

Reliance Communications Limited
 website: www.rcom.co.in
 Regd. Office : H Block, 1st Floor , Dhirubhai Ambani Knowledge City, Navi Mumbai 400710
Audited Financial Results (Standalone) for the year ended March 31, 2013

PART I						(₹ in Crore)
Sl. No.	Particulars	Quarter ended			For the year ended	
		31-Mar-13	31-Dec-12	31-Mar-12	31-Mar-13	31-Mar-12
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	Income from operations					
	(a) Net Income from Operations	2,825	2,786	2,645	10,981	11,107
	(b) Other Operating Income	55	230	-	286	3
	Total Income from Operations	2,880	3,016	2,645	11,267	11,110
2	Expenditure					
	(a) Access Charges	781	754	597	2,816	2,664
	(b) License Fee	208	198	211	831	896
	(c) Employee Cost	57	71	70	290	476
	(d) Depreciation and Amortisation	191	522	506	1,681	1,741
	(e) Other Expenditure	1,160	1,143	237	4,602	4,666
	Total Expenditure	2,397	2,688	1,621	10,220	10,443
3	Profit / (Loss) from Operations before Other Income, Financial Cost and Exceptional Items (1 - 2)	483	328	1,024	1,047	667
4	Other Income	793	278	195	1,553	753
5	Profit / (Loss) before Financial Cost and Exceptional Items (3 + 4)	1,276	606	1,219	2,600	1,420
6	Financial Cost	519	496	415	1,976	1,265
7	Profit / (Loss) after Financial Cost and before Exceptional Items (5 - 6)	757	110	804	624	155
8	Exceptional Items (refer note 4)	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before Tax (7 - 8)	757	110	804	624	155
10	Tax Expenses	-	-	(0)	-	(1)
11	Net Profit / (Loss) from Ordinary Activities after Tax (9 - 10)	757	110	804	624	156
12	Extraordinary Items (net of tax expense)	-	-	-	-	-
13	Net Profit / (Loss) for the year/ Period	757	110	804	624	156
14	Paid-up Equity Share Capital (Face Value of ₹ 5 each)	1,032	1,032	1,032	1,032	1,032
15	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	43,692
16	Earning per Share (EPS) before and after Extraordinary Items (not annualised)					
	- Basic (₹)	3.67	0.53	3.90	3.02	0.76
	- Diluted (₹)	3.67	0.53	3.82	3.02	0.73
17	Debt Equity Ratio (Refer Note 9)				0.97	0.67
18	Debt Service Coverage Ratio (DSCR) (Refer Note 9)				0.90	0.70
19	Interest Service Coverage Ratio (ISCR) (Refer Note 9)				2.28	2.36

PART II						
Select Information						
Sl. No.	Particulars	Quarter ended			For the year ended	
		31-Mar-13	31-Dec-12	31-Mar-12	31-Mar-13	31-Mar-12
		Unaudited	Unaudited	Unaudited	Audited	Audited
A	Particulars of Shareholding					
1	Public Shareholding					
	Number of Shares	663,318,324	663,318,324	663,318,324	663,318,324	663,318,324
	Percentage of Shareholding	32.14%	32.14%	32.14%	32.14%	32.14%
2	Promoters and Promoter Group Shareholding					
	(a) Pledged / Encumbered					
	- Number of Shares	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total shareholding of promoters and Promoter Group)	N.A.	N.A.	N.A.	N.A.	N.A.
	- Percentage of Shares (as a % of the total share capital of the company)	N.A.	N.A.	N.A.	N.A.	N.A.
	(b) Non -encumbered					
	- Number of Shares	1,400,708,557	1,400,708,557	1,400,708,557	1,400,708,557	1,400,708,557
	- Percentage of Shares (as a % of the total shareholding of promoters and Promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of Shares (as a % of the total share capital of the company)	67.86%	67.86%	67.86%	67.86%	67.86%
B	Investor Complaints					
	Particulars	Quarter ended 31-Mar-2013				
	Pending at the beginning of the quarter					Nil
	Received during the quarter					33
	Disposed of during the quarter					33
	Remaining unresolved at the end of the quarter					Nil

Segment wise Revenue, Results and Capital Employed							(₹ in Crore)
Sl. No.	Particulars	Quarter ended			For the year ended		
		31-Mar-13	31-Dec-12	31-Mar-12	31-Mar-13	31-Mar-12	
		Unaudited	Unaudited	Unaudited	Audited	Audited	
1	Segment Revenue						
	(a) Wireless	2,323	2,536	2,170	9,393	9,196	
	(b) GEBU	1,251	1,188	1,100	4,629	4,857	
	(c) Others / Unallocated	732	164	229	1,232	746	
	Total	4,306	3,888	3,499	15,254	14,799	
	Less: Inter segment revenue	(633)	(594)	(659)	(2,434)	(2,936)	
	Income from Operations	3,673	3,294	2,840	12,820	11,863	
2	Segment Results						
	Profit / (Loss) before Tax and Financial Charges from each segment						
	(a) Wireless	405	370	563	1,263	478	
	(b) GEBU	176	112	395	469	748	
	(c) Others / Unallocated	695	124	261	868	194	
	Total	1,276	606	1,219	2,600	1,420	
	Less : Financial Cost	519	496	415	1,976	1,265	
	Less : Exceptional Items	-	-	-	-	-	
	Total Profit / (Loss) before Tax	757	110	804	624	155	
3	Capital Employed						
	(Segment assets - Segment liabilities)						
	(a) Wireless	30,997	31,652	31,755	30,997	31,755	
	(b) GEBU	2,090	2,648	1,859	2,090	1,859	
	(c) Others / Unallocated	32,202	40,752	41,376	32,202	41,376	
	Total	65,289	75,052	74,990	65,289	74,990	

Standalone Statement of Assets and Liabilities		(₹ in Crore)	
		As at	
	Particulars	31-Mar-13	31-Mar-12
		Audited	Audited
A	Equity and Liabilities		
1	Shareholder's Fund		
	(a) Share Capital	1,032	1,032
	(b) Reserves and Surplus	32,110	43,865
	Sub-total - Shareholders' Fund	33,142	44,897
2	Non Current Liabilities		
	(a) Long Term Borrowings	22,891	23,365
	(b) Deferred Tax Liabilities (Net)	-	-
	(c) Other Long Term Liabilities	143	169
	(d) Long Term Provisions	4,370	4,339
	Sub-total - Non Current Liabilities	27,404	27,873
3	Current Liabilities		
	(a) Short Term Borrowings	7,436	4,506
	(b) Trade Payables	1,478	1,150
	(c) Other Current Liabilities	3,612	4,707
	(d) Short Term Provisions	2,864	2,572
	Sub-total - Current Liabilities	15,390	12,935
	Total Equity and Liabilities	75,936	85,705
B	Assets		
1	Non Current Assets		
	(a) Fixed Assets	36,793	38,149
	(b) Non Current Investments	21,013	31,889
	(c) Long Term Loans and Advances	4,508	4,317
	Sub-total - Non Current Assets	62,314	74,355
2	Current Assets		
	(a) Current Investment	-	-
	(b) Inventories	304	329
	(c) Trade Receivables	2,066	1,940
	(d) Cash and Cash Equivalents	228	178
	(e) Short Term Loans and Advances	8,736	6,800
	(f) Other Current Assets	2,288	2,103
	Sub-total - Current Assets	13,622	11,350
	Total Assets	75,936	85,705

Notes

1. Figures of the previous period have been regrouped and reclassified, wherever required.
2. In accordance with the notification issued by the Ministry of Corporate Affairs (MCA) on August 9, 2012, the Company has, during the year, added ₹ 543 crore to the cost of capitalized assets and ₹ 232 crore to the Foreign Currency Monetary Items Translation Difference Account by reversing the exchange difference regarded as an adjustment to interest cost on account of restating long term monetary items expressed in foreign currency at year end prevailing rates in accordance with para 4(e) of Accounting Standard 16 "Borrowing Costs". The said interest was adjusted by withdrawal of an equivalent amount from General Reserve as at March 31, 2012 and hence, it has been credited to General Reserve.
3. Pursuant to the Schemes of Amalgamation and Arrangement ("the Schemes") under Sections 391 to 394 of the Companies Act, 1956 approved by Hon'ble High Court of Judicature at Bombay vide orders dated July 21, 2006 and August 10, 2006 (revised) and by Hon'ble High Court of Gujarat vide order dated July 18, 2006, out of the excess of fair value of assets over liabilities, ₹ 3,000 crore was credited to and held as Provision for Business Restructuring (PBR) to meet increased depreciation cost, expenses and losses including on account of impairment or write down of assets which would be suffered by the Company, pursuant to the Scheme or otherwise in course of its business or in carrying out such restructuring of the operations of the Company or its Subsidiaries. The Company has reassessed the requirement for maintaining such PBR and based thereon, reversed ₹ 550 crore during the year as no longer required, leaving balance of ₹ 488 crore being dealt with in accordance with the said Scheme. The said amount of reversal of PBR has been reflected as part of Other Income.
4. Pursuant to the direction of the Hon'ble High Court of judicature at Bombay and option exercised by the Board of the Company, in accordance with and as per the arrangement approved by the Hon'ble High Court vide order dated July 3, 2009 binding on the Company expenses and/ or losses, identified by the Board of the Company as being exceptional or otherwise subject to the Accounting treatment prescribed in the Schemes of Arrangement sanctioned by the Hon'ble High Court and comprising of ₹ Nil (Previous year ₹ 269 crore) of debts due and subsidy claimed from the Government, foreign exchange loss of ₹ Nil (Previous year ₹ 775 crore) regarded as an adjustment to interest cost on account of restating long term monetary items expressed in foreign currency at year end prevailing rates, ₹ 218 crore (Previous year ₹ Nil) of depreciation consequent to addition of exchange differences on long term borrowing relating to capital assets to the cost of capitalised assets, as also ₹ 91 crore (Previous year ₹ 273 crore) of net losses on settlement of items recovered and/ or discharged in foreign currency, ₹ 546 crore (Previous year ₹ 16 crore) being amortization of Foreign Currency Monetary items Difference Account (FCMITDA) excluding the portion added to the cost of fixed assets or carried forward as Foreign Currency Monetary Item Translation Difference Account in accordance with Para 46 A inserted into Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates" in context of unprecedented volatility in exchange rates during the year, have been met by withdrawal from corresponding General Reserves, leaving no impact on profit for the year ended March 31, 2013. Such withdrawals have been included/ reflected in the Statement of Profit and Loss. While the Company has been legally advised that such inclusion in the Statement of Profit and Loss is in accordance with Revised Schedule VI of the Companies Act, 1956, in anticipation of clarification sought from ICAI that such inclusion in the Statement of Profit and Loss is not contrary to Revised Schedule VI, this Accounting treatment has been referred to by the Auditors of the Company in their Report.
5. The Company had, during the year ended on March 31, 2009, revalued its investments in one of its subsidiaries Reliance Globalcom BV, Netherlands at then fair value, and credited an amount of ₹ 151.2 billion to General Reserve. On a conservative and prudent basis, and to reflect the said investments at the present valuations, the Company has during the year adjusted a sum of ₹ 108.8 billion in the General Reserve. The above has no impact on Consolidated Net Worth of the Company for the year ended March 31, 2013.

6. Department of Telecommunication (DoT) has, during the quarter, issued demand on the Company for ₹ 1,758 crore towards levy of one time Spectrum Charges, being the prospective charges for holding CDMA Spectrum beyond 2.5 MHz for the period from January 1, 2013 till the expiry of the initial terms of the respective Licenses. Based on a petition filed by the Company, the Hon'ble High Court of Kolkata, vide its order dated April 19, 2013, has directed DoT not to take any coercive action until the further order. The Company is of the opinion that the said demand, *inter alia*, is an alteration of financial terms of the licenses issued in the past and has also been legally advised. Accordingly, no provision in this regard is required.
7. The Board of Directors has recommended a dividend of Re. 0.25 per equity share of ₹ 5 each i.e.5% for the financial year ended on March 31, 2013, subject to approval of the shareholders at the ensuing Annual General Meeting.
8. The Company is operating with Wireless, GEBU and Others / Unallocated segments. Accordingly, segment-wise information has been given. This is in line with the requirement of AS 17 "Segment Reporting".
9. Formula used for the computation of ratios:
 - i) Debt Equity Ratio = Debt/ Equity;
 - ii) Debt Service Coverage Ratio (DSCR) = Earnings before depreciation, interest, tax/ (Interest + Principal repayment);
 - iii) Interest Service Coverage Ratio (ISCR) = Earnings before depreciation, interest, tax/ (Interest expense)
10. Figures for the quarter ended March 31, 2013 and March 31, 2012 are balancing figure between audited figures in respect of the full financial year and published year to date figures up to the third quarter of the relevant financial year.
11. After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on May 10, 2013.

For Reliance Communications Limited

Place: Mumbai
Date : May 10, 2013

Anil D. Ambani
Chairman