

## Frequently Asked Questions (FAQs) for individual debenture holders on SREI proposed Scheme of Arrangement and E-Voting

### 1. Please provide the background and details of the SREI matter? We do not have the copy of NCLT Order, Scheme and other documents, where can we get the same?

The background and important updates are summarised and available on our website [www.axistrustee.in](http://www.axistrustee.in) under the “[Click here Scheme of Arrangement – Srei Equipment Finance Limited](#)” tab. Copies of all the necessary documents are also accessible therein. Debenture Holders may peruse and access the same easily.

### 2. What is the Scheme about?

Srei Equipment Finance Limited (“Srei”) has filed a scheme of arrangement of its dues with its creditors (“Scheme”) for approval as per the provisions of Companies Act, 2013 before the Hon’ble National Company Law Tribunal, Kolkata Bench (“NCLT”). The Scheme details SREI’s proposed terms and conditions of entering into an arrangement/restructuring of their dues with creditors. The Scheme is proposed and subject to approval by creditors of SREI.

The proposed terms of restructuring /arrangement for individual debenture holders are provided at pg.no. 5 to 9 of the Scheme.

### 3. As a debenture trustee were you involved in filing the said Scheme?

No, as per the provisions of the Companies Act, 2013 SEFL has filed and proposed the Scheme unilaterally before NCLT for approval from its creditors. The terms and conditions of Scheme are drafted / proposed by Srei and ATSL was not engaged /involved in the said process and has not consented to the scheme. These proposed terms and conditions are being put up to debenture holders [as creditor] for consent/dissent. In case of specific queries in relation to provisions of the Scheme, debenture holders may directly write / contact Srei or write / contact us (we will endeavour to seek clarity from Srei at our earliest). The contact details of Srei are easily available on their website.

### 4. What are the important provisions of the Scheme?

Please refer to FAQ no. 9.

### 5. What happened after the Scheme was filed by Srei? / What is NCLT Order? What are the important provisions of the NCLT Order?

After the proposed Scheme was filed by SREI before NCLT, NCLT passed an order dated 30 December 2020 (“NCLT Order”). The dates, venue, agenda etc. of the said meetings has been fixed by the NCLT in the NCLT Order along with the following order-

*Until the Scheme is considered by the creditors and Hon’ble NCLT and to protect the interest of stakeholders, in the meantime till further orders, the creditors (including representative security or debenture trustees) of Srei covered under the Scheme shall maintain status-quo with respect to their respective contractual terms dues claims and rights and the creditors (including security or debenture trustees) and all governmental or regulatory authorities shall be estopped from taking any coercive steps including reporting in any form and/or changing the account status of the Srei from being a standard asset which will prejudicially affect Srei and/or sanctioning and/or implementation of the Scheme. However, you are requested to peruse the entire NCLT Order.*

According to us, paragraph 20.1, 20.2, 20.3, 20.4, 20.5 and 20.6 are important provisions of the NCLT Order which may be perused by the debenture holders.

### 6. What are the details and background of the meetings prescribed under the NCLT Order and what is the resolution for vote in such meeting?

According to the NCLT Order, the meetings of creditors of Srei are scheduled for them to consider the Scheme and if thought fit, approving, with or without modification, the said Scheme. The dates, venue, agenda etc. of the said meetings has been fixed by the NCLT in the NCLT Order. Please also refer to FAQ no. 5. The date for Individual Debenture Holders meeting is July 24, 2021. The resolution of said meeting is:

*"RESOLVED THAT pursuant to the provisions of Section 230 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any, of the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and subject to the sanction of the Kolkata Bench of the Hon’ble National Company Law Tribunal (“Tribunal”) and subject to such other*

approvals, permissions and sanctions of regulatory and other authorities, as may be necessary, the Scheme of Arrangement of Srei Equipment Finance Limited ("SEFL") contemplated with its Individual Debenture Holders covered under Part III of the Scheme presented in Company Application (CAA) No.1492/KB/2020 filed by SEFL before the Hon'ble Tribunal, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of SEFL (hereinafter referred to as the "Board" which term shall be deemed to mean and include one or more Committee(s) constituted by the Board or any other person authorized by it to exercise its power including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble Tribunal or its appellate authority(ies)/while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise in giving effect to the Scheme of Arrangement, as the Board may deem fit and proper."

**7. What is the e-voting exercise you have undertaken?**

As per the NCLT Order, Debenture Trustees are to be present in the meetings of creditors to cast vote as a representative of debenture holders. For this, as a debenture trustee we have provided an online voting facility to the debenture holders to consider the Scheme and cast their vote. Based on the votes received, we will cast corresponding vote in the creditors meeting.

**8. What is the e-voting process?**

There are three options available for vote "Agree / Yes" "Not Agree / No" "Abstain". Basis your vote of assent/dissent/abstain, ATSL [as a debenture trustee] will attend the meeting and cast corresponding vote on Scheme. It is pertinent to *inter-alia* peruse the Scheme and determine whether you as an investor/ debenture holder are agreeable / not agreeable / or want to abstain from voting on the proposed Scheme by Srei. As a debenture trustee, we are neither competent nor permitted to give investment advice / make investment decision. Thus, we request you to peruse the Scheme and other details / documents and thereafter cast your vote. Detailed voting process along with voting credentials and timelines have been / will be emailed to you shortly. For any queries in relation to voting process you can chose the reply all option to the voting emails or mail us directly.

**9. What is moratorium period and what are the payment timelines proposed by Srei?**

Srei has proposed the following payment timelines in the Scheme under consideration. This is not/ shall not be treated as confirmation by us on payment timelines of Srei. As per the Scheme, Srei has proposed a moratorium period from January 01, 2021 to June 30, 2021 and has proposed following timelines for payment of its dues in relation to the Individual NCD Holders whose name is appearing in Schedule VI of the Scheme:

Sr. No	Category	Coupon/Interest or Redemption/Principal	Proposed timelines	Payment
1.	Individual Debenture Holders	<b>Accrued coupon interest:</b> Any coupon/interest accrued and payable during – 1 January, 2021 to 30 June, 2021 shall be payable on or before 15, July 2021 i.e. within 15 days from the expiry of the Moratorium Period.	Payable on or before 15, July 2021	

It may also be noted that vide NCLT Order the last date of meeting of creditors is July 24 2021 and as per the directions "until the Scheme is considered by the creditors and Hon'ble NCLT and to protect the interest of stakeholders, in the meantime till further orders, the creditors (including representative security or debenture trustees) of Srei covered under the Scheme shall maintain status-quo with respect to their respective contractual terms dues claims and rights and the creditors (including security or debenture trustees) and all governmental or regulatory authorities shall be estopped from taking any coercive steps including reporting in any form and/or changing the account status of the Srei from being a standard asset which will prejudicially affect Srei and/or sanctioning and/or implementation of the Scheme". As the matter is sub-judice we cannot confirm on the exact dates on which Srei will make payment of its dues. In case of specific queries in relation to provisions of the Scheme or timelines of payments, debenture holders may directly write / contact Srei or write / contact us (we will endeavour to seek clarity from Srei at our earliest). The contact details of Srei are easily available on their website.

**The Debenture holders are once again requested to cast the votes on the proposed Scheme after careful and due consideration of the Scheme.**