

Intimation under Regulation 39(5A) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 in Respect of Reliance Infratel Limited

Date: December 18, 2020

All claimants are hereby informed the following:

1. As you are aware, Reliance Infratel Limited (“**Corporate Debtor**”) had been undergoing corporate insolvency resolution process (“**CIRP**”) under the provisions of the Insolvency and Bankruptcy Code, 2016 (“**Code**”), and the undersigned had been appointed as the resolution professional of the Corporate Debtor (“**RP**”). Please note that pursuant to the order dated December 3, 2020 passed by the Hon’ble National Company Law Tribunal, Mumbai Bench (“**NCLT**”), the resolution plan (“**Plan**”) submitted by Reliance Projects & Property Management Services Limited (formerly known as Reliance Digital Platform & Project Services Limited) through its division Infrastructure Projects (“**RA**”) has been approved by the Hon’ble NCLT (“**Approval Order**”) and the CIRP of the Corporate Debtor stands concluded. The link to the copy of the Approval Order of the NCLT is provided below:

<https://nclt.gov.in/sites/default/files/December/final-orders-pdf/Ericsson%20India%20Pvt.%20Ltd.%20VS.%20Reliance%20Infratel%20Ltd%20%20IA%20920%20of%202020%20in%20CP%20IB%201385%20of%202017%20-%20NCLT%20ON%2003.12.2020%20FINAL%20-%20Approval%20of%20Resn%20Plan.pdf>

2. Pursuant to the publication of the Approval Order, the undersigned has ceased to be the resolution professional of the Corporate Debtor and has demitted office. Pursuant to the terms of the Plan, the monitoring committee is required to oversee management of the affairs of the Corporate Debtor (“**MC**”) from the date of the Approval Order until the Effective Date (as defined under the Plan). The MC has been constituted and has assumed its roles and responsibilities in accordance with the terms of the Plan. The implementation of the Plan is subject to fulfilment of certain conditions precedent as set out in more detail in the Plan.
3. Pursuant to the public announcement dated May 7, 2019 issued by the erstwhile interim resolution professional of the Corporate Debtor, claims had been received from various classes of creditors which have been duly verified by the erstwhile interim resolution professional /the RP as per the provisions of the applicable laws. The status of verification of the claims of the creditors, along with the principle/formulae for the purpose of payment of debt under the Plan, has been made available on the website of the Corporate Debtor at <http://rcom.co.in/our-company/investor-relations/ibc-2019/>
4. Pursuant to Regulation 39(5A) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the resolution professional is required, within fifteen days of the date of approval of resolution plan by the adjudicating authority, to intimate each claimant, the principle or formulae for payment of debts under the approved resolution plan. In this regard, please find attached as **Annexure I** the relevant extracts of the Approval Order which set out the principle/formulae for the purpose of payment of debt under the Plan.
5. The Approval Order provides that “*Henceforth, no creditors of the erstwhile Corporate Debtor can claim anything other than the liabilities referred to in Para 6 supra*”. It is further clarified that the maximum amount payable to the stakeholders under the Plan (including pursuant to any re-allocation or re-distribution), shall not exceed the Total Resolution Amount (as defined under the Plan). Upon payment of the Total Resolution Amount on the Effective Date, the Corporate Debtor or the Resolution Applicant shall have no liability to make any payments to any Stakeholder (as defined under the Plan) of the Corporate Debtor or the Group Stakeholders (as defined under the Plan) and all liabilities of the Corporate Debtor towards all the Stakeholders of the Corporate Debtor



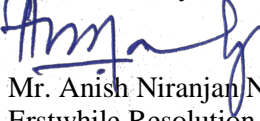
and the Group Stakeholders shall be extinguished and settled, on and with effect from the date of the Approval Order.

6. The Plan, upon being approved by the Hon'ble NCLT, is binding on the Corporate Debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force, such as authorities to whom statutory dues are owed, guarantors and other stakeholders as per Section 31 of the Code. It is further clarified that payment to creditors pursuant to admitted claims shall be strictly in accordance with the timelines and mechanism envisaged under the Plan.

It is hereby clarified that the figures provided in the table in Paragraph F of Annexure I are based on the position of insolvency resolution process costs and claims as on the date of submission of the application under Section 30(6) of the Code for approval of the resolution plan with the Hon'ble NCLT. The amounts payable under the resolution plan and percentages mentioned in the table are subject to reconciliation based on the final position of the insolvency resolution process costs and verified claims as on the date of approval of the resolution plan (and any other changes to the claims position as may be directed by the adjudicating authority in any applications filed with the adjudicating authority in respect of the claims).

The above is for your information. Should you seek to make any further correspondence in respect of any other matter pertaining to the Corporate Debtor, we would be obliged if you could kindly reach out to the MC at the following communication address: inritlmc@deloitte.com

Yours sincerely,



Mr. Anish Niranjana Nanavaty
Erstwhile Resolution Professional-Reliance Infratel Limited
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Annexure I

Relevant Extracts of Approval Order

“F. Financial Terms:

The Resolution Plan proposes an upfront payment of INR 3,720 crores to creditors (including CIRP costs), in the following manner:

<i>Particulars Amount</i>	<i>Admitted Amount</i>	<i>Amount Proposed under the Plan</i>	<i>% of recovery under the Plan</i>
<i>CIRP Costs</i>	-	<i>To be paid in priority in full. [Refer Note 1]</i>	100%
<i>Workmen / Employees</i>	1,81,27,767/-	1,81,27,767/-	100%
<i>Related Parties / Potential Related Parties</i>	269,94,30,465/-	NIL	NIL
<i>Statutory Creditors</i>	31,32,81,573/-	404,45,218/-	12.91% [Refer Note 2]
<i>Operational Creditors (other than Related Parties, Statutory Creditors)</i>	1,29,28,99,328/-	25,36,38,128/-	19.62% [Refer Note 2]
<i>Other Creditors</i>	904,45,24,882/-	43,87,534/-	100% [Refer Note 3]
<i>Financial Creditors</i>	41055,38,58,711/-	4235,77,87,067/- [Refer Note 4]	~10.32% [Refer Note 4]

Note 1: CIRP Costs:

Payment of unpaid insolvency resolution process costs (CIRP Costs) in full and in priority to all other stakeholders. In case the cash flows of the Corporate Debtor on the Effective Date are not sufficient to meet the entire Unpaid CIRP Costs, then such amount shall be deducted from the Infused Resolution Amount and paid in priority of the other stake holders.

Note 2: Operational Creditors (other than workmen and employees) –

Payment to them shall be as follows:

a. Operational Creditors with verified/admitted claims of up to INR 1 Crore: 50% of the verified claims to all Operational Creditors (other than Workmen and Employees) whose verified claims is up to INR 1 Crore;



b. Operational Creditors with verified/admitted claims of more than INR 1 Crore: For claims of more than INR 1 Crore, the Resolution Applicant proposes to pay:

- i. 50% of amount of up to INR 1 Crore of the verified claims; and
- ii. 10% of the amount over and above INR 1 Crore of the verified claims.

Note 3: Payments to Other Creditors –

Out of the total verified other creditors debt, claim of INR 904,01,37,349/- belongs to the Affiliates of the Resolution Applicant, i.e. RJIL and JDFPL. RJIL and JDFPL have agreed to waive their rights towards any payments under this Plan and accordingly, any payments due to RJIL and JDFPL shall stand expressly extinguished on the Effective Date. Payment of 100% amount to the remaining creditors in this category has been envisaged under the Plan.

Note 4: Payments to Financial Creditors under the Plan –

Out of the Total Resolution Amount, the RA will make payment to the financial creditors, as consideration for transfer, assignment, acquisition or novation of the admitted financial creditor debt in favour of the RA or entity specified by it, along with the encumbrances and mortgages. Post the payment of Unpaid CIRP Costs, Workmen & Employees and the Operational Creditors, the balance amount of the Infused Resolution Plan of INR 3720 crores, would be distributed between and amongst the Financial Creditors on pro-rata basis to their Debt.

G. Overall payment under the Plan:

Resolution Plan contemplates following payments for the insolvency resolution of the Corporate Debtor as a going concern:

Sr No.	Particulars	Amount (INR)
1.	Amount to be infused by Resolution Applicant (Infused Resolution Amount)	3720,00,00,000/-
2.	Fund infusion from Effective Date to meet working capital, capital expenditure requirements and/or funding other operational improvements of the Corporate Debtor	450,00,00,000/-
3.	Upfront equity infusion against allotment of equity shares of Corporate Debtor (Upfront Equity Infusion)	5,00,00,000/-
4.	Payment to Financial Creditors from the value realised from the preference shares in Reliance Realty Limited (Refer Note 1)	800,00,00,000/-
Total (Refer Note 2 & 3)		49,75,00,00,000/-

Note 1 –

Reliance Bhutan Limited (RBL) (wholly owned subsidiary of the Corporate Debtor) holds preference shares in one of the other group companies of Reliance Communications Group, i.e. Reliance Realty Limited (RRL), which holds certain real estate assets. RA provides that:

a. In the event RRL is able to sell its real estate assets for an amount of INR 800 Crore or more, the RA shall cause that amount of INR 800 Crore (less any taxes and transaction costs) from the value realised from the preference shares held by RBL in RRL to be distributed to the Approving Financial Creditors



on a pro rata basis to their Admitted Financial Debt within 30 days of the completion of the sale and all related approvals.

b. In the event the amount expected to be realised from the sale of the real estate assets of RRL is less than INR 800 Crore, the RA will purchase the real estate assets of RRL for INR 800 Crore and said amount of INR 800 Crore (less any taxes and transaction costs) shall be distributed to the Approving Financial Creditors on a pro rata basis to their Admitted Financial Debt, as would be mutually agreed between the RA, RRL and the Approving Financial Creditors.

Note 2 –

In addition to the above, Plan also provides for recoveries from Applications under Sections 43, 45, 47, 49, 50 or 66 of the Code, which shall be solely for benefit of the Financial Creditors.

Note 3 –

Apart from the above overall payment proposed under the Plan, an amount of up to INR 250,00,00,000/- has been waived by RJIL (an affiliate of RA) towards CIRP Cost incurred by it for the maintenance and preservation of value of Corporate Debtor. An amount of INR 904,01,37,349/- has also been waived by RJIL/JDFPL (affiliates of RA) towards their claim under the head of other creditors.”

