List of Claims from Department of Telecommunications (Form B) - Reliance Communications Limited

(in INR)

S.No.	NAME OF CREDITOR	AMOUNT CLAIMED	AMOUNT ADMITTED	AMOUNT VERIFIED AS CONTINGENT	AMOUNT REJECTED	AMOUNT PENDING VERIFICATION
1	DEPARTMENT OF TELECOMMUNICATIONS MINISTRY OF COMMUNICATIONS GOVT. OF INDIA	2,88,36,84,00,000	3,12,76,30,84,356	24,54,93,00,000	47,18,25,02,123	-
	TOTAL	**2,88,36,84,00,000.00**	**3,12,76,30,84,355.97**	**24,54,93,00,000.00**	**47,18,25,02,123.23**	**-**

*The aforesaid list includes the claims provided to us by the IRP as well as claims received till March 04, 2020 either through e-mail and / or physically

1. Department of Telecommunications ("DoT") has submitted a claim vide Form B (earlier submitted in Form F).

2. On account of the judgement pronounced by Hon'ble Supreme Court dated October 24, 2019 in the matter ("AGR Matter") of Union of India v. Association of Unified Service Providers of India and Ors. ("Judgment") in relation to definition of Adjusted Gross Revenue ("AGR") for calculation of License Fee ("LF") and Spectrum Usage Charges ("SUC") (collectively referred as "AGR Dues"), DOT has been requested vide letter dated November 18, 2019 to make necessary changes as appropriate to their claim pursuant to the Judgment, and re-submit the same to the RP for verification. DOT is yet to submit the revised claims pursuant to the Judgment. The claim components pertaining to LF and SUC dues as reflected in the claims already submitted by DOT, which were earlier treated as contingent claims (on account of the matter being sub-judice), have now crystallized pursuant to the Judgment and accordingly have been verified and admitted as 'operational debts'.

Further, the Hon'ble Supreme Court passed an order dated July 20, 2020 in the AGR Matter ("Additional Judgment"), wherein the amount of AGR Dues pertaining to the corporate debtor have been set out in respect of which no further dispute including reassessment or recalculation, is permitted to be made. This AGR dues of Corporate Debtor in the Additional Judgement also includes the AGR Dues of Sistema Shyam Teleservices Limited ("SSTL AGR Dues"). To the extent the SSTL AGR Dues are transferred to the Corporate Debtor in terms of the scheme of arrangement between SSTL and the Corporate Debtor dated October 7, 2016 (approved by the Rajasthan High Court), the aforesaid SSTL AGR Dues also form a part of the liabilities of the Corporate Debtor.

In pursuance to the Judgment and Additional Judgment (collectively referred to as "Judgments"), a liability of an amount of c.INR 7,612.65 crore (including SSTL AGR Dues) (as on May 7, 2019 in terms of the fresh public announcement(s) dated May 7, 2019 issued in this regard) ("Additional Liability") owing to the DOT has crystallized and accordingly has been provisioned in the books of accounts of the Corporate Debtor w.r.t. AGR Dues liability. In compliance with the Judgments, an amount to the extent of the Additional Liability has also been verified and admitted.

Further, c. INR 454.93 crores is currently pending adjudication/ reconciliation before relevant authorities and accordingly, such claim amounts as reflected in the form filed by the DOT has been categorized as "verified as contingent"; however, the same does not constitute an acceptance of liability. The aforesaid treatment is without prejudice to the rights of the Corporate Debtor under applicable laws and contracts to challenge any computation/ determination made by the relevant authority.

Additionally, out of the total claim of c.INR 28,836.84 crores, interest component of c.INR 4,718.25 crores towards deferred liability payment, pertains to period post May 07, 2019, and has been rejected. Also, c.INR 908.32 crores towards SUC dues, which was previously rejected due to non-submission of necessary documents/information, has now been admitted, to ensure compliance with the Judgments.

3. In the year 2013, Department of Telecommunications (DoT) had raised a claim to the tune of c. INR 2,000 crores towards levy of one time spectrum charges (OTSC) across 18 service areas. The Corporate Debtor, in 2016, submitted bank guarantees to the tune of INR 2,000 crores (BGs) owing to demand levied by DoT towards OTSC dues. Such BGs had a validity of 3 years and have expired in March 21 and May 22, 2019 respectively. Such demand, was contested by the Corporate Debtor and the same has been sub-judice as follows:

- TDSAT had, vide its order dated February 4, 2019 set aside the demand raised by DoT and directed that such BGs shall be deemed to be cancelled.
- DoT filed an appeal before the Supreme Court against order passed by TDSAT.
- The Supreme Court, by its order dated August 19, 2019 stayed the operation of the order passed by TDSAT.

In light of aforementioned facts, the amount of INR 20,001,911,650 (demand towards OTSC dues by DoT) has been recognised as a contingent liability. Additionally, it is pertinent to note that DoT has not included OTSC dues in its claim form filed in respect of its dues against the Corporate Debtor.