear Sir / Madam,

Sub: Information on the status of Disinvestment of M/s NINL – Default by M/s NINL on the NCD NINL 2021 Bonds (ISIN INE514F07075) – reg.
Ref: Our earlier mail dated 08.10.2021 about Information on status of Disinvestment

This has reference to the default by M/s NINL on the NCD NINL 2021 Bonds (ISIN INE514F07075) and the strategic disinvestment of M/s NINL initiated by the GoI, where SBI Capital Markets is appointed as Transaction advisor.

In this regard, we have been updating the dues payable to bond holders on regular intervals to SBI Capital Markets and requesting for updates about the disinvestment process. On 07.12.2021 we have updated the total dues of holders as on 30.11.2021. Since several bond holders were concerned about the return of dues, we sought clarifications from SBI Capital markets about the terms & conditions of disinvestment plan and whether disinvestment provide for takeover of 100% liabilities by acquiring entity.

SBI Capital Markets, in their letter dated 07.12.2021, stated that the amount will be paid as part of waterfall agreement, where financial creditor dues are payable after employee dues and operational creditors of approx. Rs. 700 crore. They have stated that they anticipate financial creditors would be able to recover their dues as part of disinvestment process.

Indian Bank, as Debenture trustee, vide our letter dated 08.12.2021, informed SBI Capital markets that bond holders have raised concern about the invested amount, since the amounts invested pertains to Pension/ PF / gratuity funds and are worried of guaranteed return of 100% of due amount. We requested SBI Capital Market, to clarify whether 100% dues outstanding to bond holders, as on date of payment, will be settled to them.

SBI Capital Markets vide their letter dated 13.12.2021, addressed to SBICAP trustee under copy to Indian Bank, stated that they estimate the process of disinvestment would be closed by Q4FY22 with distribution of funds to financial creditors including bond holders as per their dues on date of completion of transaction.

Copies all four letters are enclosed for your reference. We note to update, any further information received in this regard

Yours Faithfully


Assistant General Manager

