



Reliance Communications Limited
Dhirubhai Ambani Knowledge City
Navi Mumbai - 400 710, India

Tel : +91 022 3038 6286
Fax: +91 022 3037 6622
www.rcom.co.in

May 24, 2024

The General Manager
Corporate Relationship Department
BSE Limited
PhirozeJeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001

The Manager
National Stock Exchange of India Ltd.
Exchange Plaza, C/1, Block G
Bandra - Kurla Complex, Bandra (East)
Mumbai 400 051

BSE Scrip Code: 532712

NSE Symbol: RCOM

Dear Sir(s),

Sub: Response to the letter received from UCO Bank - intimation in accordance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

In furtherance of our previous intimation dated May 15, 2024 regarding the letter received from UCO Bank, with the subject "*Show Cause Notice for declaring Company's account as Fraud*", *inter alia*, requiring RCOM to submit a response in respect of the same, kindly note that RCOM has submitted a response to the UCO Bank in respect of the said letter, on May 21, 2024.

A copy of the response dated May 21, 2024 submitted by RCOM is attached herewith for your reference.

You are requested to kindly take the above information on record.

Thanking you.

Yours faithfully,
For **Reliance Communications Limited**

Rakesh Gupta
Company Secretary

(Reliance Communications Limited is under corporate insolvency resolution process pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016. With effect from June 28, 2019, its affairs, business and assets are being managed by, and the powers of the board of directors are vested in, the Resolution Professional, Mr. Anish Niranjana Nanavaty, appointed by Hon'ble National Company Law Tribunal, Mumbai Bench, vide order dated June 21, 2019 which was published on the website of the Hon'ble National Company Law Tribunal, Mumbai Bench on June 28, 2019).

Registered Office:

Reliance Communications Limited. H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400 710
CIN No.: L45309MH2004PLC147531

e/c



Reliance Communications Limited
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Dhirubhai Ambani Knowledge City,
Kopar Khairane,
Navi Mumbai - 400 710

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Ref No. - INRCOMIP/2056

May 21, 2024

To,

UCO Bank
[Zonal Office, UCO Bank Building, 1st Floor,
D.N Road, Fort
Mumbai - 400 023
Email: mumamb@ucobank.co.in]

Sub: Response to the letter dated May 07, 2024 bearing reference no. ZOMUM/REC/2024-25/29 issued by UCO Bank *inter alia* to Reliance Communications Limited ("Letter")

Dear Sir,

1. This is with reference to the captioned Letter received from UCO Bank ("**Bank**") by Reliance Communications Limited ("**Corporate Debtor**"), *vide* which the Bank has indicated, that with respect to the 'loan account' of the Corporate Debtor, a forensic audit has been conducted, wherein an element of fraud is identifiable, and that before coming to a conclusion in the matter basis the said forensic audit report, the Bank has provided an opportunity to the Corporate Debtor to submit its representation as to why the Corporate Debtor's account should not be classified as 'fraud' under the applicable Master Directions on Fraud issued by Reserve Bank of India ("**RBI**").
2. With respect to the contents of the Letter, as the Bank, being a member of the committee of creditors of the Corporate Debtor, is already aware that the Corporate Debtor is presently undergoing the corporate insolvency resolution process ("**CIRP**") in terms of the provisions of the Insolvency and Bankruptcy Code, 2016 ("**Code**"), *vide* order of the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**") dated May 15, 2018. Further, on account of a subsequent stay being imposed by the Hon'ble National Company Law Appellate Tribunal and thereafter, the resumption of the CIRP of the Corporate Debtor, the erstwhile interim resolution professional of the Corporate Debtor had issued a public announcement dated May 7, 2019 seeking claims from the creditors of the Corporate Debtor as on May 7, 2019 ("**Cut-Off Date**") in respect of their outstanding dues against the Corporate Debtor as on such date.
3. The Bank may note that specifically in light of Section 14(1)(a) of the Code, on account of the prevailing moratorium, there exists a prohibition on *inter alia* the institution/ continuation of any suits/ proceedings against the Corporate Debtor, including the execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority. Accordingly, no proceedings in relation to identifying the loan

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[Handwritten Signature]





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accounts of the Corporate Debtor as fraudulent (under the extant guidelines issued by RBI), including any consequences of such identification, can be undertaken by the Bank during the subsistence of the prevailing moratorium.

4. To that extent, *vide* your Letter, you have asked the Corporate Debtor to submit a representation in respect of identifying the loan accounts of the Corporate Debtor as fraudulent (under the extant guidelines issued by RBI); however the same appears to be a pre-cursor to, and forms part of proceedings which are proposed to be initiated by the Bank to identify the loan accounts of the Corporate Debtor as fraudulent (under the extant guidelines issued by RBI), and accordingly the same is also restricted in view of the prevailing moratorium with respect to the Corporate Debtor. Please also note that the moratorium shall remain in effect until the completion of the CIRP of the Corporate Debtor, i.e., until approval of a resolution plan in respect of the Corporate Debtor in terms of Section 31 of the Code, or an order of liquidation being passed by the Hon'ble NCLT in respect thereof in terms of the provisions of the Code.
5. It may be further noted, that the forensic audit report dated October 15, 2020 annexed by the Bank as part of the said Letter, appears to be in respect of transactions which were carried out between April 1, 2013 and March 31, 2017, which is much prior to the date of initiation of CIRP in respect of the Corporate Debtor as well as the date on which the resolution professional of the Corporate Debtor (under whose management and control the Corporate Debtor presently exists) assumed office. The resolution professional has no duty or obligation to respond to any aspects of the said forensic audit report on merit on behalf of the Corporate Debtor or the erstwhile management, as the period covered under the said report is prior to commencement of CIRP against the Corporate Debtor and much prior to the assumption of the office by the resolution professional of the Corporate Debtor. It is pertinent to note that during the CIRP period under the Code, the resolution professional has already undertaken, through an independent transactions review auditor, detailed review of the transactions and subsequent thereto, relevant applications have been filed with Hon'ble NCLT as required under the Code. Copies of such applications have also been shared earlier with the members of the CoC.
6. The Bank may further note, that Section 32A of the Code in any case grants protection to a corporate debtor against any liability for an offence committed by the corporate debtor prior to the commencement of its CIRP, as well as from prosecution of any offence in relation thereto, from the date the resolution plan in respect of such corporate debtor has been approved by the Adjudicating Authority under Section 31 of the Code (if the resolution plan results in the change in the management or control of the corporate debtor in the manner prescribed under Section 32A of the Code). To that extent, it may be noted that virtue of the protection made available under Section 32A of the Code, upon the



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- approval of the resolution plan in respect of the Corporate Debtor by the NCLT, the Corporate Debtor shall be deemed to have immunity against any liability for any purported offences committed by the Corporate Debtor prior to the commencement of the CIRP (including any liability which may arise as a result of any unlawful transactions identified in the said forensic audit report).
7. The Bank is further requested to note, that the loan accounts of the Corporate Debtor referred to in the Letter, which are intended to be identified as fraudulent under the extant guidelines issued by RBI, pertain to the period prior to the Cut-Off Date, which are required, in terms of the Code, to be necessarily resolved as a part of a resolution plan or in liquidation, as the case may be. In this regard, in terms of the ongoing CIRP, a resolution plan has already been approved by 100% of the committee of creditors of the Corporate Debtor, including the Bank. As the Bank is already aware, an application in relation to the approval of the resolution plan in terms of Section 31 of the Code is presently pending consideration of the Hon'ble NCLT. If and upon the resolution plan being approved and implemented, the outstanding dues of the Corporate Debtor shall be resolved in accordance with the terms of the approved resolution plan, as explained above.
 8. Owing to the reasons mentioned above, it is submitted that any action taken by the Bank for initiation of any proceedings to identify the loan accounts of the Corporate Debtor as fraudulent under the extant guidelines issued by RBI (which actions would include the present management representation sought by the Bank on the said forensic audit report *vide* the said Letter), is not legally tenable in view of the overall scheme of the Code, and therefore the Bank is requested to take note of the above and accordingly withdraw the said Letter, and confirm the same in writing.
 9. Having said that, please note that the Corporate Debtor has extended all assistance in the past when information has been sought from the Corporate Debtor during the ongoing CIRP and in this regard, it is further submitted that the Corporate Debtor had also provided information to the forensic auditor during the period from March 2021 to November 2021. To the extent any further information pertaining to the subject matter is sought from the Corporate Debtor during the CIRP period, the resolution professional of the Corporate Debtor would furnish of such information in relation to the Corporate Debtor as may be made available by the officers of the Corporate Debtor, in pursuance of his obligation in terms of Section 21(9) of the Code.
 10. Furthermore, *vide* your Letter, we understand that you have provided a time period of 15 days for receipt of replies / representation, if any, in respect of identifying the loan accounts of the Corporate Debtor as fraudulent. Accordingly, without prejudice to our submissions as aforesaid, we request that upon the finalization of the said forensic audit



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report after consideration of responses / representations received in respect of the Letter, the Bank may kindly intimate us about the finalized forensic report, *inter alia*, for our internal records and for making suitable disclosures to the stock exchanges with respect to the same in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

11. Kindly note further that nothing herein should be construed as acceptance or acquiescence of the Corporate Debtor to any proceedings being pursued by the Bank against the Corporate Debtor.

All rights and remedies are hereby reserved.

Thanking you

Yours faithfully,

For **Reliance Communications Limited**

Anish Nanavaty

Insolvency Professional - Regn.No.: IBBI/IPA-002/IP-N00272/2017-18/10830

Resolution Professional of Reliance Communications Limited

Regd. Address: 2A/208, Raheja Classique, New Link Road, Andheri(W), Mumbai – 400053

AFA Certificate No.: AA2/10830/02/061224/203086, valid up to 06-12-2024

anish.nanavaty.irp@gmail.com

Correspondence Address:

Resolution Professional for Reliance Communications Limited,
Deloitte India Insolvency Professionals LLP, One International Centre, Tower 3, 32nd Floor,
Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013, India.

inrcomip@deloitte.com; anishnanavaty@deloitte.com