

CLARIFICATION IN RESPECT OF TREATMENT OF LIABILITIES OF RELIANCE TELECOM LIMITED

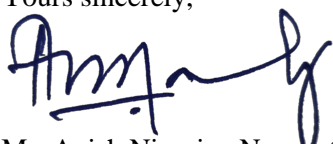
February 27, 2020

All stakeholders are hereby informed that:

- (i) The erstwhile interim resolution professional of Reliance Telecom Limited (“**Corporate Debtor**”) had issued fresh public announcement inviting claims from the public at large as on May 7, 2019 (“**Public Announcement**”).
- (ii) The resolution professional, upon assumption of the management of the Corporate Debtor on June 28, 2019, had filed an application before the National Company Law Tribunal, Mumbai Bench (“**NCLT**”) seeking necessary clarifications and directions on the treatment of liabilities which have accrued during the period (a) from the date of admission of insolvency resolution process of the Corporate Debtor i.e. May 15, 2018 till the date of the order of the National Company Law Appellate Tribunal (“**NCLAT**”) staying the corporate insolvency resolution process (“**CIRP**”) i.e. May 30, 2018 (“**Stay Order**”), (b) from May 30, 2018 to April 30, 2019 when the Corporate Debtor continued to be under the control of the erstwhile management during the pendency of the Stay Order and (c) from April 30, 2019 to May 7, 2019 when the NCLAT vacated the Stay Order and the erstwhile interim resolution professional published the Public Announcement.
- (iii) In this regard, upon hearing of the said application, on February 11, 2020 the Hon’ble NCLT dismissed the aforesaid application, while observing that on account of the CIRP of the Corporate Debtor being at an advanced stage and the RP having verified and admitted claims of various creditors as of May 7, 2019 on account of the Public Announcement, the said application had become infructuous.
- (iv) In light of the aforesaid, please note that all claims are being dealt with in accordance with the provisions of the Public Announcement and May 7, 2019 shall continue to be construed as the cut-off date for claim verification. Accordingly,
 - a) For all unpaid dues of the Corporate Debtor which arose during the period prior to May 7, 2019, the same are, upon verification and admission, being treated as debt owed by the Corporate Debtor and shall be resolved in terms of a resolution plan submitted by a resolution applicant or as per Section 53 of the Code;
 - b) For dues that have arisen/ shall arise on and after May 7, 2019 for provision of any goods or services, the CIRP of the Corporate Debtor was ongoing and therefore, such dues shall be treated as insolvency resolution process costs; provided the same are costs incurred in running the business of the Corporate Debtor as a going concern.

The above is for your information.

Yours sincerely,



Mr. Anish Niranjan NanaVaty

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