

Reliance Capital Limited

Registered Office:
Kamala Mills Compound
Trade World, B Wing, 7th Floor
S. B. Marg, Lower Parel
Mumbai - 400 013

Tel. : +91 022 4158 4000
Fax : +91 022 2490 5125
E-mail : rcl.investor@relianceada.com
Website : www.reliancecapital.co.in
CIN : L65910MH1986PLC165645

April 18, 2023

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400 001

BSE Scrip Code: 500111

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051

NSE Scrip Symbol: RELCAPITAL

Dear Sir(s),

Ref.: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sub.: Timelines for Completion of CIRP allowed till July 16, 2023

This has reference to our intimation dated December 7, 2021 regarding the initiation of corporate insolvency resolution process ("CIRP") in the case of Reliance Capital Limited ("the Company") under Section 227 read with clause (zk) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code, 2016 (Code) and Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudication Authority) Rules, 2019 ("FSP Insolvency Rules").

The Hon'ble National Company Law Tribunal, Mumbai, vide its order dated April 12, 2023 in matter IA No. 1362 of 2023 in CP(IB) 1231 of 2021, has granted exclusion of 90 days for completion of CIRP till July 16, 2023. The copy of the said order is enclosed herewith.

Kindly take the same on records.

Thanking you.

Yours faithfully,
For **Reliance Capital Limited**

Nageswara Rao Y
Administrator of Reliance Capital Limited

Administrator appointed in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 read with the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudication Authority) Rules, 2019 as per the order of the Hon'ble National Company Law Tribunal bench at Mumbai dated December 6, 2021. The Administrator is acting for and on behalf of Reliance Capital Limited without any personal liability.

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH-I**

IA No. 1362/MB/2023

In

C.P (IB) No. 1231/MB/2021

Under Section 12 and Section 60(5) of the Insolvency and Bankruptcy, 2016 r/w Regulation 40 of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

Filed by

**Reliance Capital Limited,
Through its Administrator Mr. Nageswara Rao Y
...Applicant**

In the matter of

Reserve Bank of India

...Petitioner/Financial Sector Regulator

Versus

Reliance Capital Limited

... Respondent

Date of Order: 12.04.2023

Coram:

Hon'ble Member (Judicial) : Mr. H.V. Subba Rao

Hon'ble Member (Technical) : Ms. Anu Jagmohan Singh

Appearances:

For the Applicant : Mr. Rohan Kadam, Advocate

ORDER

Per Coram:

1. This Application is filed under Section 12 and Section 60(5) of Insolvency and Bankruptcy Code, 2016 r/w Regulation 40 of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 for seeking following reliefs:
 - a. Exclude a period of 90 days from the timelines available for completion of CIRP
 - b. Declare that time till 16.07.2023 is available for completion of CIRP
 - c. Pass such other and further orders as this Tribunal may deem fit and proper in the facts and circumstances.
2. The Applicant is the Administrator of Reliance Capital Limited, ("Corporate Debtor"). The Applicant submits that the CIRP of the Corporate Debtor was scheduled to expire on 04.06.2022. Vide Order dated 02.06.2022, the date of completion of CIRP stood extended till 02.09.2022. Subsequently, vide Order dated 12.08.2022 this Tribunal excluded a period of 60 days from the period of CIRP and extended the CIRP period to 01.11.2022. Thereafter vide Order dated 18.10.2022, this Tribunal excluded a period of 90 days from the period of CIRP, thereby extending

the period of CIRP to 31.01.2023. Subsequently, vide Order dated 31.01.2023 this tribunal granted 45 days exclusion and accordingly, date of completion of CIRP was extended to 17.03.2023. Thereafter, the Hon'ble NCLAT vide its Order dated 02.03.2023 has further excluded a period of 30 days, therefore, the date for completion of CIRP is 17.04.2023.

3. In the aforesaid backdrop of facts, the Applicant has approached this Tribunal once again seeking exclusion of a period of 90 days for completion of CIRP on or before 16.07.2023.
4. The Applicant has assigned the following reasons for seeking exclusion:

“In light of the time spent in (i) approaching and obtaining clarification/ vacation orders in relation to several interim orders passed by various judicial forums; (ii) diligently and bona fide pursuing the dispute pending before this Hon'ble Tribunal pertaining to the custody and possession of the shares of Reliance General Insurance Company Limited; (iii) resolution of certain contentious assets of the Corporate Debtor; and (iv) time needed to negotiate, finalise and approve the resolution plans received from the prospective resolution applicants for the Corporate Debtor

and the pending extended round of Challenge Mechanism, the Committee of Creditors ("CoC") of the Corporate Debtor in the 39th Meeting of the CoC ongoing since April 5, 2023 has in-principally approved a resolution to seek the Hon'ble Tribunal's permission for the exclusion of a period of 90 days from the computation of timelines under the CIRP and has authorised the Administrator to file the present application under Section 12 of the IBC before this Hon'ble Tribunal."

5. Reliance is placed by the Applicant on *Quinn Logistics India Limited vs Mack Soft Tech Private Limited & Ors. [Company Appeal (AT)(Ins.) No. 185 of 2018]* the Hon'ble NCLAT has opined that it is always open to the AA to exclude certain period for the purpose of counting the total period of 270 days, if the facts and circumstances justify exclusion. The relevant portion is reproduced below:

"10. For example, for following good grounds and unforeseen circumstances, the intervening period can be excluded for counting of the total period of 270 days of resolution process:-

- i. If the corporate insolvency resolution process is stayed by 'a court of law or the Adjudicating Authority or the Appellate Tribunal or*

the Hon'ble Supreme Court.

- ii. If no 'Resolution Professional' is functioning for one or other reason during the corporate insolvency resolution process, such as removal.*
- iii. The period between the date of order of admission/moratorium is passed and the actual date on which the 'Resolution Professional' takes charge for completing the corporate insolvency resolution process.*
- iv. On hearing a case, if order is reserved by the Adjudicating Authority or the Appellate Tribunal or the Hon'ble Supreme Court and finally pass order enabling the 'Resolution Professional' to complete the corporate insolvency resolution process.*
- v. If the corporate insolvency resolution process is set aside by the*
- vi. Appellate Tribunal or order of the Appellate Tribunal is reversed by the Hon'ble Supreme Court and corporate insolvency resolution process is restored.*
- vii. Any other circumstances which justifies exclusion of certain period.*

However, after exclusion of the period, if further period is allowed the total number of days cannot exceed 270 days which is the maximum time limit prescribed under the Code.”

6. Further, the Applicant in support of its contention relied upon

the decision of the Hon'ble Supreme Court in *Essar Steel India Ltd. Committee of Creditors vs Satish Kumar Gupta [(2020) 8 SCC 531]* wherein it is categorically held that timelines as mentioned under Section 12 of the Code are to be construed as directory and not mandatory. The relevant paragraph is reproduced hereinbelow:

“127. ...Thus, while leaving the provision otherwise intact, we strike down the word “mandatorily” as being manifestly arbitrary under Article 14 of the Constitution of India and as being an excessive and unreasonable restriction on the litigant’s right to carry on business under Article 19(1)(g) of the Constitution. The effect of this declaration is that ordinarily the time taken in relation to the corporate resolution process of the corporate debtor must be completed within the outer limit of 330 days from the insolvency commencement date, including extensions and the time taken in legal proceedings. However, on the facts of a given case, if it can be shown to the Adjudicating Authority and/or Appellate Tribunal under the Code that only a short period is left for completion of the insolvency resolution process beyond 330 days, and that it would be in the interest of all stakeholders that the corporate debtor be put back on its feet instead of being sent into liquidation and that the

time taken in legal proceedings is largely due to factors owing to which the fault cannot be ascribed to the litigants before the Adjudicating Authority and/or Appellate Tribunal, the delay or a large part thereof being attributable to the tardy process of the Adjudicating Authority and/or the Appellate Tribunal itself, it may be open in such cases for the Adjudicating Authority and/or Appellate Tribunal to extend time beyond 330 days. Likewise, even under the newly added proviso to Section 12, if by reason of all the aforesaid factors the grace period of 90 days from the date of commencement of the Amending Act of 2019 is exceeded, there again a discretion can be exercised by the Adjudicating Authority and/or Appellate Tribunal to further extend time keeping the aforesaid parameters in mind. It is only in such exceptional cases that time can be extended, the general rule being that 330 days is the outer limit within which resolution of the stressed assets of the corporate debtor must take place beyond which the corporate debtor is to be driven into liquidation.”

7. The Ld. Counsel for the Applicant has also relied on the decision of the Hon'ble NCLAT in ***Jalesh Kumar Grover vs Committee of Creditors of Akmee Projects Ltd. [2021 SCC Online NCLAT 500]*** wherein the Hon'ble Appellate Tribunal excluded the period

whilst the matter was sub-judice before the Hon'ble Apex Court while computing 330 days.

8. The Ld. Counsel appearing for the Applicant submits that only a short period of time is required for completion of CIRP process, as the extended challenge mechanism process is expected to bring finality to the process which would ultimately achieve the purpose of the Code which is revival of the Corporate Debtor.
9. Considering the submissions advanced by the Ld. Counsel for the Applicant, this bench is satisfied that this is a fit case for exercising discretion vested with this Tribunal as an exceptional one. Accordingly, a period of 90 days is excluded from the timeline for completion of CIRP in terms of prayer clause (a).
10. In view of the above, the CIRP of the Corporate debtor will now come to an end on 16.07.2023.
11. With the aforesaid observation, **IA No. 1362 of 2023 in CP(IB) 1231 of 2021** stands disposed of as **allowed**.

Sd/-
ANU JAGMOHAN SINGH
MEMBER (TECHNICAL)
12.04.2023
Priyal

Sd/-
H. V. SUBBA RAO
MEMBER (JUDICIAL)