

APH/RB

3 February 2021

To,
Crawford Bayley & Co.
Advocates & Solicitors,
State Bank Building,
N. G. N. Vaidya Marg
Mumbai – 400 023.

Dear Sirs,

Re: Your letter dated 19 January 2021 bearing reference HCA/SKA, received by our client on 30 January 2021 ("said Letter").

We write to you under the instructions and on behalf of our client M/s. BDO India LLP, having its address at The Ruby, Level 9, North West wing, 29, Senapati Bapat Marg, Dadar West, Mumbai 400 028.

Our client is in receipt of the said letter addressed by you on behalf of your clients Mr. Punit Garg, Mr. Satish Seth and Mr. Suresh Rangachar which has now been placed in our hands and in response thereto we have been instructed to address you as under:

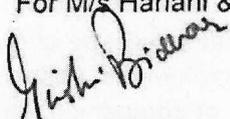
- A. Our client finds no merit in the allegations made in the said Letter and denies each and every allegation made therein in toto. Nothing contained in the said Letter shall be deemed to have been admitted for reasons of non – traverse.
- B. At the outset, our clients deny that they are in any way answerable to your clients. There is no contractual or other relationship between your clients and our clients.
- C. Our client wishes to remind your client that our client is one of the well-known forensic audit firms in India and follows the best and robust practices, both professionally and ethically, in undertaking its duties. Our client truthfully reports results of the audit conducted and does not engage into any collusion or conspiracy as alleged by your clients.
- D. As your client rightly mentions that our client has been appointed by the lenders to undertake forensic audit of Reliance Communications Limited, Reliance Telecom Limited and Reliance Infratel limited ("Relevant Group of Companies"), it is not for your clients to comment on any part of the FAR or the views expressed by our client to the lender.
- E. The question of disclosing or sharing the FAR to your clients and to the Resolution Professional and the management / relevant group of Companies does not and cannot arise.
- F. The report that our clients presented to their clients was in line with the scope of our client's work. A draft of the report containing management comments (without conclusions) was also shared with management / relevant group of companies. Our clients report contains observations and findings based on procedures prescribed

and contains managements' / relevant group of companies' comments / clarifications received till 26 June 2020 unless otherwise mentioned.

- G. Evidently, your client without reading the FAR has chosen to make unjustified, false and frivolous allegations against our client. It is made clear in the FAR and as is recorded in the minutes of the JLM referred to in your Letter that even though our client made several requests to the Resolution Professional, management / relevant group of companies, some requested information was not received by our client and our client accordingly concluded the forensic audit. Thus, your client's reliance on FAR and accusing our client for allegedly arriving at the conclusion is false and denied.
- H. As far as the observations made by our client in FAR is concerned, your clients must note that during the analysis and basis the limited data and explanation provided to our client, our client did come across transactions where it appears that the Relevant Group of Companies have not utilized the funds for the purpose for which they were received. This was also confirmed by the management / relevant group of companies.
- I. Our clients report deals with flow of funds and their designated end use and the responses received from management / relevant group of companies in respect thereof. It reports on whether or not such funds have been diverted / used / appropriated for purposes other than those stated. Our clients have not concluded / commented on any legal issues such as criminal breach of trust or commission of any offences.
- J. In order to ascertain where such funds ultimately landed, our client would have to undertake a forensic audit of such parties to whom the Relevant Group of Companies have transmitted such funds in the first instance which clearly was not within the scope of work for our client. We would like to again make it clear that our client's report deals with the flow of funds and their designated end use. It reports on whether or not such funds have been diverted / used / appropriated for purposes other than those stated. Our client has not commented in its report on any issues such as criminal breach of trust or commission of any offences or unlawful gains. Our client's report does not contain any conclusion as to fraud as defined in the RBI Circular.

In view of the above, our client takes strong objection to the allegations made by your clients in the said Letter and hereby calls upon your clients to immediately withdraw your Letter. Despite the above, in case your client is ill advised to initiate any proceedings against our client, the same shall be defended by our client at your clients' sole risk as to the cost and consequences thereof which your clients may please note.

Yours truly,
For M/s Hariani & Co.



Associate Partner