

SREI CONSOLIDATED INSOLVENCY - FINAL DISTRIBUTION PROCESS NOTE**1. BACKGROUND**

- 1.1. The Committee of Creditors (CoC) of Srei Infrastructure Finance Limited (SIFL) and Srei Equipment Finance Limited (SEFL) approved the Resolution Plan submitted by National Asset Reconstruction Company Limited ("NARCL") which was put up for voting in the 36th CoC Meeting dated January 20, 2023, with a voting of 89.25%. The resolution for distribution mechanism amongst Creditors of SIFL and SEFL was put up for voting in 37th CoC Meeting dated January 25, 2023, which was approved with a voting of 77.32%. The Hon'ble NCLT approved the Resolution Plan submitted by NARCL ("Approved Resolution Plan") vide its order dated August 11, 2023.
- 1.2. As per the Approved Resolution Plan, the Creditors based on the approved distribution mechanism resolution and additional confirmations noted by CoC/Ex-CoC and IMC from time to time are entitled to Cash and Instruments (Security Receipts backed by underlying committed NCDs, Optionally Convertible Debenture (OCDs) and Equity, as applicable, for their respective category).
- 1.3. On March 27, 2023, the Administrator had submitted an application to the Reserve Bank of India (RBI) seeking certain approvals from RBI in terms of resolution plan submitted by NARCL (approved by the CoC as mentioned above). The RBI vide its letter DoS.RO.Kol No.S1154/00-13-232/2023-24 dated August 28, 2023 responded to the approvals sought. The comments from RBI on the approvals sought are provided in *Annexure 1*. As per the letter, the following may be noted:
 - i. RBI has not allowed the assignment of debt (as required in terms of Step VI in Section 4 of the Approved Resolution Plan) by the assenting ECB Lenders (details provided in *Annexure 2*) to the ARC Trust since such assenting ECB Lenders are not banks and financial institutions in terms of Section 5 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act").
 - ii. The RBI has also disallowed the issuance of SEFL OCDs and equity shares of SIFL (as provided in terms of Step X in Section 4 of the Approved Resolution Plan) to such assenting ECB Lenders who are not banks and financial institutions in terms of Section 5 of the SARFAESI Act.
- 1.4. Pursuant to the above, in accordance with Clause 8.3.2 in Section 8 of the Approved Resolution Plan, the Erstwhile CoC was required to issue a CoC Reallocation Notice. Clause 8.3.2 in Section 8 of the Approved Resolution Plan provides that the Erstwhile CoC shall communicate to NARCL of its decision to reallocate the equity shares (of SIFL) and other monetary payments amongst themselves. Clause 8.3.2 in Section 8 of the Approved Resolution Plan has been reproduced below for reference:

"In the event of non-receipt of approval specified in Clause 1 of Section 8.3.2 herein within 90 (Ninety) days from the NCLT Approval Date, the CoC shall notify the Resolution Applicant of its decision to re-allocate equity and monetary payments amongst themselves, subject to there being (a) no change in the Total Resolution Amount; (b) no change in the overall equity shareholding ascribed for the Approving Financial Creditors under Step X of Section 4 of Part III (Steps of Implementation) of the Resolution Plan; and (c) no adverse tax implications on the Resolution Applicant or the Corporate Debtors, by way of a written notice, no later than 15 (fifteen) days from the end of such 90 (Ninety) days ("CoC Re-

allocation Notice"). Upon receipt of the CoC Re-allocation Notice, the requirement to obtain the approvals mentioned in Clause 1 hereinabove shall stand fulfilled."

- 1.5. Pursuant to due deliberations between the members of the Erstwhile CoC, the Erstwhile CoC approved the draft of CoC Reallocation Notice in its meeting dated September 21, 2023, and authorized UCO Bank to issue the Notice containing details of the reallocation ("Alternate Mechanism") as approved by the Erstwhile CoC. The CoC Reallocation Notice was issued by UCO Bank vide its letter Ref: UCO/AMB/SREI/2023-24/166 dated September 21, 2023.
- 1.6. In response to the CoC Reallocation Notice, NARCL vide its letter dated September 22, 2023, issued the Implementation Notice pursuant to Clause 8.3.3 of Section 8 of the Approved Resolution Plan notifying the Effective Date as September 23, 2023.
- 1.7. The key terms of the Alternate Mechanism as stated in the Implementation Notice is detailed below:
 - i. The assenting ECB Lenders shall get paid in cash for their share of the security receipts backed by committed SEFL NCDs out of the Available Cash and Bank Balance. The Approving Financial Creditors shall reallocate the amounts payable to the assenting ECB Lenders towards Cash Portion of Assignment Payments from the AFCs' Cash Portion. The payout against the security receipts shall be computed based on the net present value ("NPV") of the underlying committed SEFL NCDs against the security receipts and the NPV shall be calculated in terms of the Evaluation Matrix issued by the erstwhile Administrator along with the request for resolution plans dated September 24, 2022.
 - ii. Such payment based on the NPV of the underlying committed SEFL NCDs to the ECB lenders shall be construed as an additional upfront recovery of the Approving Financial Creditors. On account of such additional upfront recovery, the face value of the SEFL NCDs across tranches being SEFL NCDs-1, SEFL NCDs-2, SEFL NCDs-3, SEFL NCDs-4 and SEFL NCDs-5, shall stand proportionately reduced to the extent of the NPV of such SEFL NCDs are paid out to the assenting ECB Lenders from the Available Cash and Bank Balance and accordingly, to that extent, SEFL NCDs will not be issued.
 - iii. Accordingly, the assenting ECB Lenders will not be allotted any security receipts (in terms of Step VI in Section 4 of the Approved Resolution Plan). The total amount of Security Receipts as provided under the Resolution Plan remains unchanged and the same stands reallocated to the Approving Financial Creditors in the manner set out under the CoC Reallocation Notice.
 - iv. NPV of committed portion of the Total Resolution Amount of the Resolution Plan shall remain unchanged.
 - v. Alternate Mechanism for distribution of SEFL OCDs and SIFL Equity does not have any impact on the distribution calculations and hence is not produced in this note. Please refer the CoC Reallocation Notice for details on the same.
 - vi. To give effect to the terms of the Resolution Plan it has been further agreed by the CoC that IMC Cost Corpus of Rs. 5 Cr out of AFC's Cash Portion excluding Cash Portion of Assignment Payment will be created. However, in the event that such amount of Rs. 5 Cr is insufficient to pay Interim Period Cost, such Interim Period Costs to the extent of an additional Rs. 5 Cr shall be paid from the 'CoC & Administrator Expense Corpus' of Rs. 35 Cr.
 - vii. Consequently, in terms of the Resolution Plan, AFCs' Cash Portion (excluding Cash Portion of the Assignment Payments) is Rs. 2,580 Cr only (and such amount is subject to

such treatment as well as for deductions for Mandatory Payments as defined under the Resolution Plan as per the CoC Reallocation Notice).

- viii. The treatment of payments as provided in the CoC Reallocation Notice shall not have any effect on the Cash Portion of the Assignment Payments and the overall Total Resolution Amount as capped under the Resolution Plan.
- ix. Upon payment as envisaged per its terms, the ECB lenders shall not have any recourse either against the Resolution Applicant and/or the Corporate Debtors for payments of any claim/liabilities etc. in relation to their Admitted Financial Creditor Debt or any other debt or obligations of the Corporate Debtors or the Resolution Applicant for period preceding the Closing Date or under the Resolution Plan and such liabilities and obligations shall stand permanently settled and extinguished on a no-recourse basis.

It may be noted that as per the CoC Reallocation Notice, save and except as provided above, the Approving Financial Creditors shall continue to be treated in terms of the Approved Resolution Plan read with the approved distribution mechanism by Erstwhile CoC along with additional confirmations noted by CoC, Erstwhile CoC and/or Interim Monitoring Committee (IMC) from time to time.

- 1.8. The IMC in its meeting dated September 23, 2023, had decided to allow the distribution of Cash and Cash Equivalents of Corporate Debtor of Rs ~2,580 Cr from the AFCs' Cash Portion in the Approved Resolution Plan (Cash available for Interim Distribution or Tranche 1 Cash) to Creditors other than the Debenture Holders. Post finalization of the Record Date for the Debenture Holders, the IMC in its meeting dated October 13, 2023, had decided to allow the Interim distribution for the Debenture Holders. The Interim distribution of Cash and Cash Equivalents of Corporate Debtor of ~Rs. 2,580 Cr has since been concluded and distribution of the balance portion of the AFCs' Cash Portion along with the instruments under the Approved Resolution Plan is proposed to be done as a part of the Final Distribution. The process note detailing the principles for computing the Creditor wise entitlements under Interim Distribution has been enclosed as an Annexure.
- 1.9. Further, Erstwhile CoC decided in Ex-CoC Meeting dated December 06, 2023 approved the following alternative structure for debenture holders and Candor Kolkata One Hi-Tech Structures Private Limited and accordingly issued the Addendum to the CoC Reallocation Notice dated September 21, 2023
 - i. **Secured Listed Debentures** - Alternate Mechanism for payment to Secured Listed Debentures does not have any impact on the distribution calculations and hence is not produced in this note. Please refer the relevant Addendum to CoC Reallocation Notice for details on the same.
 - ii. **Unsecured Listed Debenture Holders and Candor Kolkata One Hi Tech Structures Private Limited ("Candor")**
 - a. The Unsecured Debenture Holders and Candor shall get paid in cash for their share of the security receipts backed by committed SEFL NCDs out of the Available Cash and Bank Balance.
 - b. The Unsecured Debenture Holders and Candor shall reallocate the amounts payable to the Unsecured Debenture Holders and Candor towards Cash Portion of Assignment Payments from Cash Portion of Assignment Payments.
 - c. The payout against the security receipts shall be computed based on the net present value ("NPV") of the underlying committed SEFL NCDs against the security receipts and the NPV shall be calculated in terms of the Evaluation Matrix issued

by the erstwhile Administrator along with the request for resolution plans dated September 24, 2022. Accordingly, such Unsecured Debenture Holders and Candor will not be allotted any security receipts.

- d. The face value of the SEFL NCDs across tranches being SEFL NCDs-1, SEFL NCDs-2, SEFL NCDs-3, SEFL NCDs-4 and SEFL NCDs-5, shall be proportionately reduced to the extent the NPV of such SEFL NCDs are paid out to Unsecured Debenture Holders and Candor from the Available Cash and Bank Balance.
- e. Such payment made to the Unsecured Debenture Holders and Candor, in lieu of the security receipts will be considered as an accelerated payment of the underlying SEFL NCDs
- f. Alternate Mechanism for distribution of SEFL OCDs and SIFL Equity does not have any impact on the distribution calculations and hence is not produced in this note. Please refer the Addendum to the CoC Reallocation Notice for details on the same.

1.10. This note details the principles and the process for computing the entitlements of the Creditors under the Final Distribution based on approved distribution mechanism resolution and additional confirmations noted by CoC/Ex-CoC and IMC from time to time (together referred to as "Approved Distribution Resolution"). The computation has been done based on the Claims amounts along with the clarifications and additional information received from the erstwhile Administrator Team.

2. SOURCE OF INFORMATION

The following documents/clarifications received from the erstwhile Administrator Team from September 04, 2023, onwards have been considered for Interim and Final Distribution.

- i. Details of Unpaid CIRP Costs
- ii. Details of Claims data for Workmen & Employee Dues with classification as related party
- iii. Details of Claims data for Operational Creditors with details of Related party classification and Government Claims
- iv. Details of Claims data for Other Creditors with details of Related party classification
- v. Details of Claims data for Financial Creditors (nature of Security, Voting outcome, related party if applicable etc.)
- vi. Lender Wise Liquidation Value payable to the Dissenting Financial Creditors along with voting percentage
- vii. Details of Live BG and FD Margin
- viii. TRA balance as on 7th October 2021
- ix. Amount paid out to the Pool Purchasers against Aug-Sep 2021 pool collections
- x. For the NCD holders following information has been received
 - Consolidated BENPOS as on August 11, 2023 and as on the Record Date i.e., October 6, 2023.
 - Series-wise list of ISINs with nature of Security, Claim details and voting outcome.
 - ISIN wise Admitted Claim amount for SIFL Perpetual Debt.
 - Reconciliation of the Claims of the NCD Holders between the BENPOS and the Admitted Claims.
 - Related Party Details

3. TOTAL AMOUNT AVAILABLE FOR DISTRIBUTION & ASSUMPTIONS MADE

The Total Amount Available for Distribution has been calculated as

Rs. Cr			
S.N.	Particulars	Cash Component	Instruments
1	Cash and Cash Equivalents of Corporate Debtor	2,580.00	
2.	Cash Portion of Assignment Payments	600.00	
3.	Security Receipts (SRs) - Face Value		1,800.00
4.	SEFL Optionally Convertible Debentures (OCDs) - Face Value		8,000.00
5.	Total Cash and Instruments (Face Value) available for distribution	3,180.00	9,800.00
6.	SIFL Equity		20%

- 3.1. As per the aforementioned Approved Distribution Resolution, the Future Value of Committed Instruments will be considered for computing the distribution proportion. However, the Present Value or Face Value of the said Committed Instruments (or such Instruments backed by Underlying Committed Instruments) will be available for distribution.
- 3.2. As per the Approved Resolution Plan, the SRs of upto Rs 1,800 Cr (i.e., 75% share) from ARC Trust are backed by committed SEFL NCDs amounting to Rs 3,487.50 Cr which are redeemable from recoveries of underlying assets of SEFL. The details of the underlying committed NCDs including the Future Value (FV) available to Financial Creditors (or set aside as per approved distribution resolution) along with the NPV as computed as part of the Challenge Process has been provided in the table below:

Rs.				
Tenor (Year)	NCD Gross Value (A)	Coupon* (B)	Future Value of NCDs (A) + (B)	NPV of NCDs
1	1,50,00,00,000.00	15,000.00	1,50,00,54,355.64	1,38,89,02,777.78
2	4,50,00,00,000.00	90,000.45	4,50,01,63,066.92	3,71,90,82,645.00
3	6,75,00,00,000.00	2,02,502.03	6,75,02,44,600.37	5,07,15,27,048.85
4	15,00,00,00,000.00	6,00,009.00	15,00,05,43,556.39	9,53,31,52,492.64
5	7,12,50,00,000.00	3,56,257.13	7,12,52,58,189.28	4,04,31,18,496.86
Total	34,87,50,00,000.00	12,63,768.60	34,87,62,63,768.60	23,75,57,83,461.13
Total (Rs. Cr)	3,487.50	0.13	3,487.63	2,375.58

*Coupon: 0.001% p.a. on redemption.

- 3.3. It is reiterated that the Approving Financial Creditors (as per the alternate mechanism finalized) shall be allotted SRs only which shall be backed by the committed SEFL NCDs. The SRs to be allocated have been computed based on the **Future Value (FV)** of the NCDs. Accordingly, the proportion of FV of NCDs to SRs works out to ~1.94 (**Conversion Ratio**), that is, Rs 3,487.63 Cr divided by Rs 1,800 Cr.
- 3.4. Further, NPV of the SRs (based on the underlying committed NCDs backing the SRs) derived in the Challenge Process and pursuant to the Approved Resolution Plan amounts to Rs 2,375.58 Cr. NPV Ratio is computed as a ratio of Future Value of the NCDs to NPV of the SRs which works out to ~1.47 (**NPV Ratio**), i.e., Rs 3,487.63 Cr divided by Rs 2,375.58 Cr.

- 3.5. The Conversion Ratio shall be impacted based on the principle of CoC Reallocation Notice and its addendums for the Assenting ECB lenders, Unsecured NCD Holders and Candor due to a reduction in the issuance of SEFL NCDs the Future Value of which works out to ~Rs 107.72 Cr (detailed subsequently).
- i. In line with the Approved Resolution Plan, the underlying SEFL NCDs for the Assenting FCs (as per the alternate mechanism finalized) shall constitute 75% of the overall FV of SEFL NCD issuance. Further, total SRs to be issued by ARC Trust is proposed to remain at Rs. 2,400 Cr.
 - ii. Due to such reduction, the balance Future Value of NCD for Assenting FCs amounts to Rs ~3,379.91 Cr (i.e., 3,487.63-107.72) constituting 75% of the overall Future Value of NCD issuance. Accordingly, 100% of the Future Value of NCD issuance shall be Rs 4,506.54 Cr and Revised Conversion Ratio works out to be ~1.88 (i.e., 4,506.54/2,400.00) considering the total SRs to be issued by ARC Trust is proposed to remain at Rs. 2,400.00 Cr. Exact tranche wise revised issuance is mentioned subsequently in the note.
- 3.6. The other overall assumptions for the purpose of Final Distribution are as follows:
- i. **Voting Treatment:** As per opinion provided by the Ex-CoC Legal Counsel,
 - a. The treatment of the financial creditors who abstain from voting are to be considered in line with the financial creditors who have not voted in favour of the resolution plan.
 - b. **Voting on behalf of Debenture Holders in a particular series:** It may be noted that in terms of Section 25A sub-section 3A of the Code, the authorized representative (under Section 21 (6A) of the Code) i.e., including a debenture trustee, is required to cast his vote on behalf of the financial creditors he represents, with the decision taken by a vote of more than 50% of the voting share of the financial creditors who have cast their vote, such authorized representative represents. Therefore, in a particular series of debentures, if the debenture holders having more than 50% of the voting share (present and voting) have cast their vote in favour or against a particular resolution, the same shall be binding on the other debenture holders in the same series. In the event, in a particular series, no debenture holder casts their vote, the treatment accorded in response in (a) above, shall apply. Based on this, the DTD and ISIN wise voting outcome has been provided in *Annexure 3*.
 - ii. **Rounding off principles:** As agreed in the Ex-CoC meeting dated September 12, 2023, IMC meeting dated September 12, 2023, Ex-CoC meeting dated December 6, 2023, IMC meeting dated December 7, 2023, and confirmation provided by NARCL the rounding off principles shall be as follows:
 - a. Cash to be rounded off to the nearest rupee.
 - b. Face Value of SRs is to be considered at Rs 1,000.
 - c. Face Value of SEFL OCDs is to be considered at Rs 1,000.
 - d. Assenting Financial Creditors shall hold equity worth Rs. 20 Lakh and the Face Value of Equity is to be considered at Rs. 10. Number of SIFL Equity Shares is to be rounded off to the nearest 1 share.

It is reiterated that the allotment of Cash and Instruments is to be done amongst the Creditors as applicable for their respective category in line with the approved distribution mechanism

resolution, CoC Reallocation Notice & its addendums and additional confirmations noted by CoC/Ex-CoC and IMC from time to time.

It may be noted that rounding off has been done at each step for the Cash and Instruments and the rounded off figures have been taken at the next applicable step for distribution. This is detailed in the subsequent sections along with the overall rounding off impact.

- iii. **Subsequent Adjustments:** Post conclusion of the Interim Distribution, due to the following developments, actual cash entitlement towards Tranche 1 Cash as opposed to cash actually paid towards Tranche 1 Cash at the time of Interim Distribution has undergone changes. Accordingly, any adjustments on account of deficit/(excess) payouts to lenders at the time of Interim Distribution, have been adjusted at the time of Final Distribution. The adjustments have been listed below -
- a. **Addendum to Reallocation Notice of account of Alternate Structure** for Unsecured NCD Holders and Candor as discussed above.
 - b. **Regulatory Fee** - Based on discussions held in IMC and Ex-CoC Meetings with respect to IBBI Fee, it has been decided to pay Regulatory Fee of Rs 16.67 Cr to the IBBI under Regulation 31(A)(1) of the CIRP Regulations, 2016 which is calculated on the committed amount as per the approved Resolution Plan. It may be noted that Rs 15.06 Cr (i.e., 16.67 Cr less 1.61 Cr already earmarked prior to Interim Distribution from the Available Cash and Bank Balance) shall be paid by the Financial Creditors from the Cash portion of Assignment Payments i.e., Rs. 600 Cr. Further, it was decided to earmark fee amount of Rs 20.50 Cr which is calculated on the uncommitted amount as per the approved Resolution Plan from the Cash portion of assignment payments i.e., Rs. 600 Cr until further clarity is received from IBBI.
 - c. **Pool Lenders** - At the time of Interim Distribution, the set aside on account of Pool Lenders was considered to the tune of Rs 847.87 Cr. The Erstwhile Administrator team in the 8th IMC Meeting held on October 3, 2023, updated the IMC that vide its letter dated 28th August 2023, DBS Bank as one of Srei's pool lender has communicated that it has bilaterally settled with the customer and accordingly withdrawn from the IA no. 559/KB/2022 filed in CP 294/KB/2021. Accordingly, the Erstwhile Administrator team proposed to reduce the amount set aside for Pool Lenders from Rs. 847.87 Cr to Rs. 818.85 Cr for the purpose of the Final distribution with simultaneous reduction in Cash (to the tune of ~Rs 6.94 Cr) and Committed Instruments (to the tune of ~Rs 22.08 Cr) on a pro rata basis DBS share. The same was also confirmed by the CoC Legal Counsel on October 12, 2023.
 - d. **Admitted Claims calculation for Live BGs** - Upon reverification of the Interim Distribution workings vis-à-vis the approved distribution resolution, it was found that the claims pertaining to the BGs backed by 100% FD Margin were also inadvertently included in the Admitted Claims for those banks. The same has been taken care of during the Final Distribution and the excess amount paid to the respective financial creditors has been adjusted accordingly. Only ICICI Bank was paid in excess of the final consideration. However, the same was immediately communicated by UCO Bank to ICICI Bank with a request to return such excess amount paid and the refund has already been received. For the remaining lenders i.e., Axis Bank, Bank of India, UCO Bank and Union Bank adjustments against the same has been done at the time of the Final Distribution.

- e. **Nicco Engineering Services** -The Erstwhile Administrator team in the 8th IMC Meeting held on October 3, 2023 updated the IMC that Nicco Engineering was paid as Secured dissenting financial creditor as part of Interim Distribution. However, based on their reverification of the claim documents, it was found that the claim of Nicco Engineering Services is to be classified as unsecured. Thus, no LV is payable to them and accordingly the revised LV computation was updated by the erstwhile Administrator team. Further, erstwhile Administrator Team clarified that the amount distributed to Nicco Engineering has already been recovered.
 - f. **The Provident Fund Trust for the Employees of Indian Oil Corporation Ltd (PF IOC)** – PF IOC is a Secured NCD holder with investments under 4 series of ISINs. Due to a technical error, vote of PF IOC against 1 out of the 4 series of ISIN (under ISIN No. INE881J07ER9) was considered as ‘dissenting’ while for the remaining 3 ISINs its vote was considered as ‘assenting’. PF IOC had accordingly requested to treat its voting under the 4th ISIN as Secured Assenting as well and make the payout corresponding to a Secured Assenting FC instead of a Secured Dissenting FC. It was decided in the IMC and Ex-CoC meeting to consider PF IOC as Assenting Secured Creditor and the revised LV computation was updated by the erstwhile Administrator team. PF IOC was requested to refund the entire amount paid out to it as a Secured Dissenting FC which it has done and the same has been confirmed by UCO Bank.
- iv. **NCD Holders:** For payouts to the NCD Holders, the following assumptions have been made:
- a. Nature of Perpetual/Sub-Debt Debt is considered to be Unsecured in the Consolidated BENPOS based on the Admitted Claims data and clarification received from erstwhile Administrator Team.
 - b. It is assumed that nature of security of each ISIN (Secured/Unsecured) within a series is identical to the nature of security of such series.
 - c. It may be noted that there are certain ISINs that are repeating in more than one Series. Hence, to solve this issue, Series wise and PAN wise principal claims have been received from erstwhile Administrator team for each PAN Holder.
 - 1. The DT and DTD columns, i.e., Column S and Column T respectively, in the BENPOS have been compared with the “DTD wise Secured & Unsecured” data provided by Administrator Team for identifying voting category (i.e., Dissent, Abstain or Assent) of each PAN Holder line in the BENPOS data (Column B) for distribution.
 - 2. It may be noted that no PAN Holder wise aggregation has been done.
 - 3. To reiterate, voting result of the PAN Holder line in the BENPOS data (Column B) in a particular Series (Column T), is considered similar to the voting result of such Series as per “DTD wise Secured & Unsecured” data provided by Administrator Team.
 - 4. It may further be noted that specifically ISIN - INE881J07FA2 is repeated in 3 different series. Since (a) holder is same in all three series and (b) voting category is also same, a single distribution amount is computed for ISIN INE881J07FA2.
 - d. The interest amount is proposed to be pro-rated based on the Principal amount taken from the BENPOS data to arrive at the Admitted Claims of each PAN Holder line in the BENPOS data. Specifically, the assumptions are given below:

1. It is assumed that admitted claims of all investors in a particular ISIN are proportional to the principal in respective ISINs. This is irrespective of whether an ISIN is a part of more than one Series.
2. Admitted claims will be calculated on pro-rata basis the principal outstanding in respective ISIN as per the BENPOS.
3. All NCD investors existing as on record date i.e., October 6, 2023, shall be the beneficiaries receiving the treatment as per the Approved Distribution Resolution.
4. It may be noted that the erstwhile Administrator team has clarified that there are no related party exposures in the final list of NCD Holders as on the Record Date of October 6, 2023

v. **Payment of pre-CIRP expenses & fees incurred by Debenture Trustees**

- a. The NCD Holders are represented by three Debenture Trustees namely Catalyst Trusteeship Limited, Axis Trustee Services Limited and IDBI Trusteeship Services Limited, collectively referred to as the “Debenture Trustees” or “DTs”.
- b. The DTs have contended that they had incurred legal expenses pre-CIRP to protect the rights of the NCD Holders which was not recovered and this expense along with any unpaid fee for the pre-CIRP period may be recovered from the payouts to their respective NCD Holders based on the documents executed between the SEFL/SIFL and the DTs. The DTs have also provided a legal opinion from a senior Advocate in this regard.
- c. The matter was discussed in the Ex-CoC meeting held on October 17, 2023, and it was decided to make adjustment of the pre-CIRP unpaid expenses & fees at the time of Final Distribution.
- d. During the Ex-CoC meeting held on December 6, 2023, IMC Meeting held on December 7, 2023, and Ex-CoC meeting held on December 8, 2023, it was decided to make this adjustment from the Assenting NCD holders based on their respective admitted claims subject to the DTs providing an Indemnity for the same.
- e. The DTs have provided their unpaid pre-CIRP expenses & fees for computation of the net cash payouts to the Assenting NCD Holders. DT Fee has been pro-rated in the ratio of admitted claims of Assenting Unsecured and Assenting Secured NCD Holders under the particular debenture trustee, rounded off to the nearest rupee.
- f. For the purpose of this note, gross payouts to NCD Holders have been shown. Payouts to NCD holders net off DT Fee for each lender has been provided in the Final Distribution Excel Workings.
- g. The synopsis of the unpaid pre-CIRP expenses & fees and adjustment of the same from the Assenting NCD Holders is provided below:

Catalyst Trusteeship Limited	Admitted Claims	Pre-CIRP unpaid Expenses & Fees Pro Rata	DT Exp & Fees Payout after Rounding Off
Unsecured Assenting NCD Holders	78,19,45,658.28	10,14,672.07	10,14,671.00
Secured Assenting NCD Holders	5,23,17,88,868.74	67,88,898.93	67,88,794.00
Total	6,01,37,34,527.02	78,03,571.00	78,03,465.00

Axis Trustee Services Limited	Admitted Claims	Pre-CIRP unpaid Expenses & Fees Pro Rata	DT Exp & Fees Payout after Rounding Off
Unsecured Assenting NCD Holders	12,92,81,36,652.60	32,58,692.26	32,58,908.00
Secured Assenting NCD Holders	19,17,91,15,927.79	48,34,326.74	48,35,038.00
Total	32,10,72,52,580.40	80,93,019.00	80,93,946.00

IDBI Trusteeship Services Limited	Admitted Claims	Pre-CIRP unpaid Expenses & Fees Pro Rata	DT Exp & Fees Payout after Rounding Off
Unsecured Assenting NCD Holders	41,11,16,803.28	5,51,020.74	5,51,012.00
Secured Assenting NCD Holders	22,90,23,175.96	3,06,960.26	3,06,960.00
Total	64,01,39,979.23	8,57,981.00	8,57,972.00

The total rounding off impact on the DT expenses & fees payout is ~Rs. 812. Given that this amount is not significant, it was proposed by the Ex-CoC to be ignored for the purpose of Final Distribution.

- vi. The workings detail the gross payouts to the Creditors. Tax workings, as applicable, is to be computed separately by NARCL Team.

4. STEPS FOR FINAL DISTRIBUTION

4.1. Mandatory Payments

- i. **Unpaid CIRP Costs:** As per information received from the erstwhile Administrator Team, CIRP Costs pertaining to IBBI fees of Rs. 1,61,00,000/- had already been set aside from the Cash Balance of the Corporate Debtor and hence Unpaid CIRP Costs has been considered nil to that extent.

Further, based on discussions held in IMC Meeting held on November 28, 2023, and Ex-CoC Meetings on November 23, 2023, and December 6, 2023, with respect to IBBI Fee, the following has been decided -

- a. Regulatory Fee of Rs 16,66,87,500/- to be paid to the IBBI under Regulation 31(A)(1) of the CIRP Regulations, 2016 which is calculated on the committed amount as per the approved Resolution Plan. It may be noted that Rs 15,05,87,500/- (i.e., 16,66,87,500 less 1,61,00,000 already earmarked as stated above) shall be paid from the Cash portion of assignment payments i.e., Rs. 600 Cr.
 - b. Earmark balance IBBI Fee amount of Rs 20,50,00,000/- which is calculated on the uncommitted amount as per the approved Resolution Plan from the Cash portion of assignment payments i.e., Rs. 600 Cr until further clarity is received from IBBI.
 - c. The aforementioned payment/set aside is proposed from the Cash portion of assignment payments that the Financial Creditors shall receive given that this development occurred post Interim Distribution.
- ii. **Workmen and Employee dues:** Entire admitted employees and workmen debt has been settled in cash in accordance with the NARCL Plan which amounts to Rs 3,39,30,245/-. All cash payouts were rounded to the nearest rupee. Details of final admitted claims of Workmen & Employee Dues have been provided by erstwhile Administrator Team.
- iii. **Operational Creditors (excluding government claims and related parties of the Consolidated Entity):** As per the approved distribution resolution, 5% of the admitted claims (other than claims of related parties and government claims) is to be paid in cash subject to cap of 5% of admitted claim amount as on January 19, 2023. This amounts to Rs 5,95,23,211.60/-. Details of final admitted claims of Operational Creditors (excluding government claims and related parties of the Consolidated Entity) have been provided by erstwhile Administrator Team. Accordingly, payout per Operational Creditor has been pro-rated in the ratio of their final Admitted Claims (excluding Related Party Claims) considering the cap of Rs. 5,95,23,211.60/- Operational Creditors have been settled by making a cash payout of Rs 5,95,23,208/- post rounding off to the nearest rupee.
- iv. **Other Creditors (excluding related parties of the Consolidated Entity):** As per the approved Distribution Resolution, 5% of admitted claim (other than claims of related parties and government claims) is to be paid in cash subject to cap of 5% of admitted claim amount as on January 19, 2023. This amounts to Rs 5,01,668/-. Based on the final Admitted Claims of Other Creditors (excluding related parties of the Consolidated Entity) have been provided by erstwhile Administrator Team, the payout has been computed. Other Creditors have been settled by making a cash payout of Rs 25,083/- post rounding off to the nearest rupee.

Plan Outlay	Cash available for Interim Distribution or Tranche 1 Cash	Cash Portion of Assignment Payments or Tranche 2 Cash
Cash Available for Distribution	25,80,00,00,000.00	6,00,00,00,000.00
Unpaid CIRP Costs	-	35,55,87,500.00
Employee and Workmen	3,39,30,245.00	
OC (Other than Govt and Related Party)	5,95,23,208.00	
Other Creditors (Other than Related Party)	25,083.00	
Available for Distribution	25,70,65,21,464.00	5,64,44,12,500.00

4.2. Payment to Dissenting Financial Creditors

- i. At the time of Interim Distribution, Dissenting FCs were paid their respective Liquidation Value in cash as follows in line with the agreed distribution mechanism resolution and the subsequent changes confirmed by the Ex-CoC and noted by the IMC, the details of which have been given below.
- ii. Based on the deliberations held in the 36th CoC Meeting (33rd Consolidated CoC Meeting) held on January 20, 2023, the “CoC agreed to go ahead on the principle of average liquidation value of the Corporate Debtors (CDs) considering the balance sheet position as on Insolvency Commencement Date (ICD) and taking into account the principles of consolidated insolvency”.
- iii. As per email received from the Administrator Team on 20.02.2023, *“the LV of all the lenders have been considered including NABARD in accordance with the discussion held in the 36th CoC (held on January 20, 2023) wherein it was deliberated and decided that: “the CoC agreed to go ahead on the principle of average liquidation value of the CDs considering the balance sheet position as on Insolvency Commencement date (ICD) and taking into account the principles of consolidated insolvency. The representative of State Bank of India clarified that the liquidation value of the respective financial creditors shall be calculated based on the revised voting share considering only the secured financial creditors in the consolidated CoC”.*
- iv. The CoC agreed for the set-asides for the Pool Lenders and other set-asides from the Liquidation Value based on the on the deliberations held in the 38th CoC Meeting (35th Consolidated CoC Meeting) held on February 4, 2023, details of which are given below:
 - a. **Pool Lenders:** The CoC agreed for setting aside the sub-judice amount from the lender wise liquidation value. The money for Pool lenders is being set aside/ earmarked as such amount is sub-judice and dependent on the Court outcome. It is not getting distributed to pool lenders. If the court matter outcome is not in favour of pool lenders, such set aside amount shall be distributed to the Secured FCs (secured dissenting FCs first and then to assenting secured FCs).
 - At the time of Interim Distribution, this set aside was considered to the tune of Rs 847.87 Cr. The Erstwhile Administrator team in the 8th IMC Meeting held on October 3, 2023, updated the IMC that via its letter dated 28th August 2023, DBS Bank as one of Srei’s pool lender has communicated that it has bilaterally settled with the customer and accordingly withdrawn from the IA no. 559/KB/2022 filed in CP 294/KB/2021. Accordingly, the Erstwhile Administrator team proposed to reduce the amount set aside for Pool Lenders from Rs. 847.87 Cr to Rs. 818.85 Cr for the purpose of the Final distribution. The same was also confirmed by the CoC Legal Counsel on

October 12, 2023. Accordingly, the impact of this change in the set aside for the Pool Lenders has been incorporated in the Final Distribution.

- b. **CoC & Administrator Expense Corpus:** The Administrator and CoC corpus shall be deducted from the total liquidation value as it will be required for fighting legal cases in future on an ongoing basis even if company goes into liquidation. Accordingly, the CoC & Administrator Expense was to be deducted from the Liquidation Value payable. The Corpus amount would be maintained till the tenure of the instruments in the Approved Resolution Plan and post redemption of all instruments, the balance amount, post any Corpus expense incurred by the Administrator or the CoC, would be distributed between the Secured FCs in accordance with the distribution mechanism as proposed by the CoC members. This was confirmed by the Ex-CoC in the meeting held on September 1, 2023 and by the IMC in the meeting held on September 22, 2023.
 - c. **Margin Money against un-invoked Live BGs:** Some of the un-invoked Live BGs which are a part of the admitted claims are backed by 100% or more Fixed Deposit (FD) / Margin Money. As per the approved distribution resolution, it was decided to set-aside the FD/Margin Money to the extent of the Live BGs outstanding and admitted in an interest bearing no-lien account to be maintained by UCO Bank. In the event the BGs expire and are returned to the respective FC, the respective FC shall inform UCO Bank and such amounts set aside shall be distributed to the Secured FCs (i.e., including those who voted in favour of the resolution plan and those who did not vote in favour of the resolution plan). Accordingly, the LV payable has been adjusted to the extent of the FD / Margin Money. More details on which is provided in the subsequent sections.
- v. As per email received from the Administrator Team on 20.02.2023, *"The annexure in the 38th CoC meeting inadvertently mentioned the LV of NABARD as INR 115 Cr. However, the same is to be noted as ~INR 121 Cr taking into consideration the abovementioned rationale."* The LV payable to NABARD was also mentioned by the Administrator Team in response to a query in the 40th CoC Meeting (37th Consolidated CoC Meeting) held on March 3, 2023.
 - vi. Unpaid CIRP Costs to the tune of Rs 35,55,87,500/- as discussed in detail above. Given that this development occurred post Interim Distribution, this amount was deducted in the revised LV calculation provided by the erstwhile Administrator team for the purpose of Final Distribution.
 - vii. **Adjustment on account of Nicco Engineering Services** -The Erstwhile Administrator team in the 8th IMC Meeting held on October 3, 2023, updated the IMC that Nicco Engineering was paid as Secured dissenting financial creditor as part of Interim Distribution. However, based on their reverification of the claim documents, it was found that the claim of Nicco Engineering Services is to be classified as unsecured. Thus, no LV is payable to them and accordingly the revised LV computation was updated by the erstwhile Administrator team. Further, erstwhile Administrator Team clarified that the amount distributed to Nicco Engineering has already been recovered.
 - viii. **The Provident Fund Trust for the Employees of Indian Oil Corporation Ltd (PF IOC)** – PF IOC is a Secured NCD holder with investments under 4 series of ISINs. Due to a technical error, vote of PF IOC against 1 out of the 4 series of ISIN (under ISIN No.

INE881J07ER9) was considered as 'dissenting' while for the remaining 3 ISINs its vote was considered as 'assenting'. PF IOC had accordingly requested to treat its voting under the 4th ISIN as Secured Assenting as well and make the payout corresponding to a Secured Assenting FC instead of a Secured Dissenting FC. It was decided to consider PF IOC as Assenting Secured Creditor and the revised LV computation was updated by the erstwhile Administrator team. PF IOC was requested to refund the entire amount paid out to it as a Secured Dissenting FC which it has done and the same has been confirmed by UCO Bank.

- ix. Based on the above, the Balance Liquidation Value for distribution amongst the Secured Dissenting FCs as provided by the Administrator Team is detailed below. LV value to be paid to each lender as computed by the erstwhile Administrator Team was taken on record by the CoC in the 38th CoC Meeting (35th Consolidated CoC Meeting) held on February 4, 2023 and basis subsequent clarifications, developments and noting as mentioned above. Accordingly, the following Revised Liquidation Value was provided by the erstwhile Administrator team on December 06, 2023 -

Particulars	Amt (Rs. Cr)
Average Liquidation Value	4,910.15
Less:	
Pool Lenders	818.85
CoC & Administrator Expense Corpus	35.00
Margin Money against Un-invoked BGs	78.06
Unpaid CIRP Cost	35.56
Balance Revised Liquidation Value	3,942.68

- x. As per the principles detailed above, the Unsecured Dissenting FCs would be paid nil liquidation value as also confirmed by erstwhile Administrator. The category wise snapshot of the Unsecured Dissenting FCs is provided below:

Name / Category of Dissenting FC	Admitted Claim	LV Payable
Unsecured FCs - Nicco Engineering Services	1,06,00,000.00	Nil
Unsecured FCs - NCD Holders	13,75,28,41,287.31	Nil

- xi. Liquidation Value payable has been rounded off to the nearest rupee.
- xii. The Liquidation Value payable under various categories of Dissenting Secured FCs computed using the BENPOS data as on August 11 and post the above adjustments are given below:

Secured Dissenting Lenders	Admitted Claims	LV Payable under Final Distribution	Payout during Interim Distribution	Excess Payout to Dissenting Lenders
NCD Holders*	1,35,45,07,962	18,53,98,096	18,56,98,902	3,00,806
NABARD	8,83,63,31,295	1,20,94,71,650	1,21,14,34,003	19,62,353
Other Lenders	10,82,29,79,806	1,48,13,93,896	1,48,37,97,442	24,03,546
Total	21,01,38,19,063	2,87,62,63,642	2,88,09,30,347	46,66,705

**To Note*

- Excludes the 4th ISIN of PF IOC considered as Secured Dissenting FC during the Interim Distribution.
- The reconciliation of the actual amounts paid out during the Interim Distribution has been provided by the erstwhile Administrator Team.
- It may be noted that the payouts to the Secured Dissenting NCD Holders was made by the erstwhile Administrator Team based on the demand drafts prepared in line with the Approved Resolution Plan read with CoC Reallocation notice as agreed in the 7th IMC Meeting. The amount payable to the Secured NCD Holders based on the Interim Distribution Workings for the NCD Holders was less by Rs. 115/- i.e., the Secured Dissenting NCD Holders on an overall basis, have been paid Rs. 115/- more. The same was noted in the IMC Meeting held on October 25, 2023, and since the difference amount is nominal, it was decided to treat it as a rounding off difference.

As shown above, on account of the aforementioned adjustments, the Secured Dissenting Financial Creditors have been paid an excess amount of Rs. 46,66,705/- on an overall basis. Given that the excess payouts have already been made to the Dissenting Financial Creditors, getting a refund of this excess amount may not be practically possible at this stage. Accordingly, it was decided by the IMC Members and Ex-CoC Members that such excess shall be recouped in the event of any recovery from the adjustments subsequently made from the Liquidation Value based on the principles detailed above.

4.3. Fixed Deposit / Margin Money Set Aside

- Fixed Deposit/Margin Money provided against the respective Live BGs, to the extent of the Live BGs outstanding and admitted was set aside in an interest bearing no-lien account to be maintained by UCO Bank at the time of Interim Distribution.
- Excess fixed deposit/margin money available over and above the respective Live BGs outstanding shall be available for distribution to all financial creditors in accordance with the approved resolution plan, read together with the distribution resolution. Admitted claims of respective financial creditors shall be reduced to the extent of such set aside amount.
- The snapshot of the un-invoked Live BGs as on August 2023 as received from the Administrator Team is provided below. The FD / Margin has been rounded off to the nearest rupee.

Amt. in Rs

Lender Name	Live BG Amt (A)	FD / Margin (B)	Excess FD (C)	FD / Margin Set Aside (B) - (C)	FD / Margin Set Aside - Round off
Axis Bank	72,73,839.00	13,77,642.00	1,74,143.00	12,03,499.00	12,03,499.00
Bank of India	59,99,77,500.00	60,53,89,301.00	54,11,801.00	59,99,77,500.00	59,99,77,500.00
ICICI Bank	1,42,28,608.39	1,48,95,041.78	6,66,433.39	1,42,28,608.39	1,42,28,608.00
UCO Bank	16,51,36,738.00	16,53,20,316.00	1,83,578.00	16,51,36,738.00	16,51,36,738.00
Union Bank of India	1,82,47,77,042.00	36,215.00	11,215.00	25,000.00	25,000.00
Total	2,61,13,93,727.39	78,70,18,515.78	64,47,170.39	78,05,71,345.39	78,05,71,345.00

- iv. In the event the Live BGs are invoked by the beneficiary, the respective FC shall make the payment under the BG to the beneficiary, inform UCO Bank and claim the amounts set aside.
- v. In the event the BGs expire and are returned to the respective financial creditor, the respective financial creditor shall inform UCO Bank and such amounts set aside shall be distributed to the Secured FCs (i.e., including those who voted in favour of the resolution plan and those who did not vote in favour of the resolution plan). This was confirmed by the Ex-CoC in the meeting held on September 21, 2023, and noted by the IMC in the meeting dated September 22, 2023.

4.4. Setting aside for Pool Lenders

- i. As per the Preliminary Reply dated 30th June 2022 filed by the Administrator in NCLT, the TRA balance as on 07.10.2021 was ~Rs. 339 Cr out of which ~Rs. 135.2 Cr was paid out to the Pool Lenders.
- ii. The Pool Lenders have been paid this above pending amount i.e., Rs. 135.2 Cr pertaining to Aug-Sep 2021 pool collections. Accordingly, the remaining amount i.e., ~Rs. 203.8 Cr is proposed to be set aside in cash for the Pool Lenders. It may be noted that the TRA balance as on 07.10.2021 includes the collections from other customers as well.
- iii. As per the Reply dated 27th July 2022 filed by the Administrator in NCLT, based on the Reconciliation Statement, the pool shortfall amount was ~Rs. 848 Cr. Accordingly, the remaining shortfall amount after keeping aside ~Rs. 203.8 Cr in cash as a part of the Interim Distribution amounted to ~Rs. 644.07 Cr and was proposed to be set aside in committed instruments i.e., SRs backed by the NCDs.
- a. While, at the time of Interim Distribution, this set aside was considered to the tune of ~Rs 848 Cr, the Erstwhile Administrator team in the 8th IMC Meeting held on October 3, 2023, updated the IMC that via its letter dated 28th August 2023, DBS Bank as one of Srei's pool lender has communicated that it has bilaterally settled with the customer and accordingly withdrawn from the IA no. 559/KB/2022 filed in CP 294/KB/2021. Accordingly, the Ex-CoC proposed to reduce the amount set aside for Pool Lenders from Rs. 847.87 Cr to Rs. 818.85 Cr for the purpose of the Final distribution with simultaneous reduction in Cash (to the tune of ~Rs 6.94 Cr) and Committed Instruments (to the tune of ~Rs 22.08 Cr) on a pro rata basis DBS share. The same was also confirmed by the CoC Legal Counsel on October 12, 2023.
- iv. Accordingly, the revised set aside position is as follows -

Rs.

Merged Bank	Sub Judice Amount	Total Cash to be set aside	Tranche 1 Cash - Round (A)	Tranche 2 Cash - Round (B)	Interim Set Aside (C)	Bal to be set aside / (released) (D=A+B-C)	Future Value of NCD	Corresponding SRs *
BOB	1,45,21,42,084	34,74,47,737	27,66,21,498	7,08,26,239	27,30,68,784	7,43,78,953	1,10,46,94,347.25	58,83,15,000.00
BOI	1,84,33,19,221	44,10,42,994	35,11,37,626	8,99,05,368	34,66,27,884	9,44,15,110	1,40,22,76,227.28	74,67,95,000.00
Canara Bank	47,97,53,596	11,47,88,562	9,13,89,238	2,33,99,324	9,02,15,505	2,45,73,057	36,49,65,034.54	19,43,65,000.00
DBS	-	-	-	-	5,45,68,323	-5,45,68,323	-	-
Indian Bank	15,15,84,448	3,62,68,953	2,88,75,630	73,93,324	2,85,04,773	77,64,181	11,53,15,494.95	6,14,12,000.00
PNB	3,65,92,78,997	87,55,39,812	69,70,63,496	17,84,76,316	68,81,10,947	18,74,28,865	2,78,37,39,185.03	1,48,25,05,000.00
UCO	60,24,61,694	14,41,48,396	11,47,64,153	2,93,84,243	11,32,90,210	3,08,58,186	45,83,13,297.86	24,40,79,000.00
Total	8,18,85,40,040	1,95,92,36,454	1,55,98,51,641	39,93,84,814	1,59,43,86,426	36,48,50,029	6,22,93,03,586.93	3,31,74,71,000.00

*Based on the Revised Conversion Ratio and without taking into consideration the Rounding Off impact

- v. Corresponding SRs to be set aside is based on the Revised Conversion Ratio and Rounding off principals applied as discussed in the note separately, the revised SR Allocation and consequent Face Value of SEFL NCDs backing such SRs is provided below (please refer to the impact of Alternate Mechanism and Rounding Off impact on the Face Value of NCDs which has been detailed in the subsequent section below).

Merged Bank	Sub Judice Amount	Corresponding SRs Allocation	Face Value of NCDs backing SRs
BOB	1,45,21,42,084	58,81,92,000.00	1,10,44,24,002.53
Bank of India	1,84,33,19,221	74,66,39,000.00	1,40,19,33,438.10
Canara Bank	47,97,53,596	19,43,24,000.00	36,48,74,207.52
DBS	-	-	-
Indian Bank	15,15,84,448	6,13,99,000.00	11,52,86,384.94
PNB	3,65,92,78,997	1,48,21,94,000.00	2,78,30,54,903.85
UCO	60,24,61,694	24,40,28,000.00	45,82,01,370.45
Total	8,18,85,40,040	3,31,67,76,000.00	6,22,77,74,307.38

- vi. The amount of ~Rs. 195.92 Cr would be set aside from the Upfront Cash (Tranche 1+Tranche2) in an interest bearing no-lien account to be maintained by UCO Bank.
- vii. Committed instruments i.e., SRs backed by the committed NCDs amounting to Rs ~331.67 Cr would be set aside. The instruments shall be set aside in an interest bearing no-lien account and other account as applicable, to be maintained by UCO Bank. It may be noted that in the event committed instruments are provided in different tranches under the successful resolution plan, setting aside of the committed instruments under this step shall be done in proportion to the tranches being offered.
- viii. In case the final non-appealable judgement is in favour of the Pool Lenders, the set aside amount as detailed above shall be paid to the Pool Lenders [along with all interest earned/ recovery thereon] in the ratio of the amounts as per the Reconciliation Statement detailed above.
- ix. In case the final non-appealable judgement is not in favour of the Pool Lenders, the set aside amount as detailed above shall be paid to the secured financial creditors along with all interest earned/ recovery thereon in proportion to their admitted claim amounts.
- x. Any amounts arising for payment under the instruments issued to the Pool Lenders, prior to the final non-appealable judgement is to be kept aside with UCO Bank along with the set aside cash amount to that extent.
- 4.5. CoC & Administrator Expense Corpus:** of Rs 35,00,00,000/- (Rupees Thirty-Five Crore only) has been set aside as a part of the Interim Distribution and maintained in accordance with the approved distribution mechanism, confirmation by the Ex-CoC and noting by the IMC.
- It is expected to be utilized for payment of pending CIRP invoices of CoC Advisors; reimbursement of contributions by CoC members to the CoC Expense Corpus. Further, this Corpus will be utilized towards the CoC Advisor Cost and future CD CIRP Litigations where CoC or Administrator is a Party, (to be utilized post the Closing Date) subject to the provision for an additional IMC Cost Corpus of Rs. 5 Cr as detailed below.
 - Till 25th October 2023, i.e., till the creation of the Corpus, the contributions made by the CoC /Ex-CoC members to the corpus ("Contributing Banks") has been paid from this

CoC and Administrator Corpus to UCO Bank for reimbursing each Contributing Bank. The data for the contributions made by the members of the CoC has been provided by UCO Bank which has been used to compute the amount to be reimbursed to each Contributing Bank.

4.6. IMC Expense Corpus: of Rs. 5,00,00,000/- (Rupees Five Crore only) has been set aside and maintained as per the following in accordance with the Implementation Notice, confirmation by the Ex-CoC in the meeting held on September 21, 2023, and noting by the IMC in the meeting held on September 22, 2023

- i. To give effect to the terms of the Resolution Plan it has been further agreed by the CoC that IMC Cost Corpus of Rs. 5 Cr out of AFC's Cash Portion excluding Cash Portion of Assignment Payment will be created.
- ii. However, in the event that such amount of Rs. 5 Cr is insufficient to pay Interim Period Cost, such Interim Period Costs to the extent of an additional Rs. 5 Cr shall be paid from the 'CoC & Administrator Expense Corpus' of Rs. 35 Cr.
- iii. Further, unutilized amounts that remain in the IMC Corpus post dissolution of the IMC shall be transferred to the CoC and Administrator Corpus.

4.7. Additional set aside for NABARD in view of pending IA before NCLT

- i. As opined by Ex-CoC Legal Counsel in Ex-CoC meeting dated September 12, 2023, "NABARD has abstained from voting on the Plan and is treated as a dissenting financial creditor. Therefore, only the liquidation value is payable to NABARD. No additional amount will be set aside over and above the liquidation value at this stage, and any additional payments to NABARD shall remain subject to the outcome of the ongoing litigation. The same was confirmed by the Ex-CoC.
- ii. This was also noted by the IMC in the meeting held on September 23, 2023.

Post the above adjustments, following is the cash and instruments for computations of the remaining payouts -

Plan Outlay	Cash available for Interim Distribution or Tranche 1 Cash	Cash Portion of Assignment Payments or Tranche 2 Cash	Future Value of NCDs*	SEFL OCDs	No. of SIFL Equity Shares	Reallocated SRs*
Total Resolution Amount	25,80,00,00,000	6,00,00,00,000	34,87,62,63,769	80,00,00,00,000	2,00,000	18,00,00,00,000
Unpaid CIRP Costs	-	35,55,87,500				
Employee and Workmen	3,39,30,245					
Operational Creditors	5,95,23,208					
Other Creditors	25,083					
Balance	25,70,65,21,464	5,64,44,12,500	34,87,62,63,769	80,00,00,00,000	2,00,000	18,00,00,00,000
Payment to DFC	2,88,09,30,347					
Balance	22,82,55,91,117	5,64,44,12,500	34,87,62,63,769	80,00,00,00,000	2,00,000	18,00,00,00,000
FD Set Aside	78,05,71,345					
Balance	22,04,50,19,772	5,64,44,12,500	34,87,62,63,769	80,00,00,00,000	2,00,000	18,00,00,00,000
Pool Lenders Set Aside	1,55,98,51,641	39,93,84,814	6,22,93,03,587	-		3,31,67,76,000
CoC Corpus	35,00,00,000					
IMC Corpus	5,00,00,000					
Balance	20,08,51,68,131	5,24,50,27,686	28,64,69,60,182	80,00,00,00,000	2,00,000	14,68,32,24,000

**Considering the impact of Revised Conversion Ratio. The numbers are subject to rounding off impact discussed subsequently in the note. It is reiterated that the Reallocated SRs have no bearing on the computation of entitlements of Cash & Instruments at this stage.*

4.8. Payment to the Unsecured Assenting Financial Creditors

- i. The Assenting Unsecured Financial Creditors are to be paid 5% of their admitted claim amount from balance resolution plan payments in the ratio of Cash: Future Value of NCDs: SEFL OCDs. No Equity shall be allotted to the Unsecured Assenting FCs.
- ii. The overall amount payable to the Unsecured Assenting FCs has been computed based on the total admitted claim of the Unsecured Assenting FCs. This overall amount includes CD Cash, Cash Portion of Assignment Portion, SRs backed by SEFL NCDs (derived by computing entitlement in FV of NCDs) and SEFL OCDs. Accordingly, as per the ratio above, the overall payouts under CD Cash, Cash Portion of Assignment Portion, FV of SEFL NCDs (and thereby derived share in SRs) and SEFL OCDs would be computed. It may be noted that the Unsecured Assenting FCs shall not be allotted any SIFL Equity as part of the approved Distribution Mechanism Resolution.

Plan Outlay	Cash available for Interim Distribution or Tranche 1 Cash	Cash Portion of Assignment Payments or Tranche 2 Cash	Future Value of NCDs	SEFL OCDs
Ratio for Distribution	20,08,51,68,131	5,24,50,27,686	28,64,69,60,182	80,00,00,00,000

- iii. Thereafter, payouts for each lender under the various categories of Unsecured Assenting FCs (i.e., Unsecured Assenting NCD Holders, Unsecured Assenting ECB Lenders and Unsecured Assenting Other Lenders) has been computed based on pro-rata of their share in the overall amount payable, that is, 5% of admitted claims as mentioned in 4.8(i).
- iv. Since Cash is being distributed in two tranches, i.e., Cash available for Interim Distribution (Tranche 1 Cash) and Cash Portion of Assignment Payments (Tranche 2 Cash), this payout was also computed in two tranches. Hence, the same is to be done in proportion of Cash available for Interim Distribution after Point 4.7: Available Cash Portion of Assignment Payments after Point 4.7: Future Value of NCDs: SEFL OCDs.
- v. While Interim Distribution of Tranche 1 Cash has already been completed, due to subsequent adjustments detailed separately in the note, the share of Unsecured Assenting Financial Creditors have gone through a change and the same has been adjusted at the time of Final Distribution.
- vi. Thereafter, payouts to each FC under their respective category has been computed. Rounding off principle as detailed below has been applied for each FC at this stage.
 - a. Cash has been rounded off to the nearest rupee.
 - b. Face Value of SRs is to be considered at Rs 1,000.
 - c. Face Value of SEFL OCDs is to be considered at Rs 1,000.
- vii. The reconciliation of the actual payouts during the Interim Distribution has been provided by the erstwhile Administrator Team based on which the actual payout to be made as part of Tranche 2 has been computed.

viii. Alternate Mechanism for the Assenting ECB Lenders

- a. The assenting ECB Lenders shall get paid in cash for their share of the security receipts backed by committed SEFL NCDs out of the Available Cash and Bank Balance as a part of the Final Distribution.
- b. The payout against the security receipts shall be computed based on the net present value (“NPV”) of the underlying committed SEFL NCDs against the security receipts and the NPV shall be calculated in terms of the Evaluation Matrix issued by the erstwhile Administrator along with the request for resolution plans dated September 24, 2022. The same works out to be Rs 4,14,66,636.00/- rounded off to the nearest rupee.
- c. As a part of the Interim Distribution, the Approving Financial Creditors had reallocated the amounts payable to the assenting ECB Lenders towards Cash Portion of Assignment Payments from the AFCs’ Cash Portion and accordingly Rs 1,18,23,756.00/- was earmarked rounded off to the nearest rupee.
 1. The same was set aside from the share of Unsecured Assenting Lenders (other than Unsecured Assenting ECB Lenders) in Cash available for Interim Distribution (Tranche 1) on a pro-rata basis of their admitted claims.
 2. Such set aside was proposed to be distributed to the Unsecured Assenting ECB Lenders upon Final Distribution on a pro-rata basis their admitted claims. However, due to subsequent adjustments, actual amount which should have been earmarked amounted to Rs 1,11,45,710.00. Accordingly, the difference has been adjusted during the Final Distribution and excess amount earmarked it to be released into the overall cash.
 3. Further, share of Unsecured Assenting FCs in the Cash Portion of Assignment Payments has been redistributed among the remaining Unsecured Assenting FCs other than Unsecured Assenting ECB Lenders.
- d. In line with the CoC Reallocation Notice, Face Value of SEFL NCDs amounting Rs 6.08 Cr is not expected to be issued by SEFL and SEFL NCDs issuance is to reduce to such extent. Since SRs to be issued by ARC Trust to FCs is expected to remain at Rs 1,800 Crore (and not be reduced on account of reduction in SEFL NCDs), the Revised Conversion Ratio is computed at ~1.88.

ix. Alternate Mechanism for the Unsecured NCD Holders

- a. The Unsecured NCD Lenders shall get paid in cash for their share of the security receipts backed by committed SEFL NCDs out of the Available Cash and Bank Balance as a part of the Final Distribution.
- b. The payout against the security receipts shall be computed based on the net present value (“NPV”) of the underlying committed SEFL NCDs against the security receipts and the NPV shall be calculated in terms of the Evaluation Matrix issued by the erstwhile Administrator along with the request for resolution plans dated September 24, 2022. The same works out to be Rs 10,28,31,876.00/- rounded off to the nearest rupee.
- c. The Unsecured NCD Holders shall reallocate the amounts payable to them towards Cash Portion of Assignment Payments from Cash Portion of Assignment Payments.
- d. However, their share in Cash (Tranche 1+Tranche 2) shall be paid to the Unsecured NCD Holders in accordance with the principals stated above for all Unsecured Financial Creditors net off the amount already paid as a part of the Interim Distribution.

- e. Face Value of SEFL NCDs amounting Rs 15.10 Cr is not expected to be issued by SEFL and SEFL NCDs issuance is to reduce to such extent. Since SRs to be issued by ARC Trust to FCs is expected to remain at Rs 1,800 Crore (and not be reduced on account of reduction in SEFL NCDs), the Revised Conversion Ratio is computed at ~1.88 as detailed subsequently.
- x. **Alternate Mechanism for the Candor Kolkata One Hi-Tech Structures Private Limited (Candor)**
- a. Candor shall get paid in cash for its share of the security receipts backed by committed SEFL NCDs out of the Available Cash and Bank Balance as a part of the Final Distribution.
- b. The payout against the security receipts shall be computed based on the net present value (“NPV”) of the underlying committed SEFL NCDs against the security receipts and the NPV shall be calculated in terms of the Evaluation Matrix issued by the erstwhile Administrator along with the request for resolution plans dated September 24, 2022. The same works out to be Rs 36,72,794.00/- rounded off to the nearest rupee.
- c. Candor shall reallocate the amounts payable to it towards Cash Portion of Assignment Payments from Cash Portion of Assignment Payments.
- d. However, its share in Cash (Tranche 1+Tranche 2) shall be paid to Candor in accordance with the principals stated above for all Unsecured Financial Creditors net off the amount already paid as a part of the Interim Distribution.
- e. Face Value of SEFL NCDs amounting Rs 0.54 Cr is not expected to be issued by SEFL and SEFL NCDs issuance is to reduce to such extent. Since SRs to be issued by ARC Trust to FCs is expected to remain at Rs 1,800 Crore (and not be reduced on account of reduction in SEFL NCDs), the Revised Conversion Ratio is computed at ~1.88.
- xi. Based on the Revised Conversion Ratio, the SRs attributable to all Unsecured Assenting FCs other than Unsecured Assenting ECB Lenders, Unsecured NCD Holders and Candor shall undergo an upward change. The overall impact (including on account of the Secured Assenting ECB Lenders) upon implementation of the Alternate Mechanism has been provided subsequently.

Unsecured FCs	Tranche 1 Cash	Tranche 2 Cash	Interim Payouts/ Earmarked	Final Tranche 2 Payouts	Future Value of NCDs	SEFL OCDs#	Corresponding SRs*#
ECB Holders	4,26,83,136	-	4,25,58,040	1,12,70,806		17,00,0914,000	
ECB Earmarking	1,11,45,710	-	1,18,23,756				
NCD Holders	9,61,97,495	3,72,92,094	9,53,01,486	3,81,88,103		42,12,58,000	
Candor	34,35,823	13,31,967	34,03,772	13,64,018		1,50,58,000	
Other Lenders	1,14,61,807	44,43,404	1,13,54,886	45,50,325	1,79,87,857	5,02,33,000	95,80,000
Total	16,49,23,971	4,30,67,465	16,44,41,940	5,53,73,252	1,79,87,857	65,65,58,000	95,80,000

*Based on the Revised Conversion Ratio

#Without taking into consideration the rounding off principles

Amounts earmarked in excess are to be released at the time of Final Distribution.

- xii. Revised SR Allocation, consequent Face Value of SEFL NCDs backing such SRs (please refer to the impact of Alternate Mechanism and Rounding Off impact on the Face Value of NCDs which has been detailed in the subsequent section) and SEFL OCDs based on

the (a) Revised Conversion Ratio and (b) Rounding off principals (discussed separately) applied is provided below-

Unsecured FCs	Corresponding Reallocated SRs	Face Value of NCDs backing SRs	Final SEFL OCDs
ECB Holders			17,00,14,000
ECB Earmarking			
NCD Holders			42,12,60,000
Candor			1,50,58,000
Other Lenders	95,78,000	1,79,84,218	5,02,34,000
Total	95,78,000	1,79,84,218	65,65,66,000

As detailed in 3.6 (v), adjustment has been paid from the payouts of the Assenting NCD Holders cash portion for payment of the pending pre-CIRP expenses and fees of the Debenture Trustees. However, for the purpose of computation of distribution entitlements for the remaining Financial Creditors, the gross cash payouts to the Unsecured NCD Holders i.e., payouts inclusive of the unpaid pre-CIRP fees & expenses of the Debenture Trustees has been taken.

Accordingly, post the above adjustments, following is the cash and instruments ratio for computations of the remaining payouts -

Plan Outlay	Cash available for Interim Distribution or Tranche 1 Cash	Cash Portion of Assignment Payments or Tranche 2 Cash	Future Value of NCDs	SEFL OCDs	No of SIFL Equity Shares	Reallocated SRs*
Total Resolution Amount	25,80,00,00,000	6,00,00,00,000	34,87,62,63,769	80,00,00,00,000	2,00,000	18,00,00,00,000
Unpaid CIRP Costs	-	35,55,87,500				
Employee and Workmen	3,39,30,245					
Operational Creditors	5,95,23,208					
Other Creditors	25,083					
Balance	25,70,65,21,464	5,64,44,12,500	34,87,62,63,769	80,00,00,00,000	2,00,000	18,00,00,00,000
Payment to DFC	2,88,09,30,347					
Balance	22,82,55,91,117	5,64,44,12,500	34,87,62,63,769	80,00,00,00,000	2,00,000	18,00,00,00,000
FD Set Aside	78,05,71,345					
Balance	22,04,50,19,772	5,64,44,12,500	34,87,62,63,769	80,00,00,00,000	2,00,000	18,00,00,00,000
Pool Lenders Set Aside	1,55,98,51,641	39,93,84,814	6,22,93,03,587	-		3,31,67,76,000
CoC Corpus	35,00,00,000					
IMC Corpus	5,00,00,000					
Balance	20,08,51,68,131	5,24,50,27,686	28,64,69,60,182	80,00,00,00,000	2,00,000	14,68,32,24,000
Unsecured FCs	16,49,23,971	4,30,67,465	1,79,87,857	65,65,58,000	-	95,78,000
Non issuance of NCDs on account of Alternate Mechanism			21,72,39,507		-	
Balance	19,92,02,44,159	5,20,19,60,221	28,41,17,32,817	79,34,34,42,000	2,00,000	14,67,36,46,000

*Taking into account the Revised Conversion Ratio. It is reiterated that the Reallocated SRs have no bearing on the computation of entitlements of Cash & Instruments at this stage.

4.9. Payment to the Secured Assenting Financial Creditors

- i. The Assenting Secured Financial Creditors shall be paid the balance resolution plan payments in the above ratio of Cash: Future Value of NCDs: SEFL OCDs: SIFL Equity.
- ii. **BG Set Aside:** As detailed in Section 4.3, there are un-invoked Live BGs which form a part of the Admitted Claims. Distribution against balance Live BGs net of fixed deposit/margin money set aside in Section 4.3 above ("Balance Live BGs"), is to be computed in accordance with the principle given below. Such amounts to also be set aside at the time of "Payment to Assenting FCs" in an interest bearing no-lien account and other account as applicable, to be maintained by UCO Bank.

- e. In the event the Live BGs are invoked by the beneficiary, the respective FC shall make the payment under the BG to the beneficiary, inform UCO Bank and claim the amounts set aside as detailed below against the invoked Live BGs.
- f. In the event the BGs expire and are returned to the respective FC, the respective FC shall inform UCO Bank and such amounts set aside (along with all interest earned thereon) shall be distributed to the Assenting Secured FCs.
- g. The snapshot of the Balance Live BGs is given below:

Amt. in Rs

Bank Name	BG Amount	FD Amount	Excess FD	BG Set Aside
Axis Bank	72,73,839.00	13,77,642.00	1,74,143.00	60,70,340.00
Bank of India	59,99,77,500.00	60,53,89,301.00	54,11,801.00	-
ICICI Bank	1,42,28,608.39	1,48,95,041.78	6,66,433.39	-
UCO Bank	16,51,36,738.00	16,53,20,316.00	1,83,578.00	-
Union Bank of India	1,82,47,77,042.00	36,215.00	11,215.00	1,82,47,52,042.00
Total	2,61,13,93,727.39	78,70,18,515.78	64,47,170.39	1,83,08,22,382.00

- h. Upon reverification of the Interim Distribution workings vis-à-vis the approved distribution resolution, it was found that the claims pertaining to the BGs backed by 100% FD Margin were also inadvertently included in the Admitted Claims for those banks. The same is proposed to be taken care of during the Final Distribution and the excess amount paid to the respective financial creditors is to be adjusted accordingly. Only ICICI Bank was paid in excess of the final consideration. However, the same was immediately communicated by UCO Bank to ICICI Bank with a request to return such excess amount paid and the refund has already been received. For the remaining lenders i.e., Axis Bank, Bank of India, UCO Bank and Union Bank of India, adjustments against the same is proposed in the Final Distribution.
- ii. The overall amount payable to the Secured Assenting FCs has been computed based on the total admitted claim of the Secured Assenting FCs. As detailed above, this overall amount includes CD Cash, Cash Portion of Assignment Portion, SRs backed by SEFL NCDs (derived by computing entitlement in FV of NCDs), SEFL OCDs and SIFL Equity. Accordingly, as per the ratio above, the overall payouts under CD Cash, Cash Portion of Assignment Portion, FV of SEFL NCDs (and thereby derived share in SRs), SEFL OCDs and SIFL Equity has been computed. Thereafter, payouts for each lender under the various categories of Secured Assenting FCs (i.e., Secured Assenting NCD Holders, Secured Assenting ECB Lenders, Secured Assenting Other Lenders and BG Set Aside) has been computed based on the overall amount payable in the ratio of their admitted claims.
- iii. Since Cash is being distributed in two tranches, i.e., Cash available for Interim Distribution (Tranche 1 Cash) and Cash Portion of Assignment Payments (Tranche 2), the payouts have also been computed in two tranches.
- iv. Hence, the same is to be done in proportion of Cash available for Interim Distribution after Point 4.8: Available Cash Portion of Assignment Payments after Point 4.8: Future Value of NCDs: SEFL OCDs. SIFL Equity is to be distributed to all Secured FCs in proportion to their admitted claims.

Plan Outlay	Cash available for Interim Distribution or Tranche 1 Cash	Cash Portion of Assignment Payments or Tranche 2 Cash	Future Value of NCDs	SEFL OCDs
Ratio for Distribution	19,92,02,44,159	5,20,19,60,221	28,41,17,32,817	79,34,34,42,000

- v. Thereafter, payouts to each FC under their respective category has been computed. Rounding off principle as detailed below has been applied for each FC at this stage.
- Cash has been rounded off to the nearest rupee.
 - Face Value of SRs is to be considered at Rs 1,000.
 - Face Value of SEFL OCDs is to be considered at Rs 1,000.
 - Assenting Secured Financial Creditors shall hold equity worth Rs. 20 Lakh and the Face Value of Equity is to be considered at Rs. 10. Number of SIFL Equity Shares is to be rounded off to the nearest 1 share.
- vi. The reconciliation of the actual payouts during the Interim Distribution has been provided by the erstwhile Administrator Team based on which the actual payout to be made as part of Tranche 2 has been computed.
- vii. Alternate Mechanism for the Assenting ECB Lenders**
- The assenting ECB Lenders shall get paid in cash for their share of the security receipts backed by committed SEFL NCDs out of the Available Cash and Bank Balance as a part of the Final Distribution.
 - The payout against the security receipts shall be computed based on the net present value (“NPV”) of the underlying committed SEFL NCDs against the security receipts and the NPV shall be calculated in terms of the Evaluation Matrix issued by the erstwhile Administrator along with the request for resolution plans dated September 24, 2022. The same works out to be Rs 58,57,42,929.00/- rounded off to the nearest rupee.
 - As a part of the Interim Distribution, the Approving Financial Creditors had reallocated the amounts payable to the assenting ECB Lenders towards Cash Portion of Assignment Payments from the AFCs’ Cash Portion and accordingly Rs 16,66,59,949.00/- was earmarked rounded off to the nearest rupee
 - The same was set aside from the share of Secured Assenting Lenders (other than Secured Assenting ECB Lenders) in Cash available for Interim Distribution (Tranche 1) on a pro-rata basis of their admitted claims.
 - Such set aside shall be distributed to the Secured Assenting ECB Lenders upon Final Distribution on a pro-rata basis their admitted claims. However, due to subsequent adjustments, actual amount which should have been earmarked amounts to Rs 15,74,46,687.00. Accordingly, the difference has been adjusted during the Final Distribution and excess amount earmarked is to be released into the overall cash.
 - Further, share of Secured Assenting FCs in the Cash Portion of Assignment Payments is to be redistributed among the remaining Secured Assenting FCs other than Secured Assenting ECB Lenders.
 - In line with the CoC Reallocation Notice, FV of SEFL NCDs amounting Rs 85.99 Cr is not expected to be issued by SEFL and SEFL NCDs issuance is to reduce to such extent. Since SRs to be issued by ARC Trust to FCs is expected to remain at

Rs 1,800 Crore (and not be reduced on account of reduction in SEFL NCDs), the Revised Conversion Ratio is computed at ~1.88.

- e. Based on the Revised Conversion Ratio, the SRs attributable to all Secured Assenting FCs other than Secured Assenting ECB Lenders shall undergo an upward change. However, the underlying instruments and NPV of such revised SRs shall remain unchanged.

Based on the above, the Cash payouts for the Secured FCs is detailed below

Secured FCs	Tranche 1 Cash	Tranche 2 Cash	Interim Payouts/ Earmarked	Final Tranche 2 Payouts
Ratio for distribution	19,92,02,44,159	5,20,19,60,221	-	-
ECB Holders	60,29,26,797	-	59,98,81,856	16,04,91,628
ECB Earmarking	15,74,46,687	-	16,66,59,949	
NCD Holders	1,82,30,98,456	49,49,72,808	1,80,45,71,491	51,34,99,773
BG Set Aside	13,54,61,705	3,67,78,246	13,47,09,734	3,75,30,217
Other Lenders	17,20,13,10,809	4,67,02,05,867	17,16,22,26,984	4,70,92,89,692
Round off Impact	-295	3,300	-	-

As detailed in 3.6 (v), adjustment has been paid from the payouts of the Assenting NCD Holders cash portion for payment of the pending pre-CIRP expenses and fees of the Debenture Trustees.

The total rounding off impact on account of cash is Rs 22,005.00 including the rounding off impact at the time of Interim Distribution. Given that this amount is not significant, it was proposed by the Ex-CoC to be ignored for the purpose of Final Distribution.

The entitlements of Instruments for the Secured FCs without taking into account the rounding off impact and the Revised Conversion ratio is detailed below:

Secured FCs	Future Value of NCDs	Corresponding Reallocated SRs	SEFL OCDs	No. of SIFL Equity Shares
Ratio for distribution	28,41,17,32,817.47	14,67,29,49,000	79,34,34,42,000	2,00,000
ECB Holders	-	-	2,40,14,91,000	6,052
ECB Earmarking				
NCD Holders	2,62,16,04,000.46	1,39,97,54,000	7,31,88,47,000	12,152
BG Set Aside	19,47,93,235.03	10,37,39,000	54,38,86,000	1,372
Other Lenders*	24,73,53,96,570.85	13,17,30,54,000	69,07,67,98,000	1,74,121
Non issuance of NCDs on account of Alternate Mechanism	85,99,39,011.13	-	-	-
Round off Impact		-35,98,000	23,20,000	6,303

*Other Lenders includes claims of IOC under ISIN No. INE881J07ER9 as discussed in Payment to Dissenting Financial Creditors.

Revised SR Allocation, consequent SEFL NCDs backing such SRs (please refer to the impact of Alternate Mechanism and Rounding Off impact on the Face Value of NCDs which has been detailed in the subsequent section below) and SEFL OCDs Corresponding SRs based on the (a) Revised Conversion Ratio and (b) Rounding off principals (discussed in the next section) applied is provided below -

Secured FCs	Corresponding Reallocated SRs	Face Value of NCDs backing SRs	SEFL OCDs	No. of SIFL Equity Shares
Ratio for distribution	14,67,36,46,000		79,34,34,34,000	2,00,000
ECB Holders	-		2,40,15,65,000	6,249
ECB Earmarking				
NCD Holders	1,39,96,40,000	2,61,80,46,642.76	7,31,89,28,000	12,409

Secured FCs	Corresponding Reallocated SRs	Face Value of NCDs backing SRs	SEFL OCDs	No. of SIFL Equity Shares
BG Set Aside	10,37,17,000	19,47,45,158.50	54,40,03,000	1,416
Other Lenders	13,17,02,93,000	24,72,93,11,673.45	69,07,89,25,000	1,79,926.00

4.10. Rounding-off impact

- i. Based on the rounding-off done at various steps as detailed in the note above, there is overall rounding off impact based on the Interim Distribution workings of (a) Rs 35,98,000 shortfall in SRs over and above Rs 1,800 Cr proposed by the Resolution Applicant and (b) Rs 23,20,000 excess OCDs remain as balance from the Rs 8,000 Cr proposed by the Resolution Applicant and (c) 6,303 No. of shares remain as balance from 2,00,000 equity shares proposed by the Resolution Applicant.
- ii. As finalized in the Ex-CoC Meeting dated December 06, 2023, it was decided to redistribute the round off impact on SRs, SEFL OCDs and SIFL Equity Shares among all applicable creditors until an acceptable level of marginal rounding off impact remains.
- iii. Post these iterations (3 iterations, 2 iterations and 2 iterations done for SRs, SEFL OCDs and SIFL Equity respectively), the round off impact that remains amounts to (a) Rs 4,000 shortfall in SRs over and above Rs 1,800 Cr proposed by NARCL (b) Rs 13,000 excess OCDs remain as balance from the Rs 8,000 Cr proposed by NARCL and (c) 140 No. of shares remain as balance from 2,00,000 equity shares proposed by NARCL.
- iv. Accordingly, Lead Bank (UCO Bank) has accepted to bear the loss of Rs 4,000 shortfall in the SRs from their total share in the SRs and to set off such loss, the excess Rs 13,000 SEFL OCDs along with the 140 SIFL Equity Shares are to be allotted to Lead Bank.

4.11. Final Issuance of Instruments

Particulars	Face Value of SEFL NCDs
Original share of FCs in the SEFL NCDs (through SRs)	34,87,50,00,000.00
Less: Non-Issuance on account of Alternate Mechanism	
Unsecured ECBs	6,08,75,657.35
Unsecured NCDs	15,09,64,083.13
Unsecured Lender - Candor	53,91,895.04
Secured ECBs	85,99,07,850.57
Balance SEFL NCDs Issuance - 75% (without rounding off impact)	33,79,78,60,513.92
SEFL NCDs Issuance - 25% (without rounding off impact)	11,26,59,53,504.64
Total Face Value of SEFL NCDs to be issued	45,06,38,14,018.56

The Total Face Value of SEFL NCDs is proposed to be distributed in the 5 SEFL NCD tranches in the Original Ratio of such tranches as per the Resolution Plan

Revised - With Rounding Off	Principal	Coupon	Total	NPV
NCD - 1	1,93,82,29,000	19,382	1,93,82,48,382	1,79,46,74,428
NCD - 2	5,81,46,86,000	1,16,294	5,81,48,02,294	4,80,56,21,731
NCD - 3	8,72,20,29,000	2,61,663	8,72,22,90,663	6,55,31,86,073
NCD - 4	19,38,22,86,000	7,75,303	19,38,30,61,303	12,31,82,85,873
NCD - 5	9,20,65,86,000	4,60,339	9,20,70,46,339	5,22,43,25,354
Total SEFL NCD Issuance	45,06,38,16,000	16,32,982	45,06,54,48,982	30,69,60,93,459

Summary - Final allocation of cash and instruments

Plan Outlay	Cash available for Interim Distribution or Tranche 1 Cash	Cash Portion of Assignment Payments or Tranche 2 Cash	Final Face Value of NCDs (75%)	Reallocated on account of Rounding Principals		
				SEFL OCDs	SIFL Equity Shares	Revised Reallocated SRs
Actual Amounts for Distribution	25,80,00,00,000	6,00,00,00,000	33,79,78,62,000	80,00,00,00,000	2,00,000	18,00,00,00,000
Unpaid CIRP Costs	-	35,55,87,500				
Employee and Workmen	3,39,30,245					
Operational Creditors	5,95,23,208					
Other Creditors	25,083					
Available for Distribution	25,70,65,21,464	5,64,44,12,500	33,79,78,62,000	80,00,00,00,000	2,00,000	18,00,00,00,000
Payment to DFC	2,88,09,30,347					
Available for Distribution	22,82,55,91,117	5,64,44,12,500	33,79,78,62,000	80,00,00,00,000	2,00,000	18,00,00,00,000
FD Set Aside	78,05,71,345					
Available for Distribution	22,04,50,19,772	5,64,44,12,500	33,79,78,62,000	80,00,00,00,000	2,00,000	18,00,00,00,000
Pool Lenders Set Aside	1,55,98,51,641	39,93,84,814	6,22,77,74,307	-		3,31,67,76,000
CoC Corpus	35,00,00,000					
IMC Corpus	5,00,00,000					
Available for Distribution	20,08,51,68,131	5,24,50,27,686	27,57,00,87,693	80,00,00,00,000	2,00,000	14,68,32,24,000
ECB Holders	4,26,83,136	-	-	17,00,14,000		-
ECB Earmarking	1,11,45,711	-	-			
NCD Holders	9,61,97,495	3,72,92,094	-	42,12,60,000		-
Other Lenders	1,48,97,630	57,75,371	1,79,84,218	6,52,92,000		95,78,000
Available for Distribution	19,92,02,44,159	5,20,19,60,221	27,55,21,03,475	79,34,34,34,000	2,00,000	14,67,36,46,000
ECB Holders	60,29,26,797	-	-	2,40,15,65,000	6,249	
ECB Earmarking	15,74,46,687	-	-			
NCD Holders	1,82,30,98,456	49,49,72,808	2,62,80,46,643	7,31,89,28,000	12,409	1,39,96,40,000
BG Set Aside	13,54,61,705	3,67,78,246	19,47,45,159	54,40,03,000	1,416	10,37,17,000
Other Lenders	17,20,13,10,809	4,67,02,05,867	24,72,93,11,673	69,07,89,38,000	1,79,926	13,17,02,89,000
Non issuance of NCDs on account of Alternate Mechanism						
Surplus/Deficit on account of Round off Impact	-295.00	3,300.00	-	-		-

The final underlying Face Value of NCDs has been computed for each Financial Creditor (excluding those who are not a part of the CoC Reallocation Notice and its addendums) based on the final value of SRs to be allotted to each Financial Creditor after taking into consideration the rounding off impact to maintain the 75:25 ratio in line with the Approved Resolution Plan, the CoC Reallocation Notice and its addendums.

Rs. Cr

Category of FCs	Final SR Allotment	Initial Gross Value of NCD	Initial NPV of NCD	Final Gross Value of NCD	Final NPV of NCD
Other Lenders	1,317.99	2,475.25	1,686.06	2,474.73	1,685.71
Secured NCD	139.96	262.15	178.57	262.80	179.01
FCs under Alternate Mechanism*	-	107.71	73.37	-	73.37
Pool Lenders	331.68	622.91	424.31	622.78	424.22
BG Set Aside	10.37	19.48	13.27	19.47	13.27
Total	1,800.00	3,487.50	2,375.58	3,379.79	2,375.58

*Assenting ECB Lenders, Unsecured NCD Holders and Candor

Annexure 1: RBI's comments on the approvals sought

S.N.	Approval Sought	Comments from RBI
1.	Assignment of debt owed to financial creditors, being lenders of the External Commercial borrowings (ECBs), to the ARC trust and issuance of Security Receipts by ARC trust to those financial creditors who are not "qualified buyers" as defined under the SARFAESI Act, 2002	The proposal is not acceded to since the ARC trust cannot acquire debt from those ECB lenders that are not banks or financial institutions in terms of Section 5 of the SARFAESI Act. Also, ARC trust cannot issue SRs to ECB lenders that are not qualified buyers, as per the SARFAESI Act.
2.	Prepayment/repayment of ECBs by issuing Optionally Convertible Debentures (OCDs) and equity shares to the financial creditors of ECBs availed by SIFL/SEFL	<p>Since the ARC Trust cannot acquire debt from those ECB lenders that are not banks or financial institutions in terms of Section 5 of the SARFAESI Act, the subsequent action of prepayment/repayment of ECBs by issuing OCDs and equity shares cannot be materialized.</p> <p>2. However, in the case of ECB lenders that are banks or financial institutions in terms of Section 5 of the SARFAESI Act, the company is advised as follows:</p> <p>(a) Issuance of OCDs OCDs issued as a part of the resolution plan against the ECBs raised by SIFL/SEFL should not result in any new foreign exposure. Further, the company is required to report the changes to Department of Statistics and Information Management, RBI through the AD Bank in revised Form ECB.</p> <p>(b) Issuance of equity The company is advised to be guided by the Para 7.4 of RBI's Master Direction External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 (updated as on September 30, 2022) which inter alia states that conversion of ECB into equity, including those that are matured but unpaid, is permitted subject to conditions and compliance with FDI policy.</p>
3.	SEFL to issue Non-Convertible Debentures (NCDs) to the ARC trust for restructuring of the financial debt owed to the financial creditors of SIFL/SEFL	SEFL has been permitted to issue NCDs to the ARC trust for restructuring of the financial debt owed to the financial creditors of SIFL/SEFL.

Annexure 2: Details of the Assenting ECB Lenders and their facilities

Name of Lender	Nature of Security	Admitted Claim (Rs. Cr)
Bank of Ceylon	Secured	117.69
DEG Germany	Secured	259.03
People's Bank	Secured	117.69
Canara Bank*	Secured	313.82
Total Assenting Secured ECB Lenders		808.23
Export Import Bank of United States	Unsecured	27.14
Global Climate Partnership Fund S.A, SICAV- SIF	Unsecured	143.50
ING Bank -- A branch of ING-DIBA AG	Unsecured	317.65
European Investment Bank (SACE)	Unsecured	81.14
Total Assenting Unsecured ECB Lenders		569.43
Total Assenting ECB Lenders		1,377.66

The above Admitted Claim is as per the data and clarifications received from the erstwhile Administrator.

** We understand that Canara Bank has applied to the RBI to transfer its exposure to an Indian Bank. However, it is yet to receive the approval from the RBI for the same. Canara Bank's ECB exposure has been treated like other ECB lenders.*

Annexure 3: DTD & ISIN wise voting outcome

DTD Details	Security	ISIN	Amount admitted (Rs.)	Vote
Axis Trustee Services Limited- DTD dated 02-12-2013	Secured	INE872A07SD7	4,92,36,666	Abstain
Axis Trustee Services Limited- DTD dated 04-01-2013	Unsecured	INE872A08CH0	32,39,49,900	Assent
		INE872A08CJ6	11,80,43,618	Assent
		INE872A08CL2	5,43,52,715	Assent
Axis Trustee Services Limited- DTD dated 05-03-2012	Unsecured	INE872A08BX9	75,47,90,471	Assent
		INE872A08BZ4	81,25,78,602	Assent
		INE872A08CA5	1,03,50,60,745	Assent
Axis Trustee Services Limited- DTD dated 05-07-2017 - 1	Secured	INE872A07UA9	49,08,61,203	Assent
		INE872A07UB7	1,00,80,77,478	Assent
		INE872A07UC5	39,78,91,841	Assent
Axis Trustee Services Limited- DTD dated 05-07-2017 - 2	Secured	INE872A07UI2	44,16,75,014	Assent
		INE872A07UJ0	1,32,66,61,219	Assent
		INE872A07UK8	31,78,81,233	Assent
Axis Trustee Services Limited- DTD dated 06-03-2012	Secured	INE872A07PV5	3,29,70,027	Assent
		INE872A07PY9	17,36,65,826	Assent
		INE872A07PZ6	2,49,47,560	Assent
		INE872A07QA7	17,33,60,040	Assent
Axis Trustee Services Limited- DTD dated 07-09-2012 - 1	Secured	INE872A07QD1	81,31,010	Abstain
Axis Trustee Services Limited- DTD dated 07-09-2012 - 2	Unsecured	INE872A08CD9	13,17,30,338	Assent
		INE872A08CF4	13,77,17,078	Assent
Axis Trustee Services Limited- DTD dated 07-12-2011	Secured	INE872A07PL6	11,30,61,566	Assent
		INE872A07PQ5	33,35,35,403	Assent
Axis Trustee Services Limited- DTD dated 09-08-2017	Unsecured	INE881J08573	1,92,27,66,009	Assent
		INE881J08581	1,73,97,45,170	Assent
		INE881J08599	44,88,14,729	Assent
		INE881J08607	10,17,09,550	Assent
		INE881J08615	13,33,29,048	Assent
		INE881J08623	4,10,56,718	Assent
		INE881J08631	1,27,32,16,506	Assent
INE881J08649	53,10,16,548	Assent		

DTD Details	Security	ISIN	Amount admitted (Rs.)	Vote
		INE881J08656	26,39,75,068	Assent
Axis Trustee Services Limited- DTD dated 10-09-2013	Unsecured	INE872A08DB1	11,90,52,124	Assent
		INE872A08DC9	28,61,82,991	Assent
		INE872A08DH8	26,17,46,554	Assent
Axis Trustee Services Limited- DTD dated 16-05-2015	Secured	INE881J07DX9	37,61,85,110	Assent
Axis Trustee Services Limited- DTD dated 16-10-2012	Secured	INE872A07QM2	1,48,29,347	Assent
		INE872A07QS9	22,29,29,426	Assent
Axis Trustee Services Limited- DTD dated 16-12-2014	Secured	INE872A07TP9	20,57,21,194	Abstain
Axis Trustee Services Limited- DTD dated 17-01-2017	Secured	INE881J07EK4	55,48,26,673	Assent
		INE881J07EL2	52,30,84,515	Assent
		INE881J07EM0	49,90,79,314	Assent
		INE881J07EN8	2,08,58,87,643	Assent
		INE881J07EO6	23,03,942	Assent
		INE881J07EP3	26,82,35,873	Assent
Axis Trustee Services Limited- DTD dated 20-03-2018 - 1	Secured	INE872A07UN2	24,34,45,583	Assent
		INE872A07UO0	68,57,23,496	Assent
		INE872A07UP7	41,97,64,443	Assent
		INE872A07UQ5	40,22,94,895	Assent
		INE872A07UR3	1,03,91,69,682	Assent
		INE872A07US1	42,67,28,294	Assent
Axis Trustee Services Limited- DTD dated 20-03-2018 - 2	Unsecured	INE872A08DI6	13,43,10,437	Assent
		INE872A08DJ4	13,47,51,704	Assent
		INE872A08DK2	4,38,49,146	Assent
Axis Trustee Services Limited- DTD dated 23-04-2013	Unsecured	INE872A08CO6	3,06,32,051	Assent
		INE872A08CP3	85,96,66,022	Assent
		INE872A08CQ1	74,28,19,470	Assent
		INE872A08CT5	8,55,44,021	Assent
		INE872A08CW9	20,97,19,298	Assent
		INE872A08CY5	19,60,10,020	Assent
Axis Trustee Services Limited- DTD dated 24-01-2019 - 2	Unsecured	INE881J08698	16,88,31,671	Dissent
Axis Trustee Services Limited- DTD dated 24-01-2019 -1	Secured	INE881J07FO3	19,76,24,619	Assent
		INE881J07FP0	53,39,66,935	Assent

DTD Details	Security	ISIN	Amount admitted (Rs.)	Vote
		INE881J07FQ8	11,83,79,068	Assent
		INE881J07FR6	28,38,00,754	Assent
		INE881J07FS4	41,11,33,976	Assent
		INE881J07FT2	8,92,07,288	Assent
Axis Trustee Services Limited- DTD dated 24-05-2018	Secured	INE881J07FD6	24,59,98,798	Assent
		INE881J07FE4	69,97,22,584	Assent
		INE881J07FF1	23,42,95,961	Assent
		INE881J07FG9	30,95,81,755	Assent
		INE881J07FH7	1,29,92,51,758	Assent
		INE881J07FI5	15,08,67,204	Assent
		INE881J07FJ3	25,39,57,019	Assent
		INE881J07FK1	1,55,40,25,134	Assent
		INE881J07FL9	8,21,48,366	Assent
Axis Trustee Services Limited- DTD dated 26-06-2012	Unsecured	INE872A08CB3	1,18,95,64,234	Dissent
Axis Trustee Services Limited- DTD dated 27-06-2014	Secured	INE872A07TE3	11,60,78,067	Assent
Axis Trustee Services Limited- DTD dated 31-01-2013	Secured	INE872A07RC1	48,72,880	Abstain
		INE872A07RE7	85,27,540	Abstain
Axis Total			33,74,21,37,777	
Catalyst Trusteeship Limited- DTD dated 02-12-2016	Secured	INE881J07EA5	5,45,82,030	Abstain
Catalyst Trusteeship Limited- DTD dated 03-07-2018	Unsecured	INE881J08664	57,28,01,877	Abstain
Catalyst Trusteeship Limited- DTD dated 03-10-2017	Secured	INE881J07EU3	6,63,93,378	Abstain
Catalyst Trusteeship Limited- DTD dated 04-04-2018	Secured	INE881J07FA2	5,70,77,217.86	Abstain
Catalyst Trusteeship Limited- DTD dated 06-04-2018	Secured	INE881J07FA2	5,70,77,217.86	Abstain
Catalyst Trusteeship Limited- DTD dated 06-10-2016	Secured	INE881J07DZ4	5,57,74,786	Abstain
Catalyst Trusteeship Limited- DTD dated 09-01-2018	Secured	INE881J07ET5	2,76,45,617.38	Abstain
Catalyst Trusteeship Limited- DTD dated 10-03-2017	Unsecured	INE881J08540	88,61,78,674	Abstain
Catalyst Trusteeship Limited- DTD dated 10-07-2016	Unsecured	INE881J08441	23,27,26,142	Assent
		INE881J08458	4,04,75,252	Assent
Catalyst Trusteeship Limited- DTD dated 10-10-2018	Unsecured	INE881J08672	5,58,69,173	Assent
Catalyst Trusteeship Limited- DTD dated 12-04-2018	Secured	INE881J07FA2	4,56,61,774.29	Abstain
Catalyst Trusteeship Limited- DTD dated 13-12-2018	Unsecured	INE881J08680	1,10,52,91,612	Abstain
Catalyst Trusteeship Limited- DTD dated 14-03-2018	Secured	INE881J07EY5	5,73,19,583	Abstain

DTD Details	Security	ISIN	Amount admitted (Rs.)	Vote
Catalyst Trusteeship Limited- DTD dated 16-05-2019	Secured	INE872A07UY9	16,55,50,268	Assent
		INE872A07UZ6	28,36,02,188	Assent
		INE872A07VA7	8,19,37,619	Assent
		INE872A07VB5	23,14,75,602	Assent
		INE872A07VC3	25,86,21,896	Assent
		INE872A07VD1	6,59,72,120	Assent
Catalyst Trusteeship Limited- DTD dated 16-09-2017	Secured	INE881J07ET5	22,11,64,939.01	Assent
Catalyst Trusteeship Limited- DTD dated 17-01-2018	Secured	INE881J07ET5	1,10,58,246.95	Abstain
Catalyst Trusteeship Limited- DTD dated 18-01-2018	Secured	INE881J07EX7	11,71,48,339	Abstain
Catalyst Trusteeship Limited- DTD dated 20-10-2016	Unsecured	INE881J08466	33,66,94,262	Dissent
		INE881J08474	16,86,25,228	Dissent
		INE881J08482	44,93,08,523	Dissent
Catalyst Trusteeship Limited- DTD dated 20-12-2016	Secured	INE881J07EB3	10,87,13,537	Abstain
Catalyst Trusteeship Limited- DTD dated 22-06-2017	Secured	INE881J07ES7	22,70,87,492	Assent
Catalyst Trusteeship Limited- DTD dated 23-04-2015	Unsecured	INE881J08284	5,66,10,589	Dissent
Catalyst Trusteeship Limited- DTD dated 23-06-2017	Unsecured	INE881J08565	5,66,09,386.38	Abstain
Catalyst Trusteeship Limited- DTD dated 24-01-2019	Secured	INE881J07FV8	3,58,21,45,412	Assent
Catalyst Trusteeship Limited- DTD dated 26-03-2018	Secured	INE881J07EZ2	19,04,86,496	Abstain
Catalyst Trusteeship Limited- DTD dated 26-05-2017	Secured	INE881J07EQ1	22,90,80,448	Abstain
Catalyst Trusteeship Limited- DTD dated 29-12-2016	Unsecured	INE881J08490	55,44,01,749	Abstain
		INE881J08516	11,06,54,244	Abstain
Catalyst Trusteeship Limited- DTD dated 30-09-2015	Unsecured	INE881J08300	56,98,57,014	Dissent
		INE881J08318	1,70,95,71,041	Dissent
		INE881J08326	11,34,77,125	Dissent
		INE881J08334	26,50,37,097	Dissent
		INE881J08342	13,48,90,416	Dissent
		INE881J08359	5,62,56,753	Dissent
Catalyst Trusteeship Limited- DTD dated 31-03-2016	Unsecured	INE881J08367	18,02,03,099	Dissent
		INE881J08375	5,99,49,785	Dissent
		INE881J08383	8,31,26,255	Dissent
		INE881J08391	5,96,99,216	Dissent
		INE881J08409	5,91,58,717	Dissent

DTD Details	Security	ISIN	Amount admitted (Rs.)	Vote
		INE881J08417	2,35,98,022	Dissent
		INE881J08425	23,37,12,291	Dissent
Catalyst Trusteeship Limited- DTD dated 31-03-2017	Unsecured	INE881J08524	5,91,68,896	Dissent
		INE881J08532	5,75,75,343	Dissent
		INE881J08557	58,63,41,917	Dissent
Catalyst Trusteeship Limited- DTD dated 31-03-2018	Unsecured	INE881J08565	45,28,75,091.01	Assent
Catalyst Trusteeship Limited- DTD dated 31-05-2017	Secured	INE881J07ER9	11,42,31,334	Assent
Catalyst Trusteeship limited - DTD (SIFL)	Unsecured		3,31,07,37,705	Abstain
Catalyst Total			18,95,12,90,034	
IDBI Trusteeship Services Limited- DTD dated 13-06-2014	Secured	INE881J07DG4	11,46,29,220	Assent
IDBI Trusteeship Services Limited- DTD dated 20-01-2012	Unsecured	INE881J08136	41,11,16,803	Assent
IDBI Trusteeship Services Limited- DTD dated 20-06-2014	Secured	INE881J07DH2	11,43,93,956	Assent
IDBI Trusteeship Services Limited- DTD dated 21-05-2013	Unsecured	INE881J08169	18,57,57,514	Dissent
		INE881J08177	10,74,37,131	Dissent
IDBI Trusteeship Services Limited- DTD dated 27-09-2013	Unsecured	INE881J08219	24,17,13,902	Abstain
IDBI Total			1,17,50,48,526	
Grand Total			53,86,84,76,336	

Source: Data received from the Administrator Team

Annexure 4: Draft Process Note for Interim Distribution