

REPORT OF DEBENTURE TRUSTEES FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2016

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NAME	PNB INVESTMENT SERVICES LIMITED
REGISTRATION NO	IND000000510
DATE OF REGISTRATION	FEBRUARY 22, 2010

SECTION I: ACTIVITIES

A. Details of Debenture Issues (Public (P) / Rights (R)/ Privately Placed Listed (PPL) / Privately Placed Unlisted (PPUL)

Type	No. of debenture issues accepted during the half year ended 30 th September, 2016			Cumulative No. of debenture issues handled up to the year ended 30 th September, 2016	Size (in Rs. crores) of debenture issues accepted during the half year ended 30 th September, 2016			Cumulative Size (in Rs. crores) of debenture issues handled up to the year ended 30 th September, 2016
	Secured	Unsecured	Total		Secured	Unsecured	Total	
Public	0	0	0	0	0	0	0	0
Rights	0	0	0	0	0	0	0	0
Privately Placed Listed	0	0	0	0	0	0	0	0
Privately Placed Unlisted	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0

We are already acting as Debenture Trustee to 27 Bonds issues of Power Finance Corporation of India Limited and HUDCO Limited. Although no new assignment has been undertaken during the HY ended Sept, 2016, but day to day compliances and execution of assignments in respect of existing Debenture Trustee Assignments was being carried out during HY Ended 30th September, 2016.

Name of Compliance Officer-Neha Adlakha
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B. Activities other than debenture trusteeship

ACTIVITY TYPE	DESCRIPTION OF THE ACTIVITY	DURING THE HY ENDED 30.09.16
Security Trustee	Acting as Security and Facilities Agent in holding the charge and mortgage, holding pledge of share(s) monitoring the performance of the facilities and transparently servicing all the lenders.	12
Corporate Debt Restructuring	<p>Our product portfolio under this activity includes :-</p> <ul style="list-style-type: none"> • Preparation Flash Report • Preparation of Techno Economic Viability Study • Preparation of CDR Package • Preparation of Final Report for CDR EG Approval • Preparation of Letter of Approval 	1
Debt Syndication and Project Appraisal	<p>Our product portfolio under this activity includes :-</p> <ul style="list-style-type: none"> • Project appraisal and preparation of information memorandum • Structured finance Syndication • Infrastructure Project Advisory • Securitization • Debt & Equity Syndication 	5
Merchant Banking	<p>Our product portfolio under this activity includes :-</p> <ul style="list-style-type: none"> • Managing Initial Public Offerings and Follow-on Public offerings and Offers-for-Sale. • Managing Rights Offering, be it the traditional or the structured formats. • Qualified Institutional Placements. • Open offers, Buyback and Delisting of securities. 	2

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Section II - REDRESSAL OF INVESTOR GRIEVANCES**For the Half Year ended 30th September, 2016****A Status of Investor Grievances**

Name of the issuer (tranche wise)	Pending complaints at the end of the previous half year	No. of complaints received during the half year	No. of complaints resolved during the half year	No of complaints pending at the end of half year
POWER FINANCE CORPORATION	NIL	NIL	NIL	NIL
HUDCO	NIL	NIL	NIL	NIL

B Details of the complaints pending for more than 30 days

Name of the Issuer	No. of complaints pending for more than 30 days	Nature of the Complaint(s)			Steps taken for redressal	Status of the complaint (if redressed, date of redressal)
		Delay in payment of interest	Delay in payment of redemption	Any other		
POWER FINANCE CORPORATION	NIL	NIL	NIL	NIL	NIL	NIL
HUDCO	NIL	NIL	NIL	NIL	NIL	NIL

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Section III - DEFAULT DETAILS

Information regarding default by the Issuer Companies in Public (P) / Rights (R) / Privately Placed Listed (PPL) Issues of Debentures up to the half year ended **30th September, 2016**: -

Name of the Issuer	Secured / Unsecured	Type (P/R/PPL)	Issue Size (in Rs.crores)	Type of Default*	Details of action taken
NOT APPLICABLE - None of Issuer Companies in all assignments so far handled by the Company have committed any default.					

*Type of Default

1. Non-payment of interest;
2. Non-payment of redemption;
3. Delay in payment of interest/redemption;
4. Any other (like non-creation of security)

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SECTION - IV - COMPLIANCE**COMPLIANCE CERTIFICATE FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2016**

A	No conflict of interests with other activities
	The activities other than debenture trusteeship performed by the Company are not in conflict with DEBENTURE TRUSTEE activities and appropriate Systems and Policies have been put in place to protect the interests of debenture holders.

We confirm that activities other than debenture trusteeship performed by Debenture Trustee are not in conflict with DEBENTURE TRUSTEE activities and appropriate Systems and Policies have been put in place to protect the interests of debenture holders.

B	Change in status or constitution	
	Reporting of changes in status or constitution' of Debenture Trustee (In terms of SEBI Circular No. CIR/MIRSD/10/2011 dated June 20, 2011)	NIL
C	Other Information	
i.	Details of arrest / conviction of key officials of Debenture Trustee	NIL
ii.	Details of prosecution cases or criminal complaints filed by investors against the Debenture Trustee	NIL
iii.	Details of any fraudulent activity by the employees associated with Debenture Trustee activities and action taken by the Debenture Trustee	NIL
iv.	Details of conviction of any offence involving moral turpitude or any economic offence by employees of DEBENTURE TRUSTEE	NIL
v.	Action taken by the Debenture Trustee on the above issues	NIL
D	Compliance with registration requirements	
	Certified that the requirements specified for SEBI registration as Debenture Trustee are fulfilled, the details are as under;	
i.	Net worth (audited) as defined in the Regulations as on FY ended 31 st March 2016 (as per the latest audited financials)	Rs. 40.09 Crores
ii.	Any change in infrastructure since the last report / registration/ renewal	NIL

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Changes in Key personnel during the half year ended 30TH SEPTEMBER, 2016

Name(s) of the key personnel	Appointment / Cessation	Date of appointment/resignation	Qualification	Experience	Functional areas of work
Sh. Dharmapuri Sarvothama Rao Anandamurthy	Appointed as Independent Director	03.09.2016	BSc. In Physics & Mathematics, CAIIB, Alumni of Manchester Business School	More than 41 years	Banking and Financial Services
Sh. Sumat Singhal	Ceased as Company Secretary	23.08.2016	B.Com, CAIIB, ACA, ACS, CWA(F), DTIRM	More than 3 years	Banking and Financial Services
Sh. Anil Kumar Singhal	Appointed as Company Secretary	03.09.2016	M.COM, LLB, CAIIB, ACS	More than 33 years	Banking and Financial Services

E	DETAILS OF DEFICIENCIES AND NON COMPLIANCES	<p>During the half year ending 30th September, 2016, the company has not handled any fresh Debenture Trustee (DT) assignments. Further, during, no regulatory authority has pointed out any fresh deficiencies or compliance issues in the existing assignments.</p> <p>However, the rectification in respect of the following deficiencies, as pointed out by a team of SEBI Officials, which carried out inspection of the Company's books and records during the period 10th February to 12th February 2013 for the activity of Debenture Trustee and submitted their report vide letter dated 22.08.2013, are in correspondence with SEBI:-</p> <ul style="list-style-type: none"> ➤ In the trust deed executed by the company with PFC (6 issues) & HUDCO (2 issues) there are certain clauses which absolve or extinguishes the obligation of Debenture Trustee. <p>Action Taken :</p>
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		<p>PFC:</p> <p>- Supplementary Debenture Trust Deed in respect of 02 Unsecured Privately Placed Non Convertible Debentures have been executed on 02.08.2016.</p> <p>Supplementary Debenture Trust Deed in respect of 03 Secured Privately placed Non Convertible Debentures & Secured Public issue of Infra Bonds have been provided to PFC for execution.</p> <p>HUDCO:</p> <p>Both the bond issues of HUDCO have been redeemed on 22.09.2016 and 18.11.2016 respectively, hence no action is required.</p>
F	DETAILS OF THE REVIEW OF THE REPORT BY THE BOARD OF DIRECTORS	
	DATE OF REVIEW OF THE BOARD	•
I	OBSERVATION OF THE BOD	The Board has taken note of the matter of rectification of the observation in correspondence with SEBI and corrective actions undertaken/ proposed by the company for rectification and desired that the matter be closed as earliest with the execution of the supplementary Trust Deeds in all the operative Trust Deeds.
II	CORRECTIVE MEASURES INITIATED	In view of strenuous responsibility and accountability attached with the assignment, the Board desired that the company should further strengthen its internal control procedures to obviate any chance of deficiency or non-compliance in future.

Certified that we have complied with SEBI (Debenture Trustee) Regulations, 1993, applicable provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008, Circulars issued by SEBI and any other laws applicable from time to time except the deficiencies and non compliances those specifically reported at Section IV (E) above

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