

Reliance Communications Limited

website: www.rcom.co.in

Regd. Office : H Block, 1st Floor , Dhirubhai Ambani Knowledge City, Navi Mumbai 400710

CIN-L45309MH2004PLC147531

Unaudited Financial Results (Standalone) for the Quarter and Half year ended September 30, 2014

PART I								(₹ in crore)
Sl. No.	Particulars	Quarter ended			Half Year ended		Year ended	
		30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
<b>1</b>	<b>Income from Operations</b>							
	(a) Net Income from Operations	2,649	2,671	2,868	5,320	5,688	11,176	
	(b) Other Operating Income	-	-	-	-	-	-	
	<b>Total Income from Operations</b>	<b>2,649</b>	<b>2,671</b>	<b>2,868</b>	<b>5,320</b>	<b>5,688</b>	<b>11,176</b>	
<b>2</b>	<b>Expenses</b>							
	(a) Access Charges	732	697	699	1,429	1,403	2,882	
	(b) License Fees	184	212	211	396	424	851	
	(c) Employee Cost	73	79	37	152	113	286	
	(d) Depreciation and Amortisation	502	470	505	972	991	2,048	
	(e) Other Expenses	1,488	1,443	1,340	2,931	2,497	5,340	
	<b>Total Expenses</b>	<b>2,979</b>	<b>2,901</b>	<b>2,792</b>	<b>5,880</b>	<b>5,428</b>	<b>11,407</b>	
<b>3</b>	<b>Profit / (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1 - 2)</b>	<b>(330)</b>	<b>(230)</b>	<b>76</b>	<b>(560)</b>	<b>260</b>	<b>(231)</b>	
4	Other Income	200	149	604	349	765	1,269	
<b>5</b>	<b>Profit / (Loss) before Finance Costs and Exceptional Items (3 + 4)</b>	<b>(130)</b>	<b>(81)</b>	<b>680</b>	<b>(211)</b>	<b>1,025</b>	<b>1,038</b>	
6	Finance Costs (net)	441	455	599	896	1,172	1,796	
<b>7</b>	<b>Profit / (Loss) after Finance Costs and before Exceptional Items (5 - 6)</b>	<b>(571)</b>	<b>(536)</b>	<b>81</b>	<b>(1,107)</b>	<b>(147)</b>	<b>(758)</b>	
8	Exceptional Items	-	-	-	-	-	-	
<b>9</b>	<b>Profit / (Loss) from Ordinary Activities before Tax (7 - 8)</b>	<b>(571)</b>	<b>(536)</b>	<b>81</b>	<b>(1,107)</b>	<b>(147)</b>	<b>(758)</b>	
10	Tax Expense	-	-	-	-	-	(1,488)	
<b>11</b>	<b>Net Profit / (Loss) from Ordinary Activities after Tax (9 - 10)</b>	<b>(571)</b>	<b>(536)</b>	<b>81</b>	<b>(1,107)</b>	<b>(147)</b>	<b>730</b>	
12	Extraordinary Items (net of tax expense)	-	-	-	-	-	-	
<b>13</b>	<b>Net Profit / (Loss) for the period (11-12)</b>	<b>(571)</b>	<b>(536)</b>	<b>81</b>	<b>(1,107)</b>	<b>(147)</b>	<b>730</b>	
14	Paid-up Equity Share Capital (Face Value of ₹ 5 each) (Refer Note 4)	1,191	1,021	1,032	1,191	1,032	1,021	
15	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	-	29,769	
<b>16</b>	<b>Earnings per Share (EPS) before and after Extraordinary Items (not annualised)</b>							
	- Basic (₹)	(2.38)	(2.60)	0.39	(4.96)	(0.71)	3.54	
	- Diluted (₹)	(2.38)	(2.60)	0.39	(4.96)	(0.71)	3.54	
<b>17</b>	<b>Debt Equity Ratio (Refer Note 6)</b>				0.89	1.07	1.06	
<b>18</b>	<b>Debt Service Coverage Ratio (DSCR) (Refer Note 6)</b>				0.23	0.68	0.87	
<b>19</b>	<b>Interest Service Coverage Ratio (ISCR) (Refer Note 6)</b>				0.85	1.77	1.88	

<b>PART II</b>							
<b>Select Information</b>							
<b>Sl. No.</b>	<b>Particulars</b>	<b>Quarter ended</b>			<b>Half Year ended</b>		<b>Year ended</b>
		<b>30-Sep-14</b>	<b>30-Jun-14</b>	<b>30-Sep-13</b>	<b>30-Sep-14</b>	<b>30-Sep-13</b>	<b>31-Mar-14</b>
		<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
<b>A</b>	<b>Particulars of Shareholding</b>						
1	Public Shareholding						
	-Number of Shares	1,003,003,901	664,717,704	664,718,324	1,003,003,901	664,718,324	664,717,704
	-Percentage of Shareholding	41.75%	32.20%	32.20%	41.75%	32.20%	32.20%
2	Promoters and Promoter Group Shareholding						
	(a) Pledged / Encumbered						
	- Number of Shares	Nil	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.	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.	N.A.
	(b) Non -encumbered						
	- Number of Shares	1,399,309,177	1,399,309,177	1,399,308,557	1,399,309,177	1,399,308,557	1,399,309,177
	- Percentage of Shares (as a % of the total shareholding of promoters and promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of Shares (as a % of the total share capital of the company)	58.25%	67.80%	67.80%	58.25%	67.80%	67.80%

<b>B</b>	<b>Investor Complaints</b>	
	<b>Particulars</b>	
	<b>Quarter ended 30-Sep-14</b>	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	7
	Disposed off during the quarter	7
	Remaining unresolved at the end of the quarter	Nil

Standalone Statement of Assets and Liabilities		(₹ in crore)	
		As at	
	Particulars	30-Sep-14	31-Mar-14
		Unaudited	Audited
<b>A</b>	<b>Equity and Liabilities</b>		
<b>1</b>	<b>Shareholders' Funds</b>		
	(a) Share Capital	1,191	1,021
	(b) Reserves and Surplus (Net of ₹ 380 crore relating to *)	33,106	30,359
	(c) Money Received against Share Warrants	650	-
	<b>Sub-total - Shareholders' Funds</b>	<b>34,947</b>	<b>31,380</b>
<b>2</b>	<b>Non Current Liabilities</b>		
	(a) Long Term Borrowings	21,307	22,795
	(b) Deferred Tax Liabilities (Net)	-	-
	(c) Other Long Term Liabilities	78	194
	(d) Long Term Provisions	2,749	3,288
	<b>Sub-total - Non Current Liabilities</b>	<b>24,134</b>	<b>26,277</b>
<b>3</b>	<b>Current Liabilities</b>		
	(a) Short Term Borrowings	5,733	7,332
	(b) Trade Payables	4,707	2,076
	(c) Other Current Liabilities	6,281	5,653
	(d) Short Term Provisions	3,054	4,159
	<b>Sub-total - Current Liabilities</b>	<b>19,775</b>	<b>19,220</b>
	<b>Total Equity and Liabilities</b>	<b>78,856</b>	<b>76,877</b>
<b>B</b>	<b>Assets</b>		
<b>1</b>	<b>Non Current Assets</b>		
	(a) Fixed Assets	34,191	35,154
	(b) Non Current Investments	21,779	21,042
	(c) Deferred Tax Assets (Net)	1,488	1,488
	(d) Long Term Loans and Advances	4,717	4,494
	<b>Sub-total - Non Current Assets</b>	<b>62,175</b>	<b>62,178</b>
<b>2</b>	<b>Current Assets</b>		
	(a) Current Investments	441	-
	(b) Inventories	232	269
	(c) Trade Receivables	2,050	1,994
	(d) Cash and Bank balances	220	127
	(e) Short Term Loans and Advances	10,366	9,375
	(f) Other Current Assets	3,372	2,934
	<b>Sub-total - Current Assets</b>	<b>16,681</b>	<b>14,699</b>
	<b>Total Assets</b>	<b>78,856</b>	<b>76,877</b>

\* 21,279,000 nos of equity shares held by ESOS Trust

## Notes

1. Figures of the previous period have been regrouped and reclassified, wherever required.
2. Pursuant to the Schemes of Arrangement ("the Schemes") sanctioned by the Hon'ble High Court of Judicature at Bombay, variation on account of changes in exchange rates including amortisation of the balance in "Foreign Currency Monetary Item Translation Difference Account (FCMITDA)" and depreciation consequent to addition of exchange differences to the cost of capitalised assets aggregating to ₹ 167 crore and ₹ 286 crore during the quarter and half year ended on September 30, 2014 respectively are withdrawable from General Reserve. These withdrawable items are not considered in the accounts for the quarter and half year ended on September 30, 2014 and consequently no withdrawal has been made. The necessary effects, if any, will be carried out at the year end. This matter has been referred to by the Auditors in their Limited Review Report. Consequently, reported Reserve and surplus, current liabilities, non-current assets and current assets would have been ₹ 32,914 crore, ₹ 19,794 crore, ₹ 61,977 crore and ₹ 16,705 crore respectively as at September 30, 2014. The Company has, as permitted under the said Schemes, adjusted additional depreciation of ₹ 294 crore and ₹ 588 crore, arising on fair value of the assets, for the quarter and half year ended on September 30, 2014 respectively, by withdrawing an equivalent amount from General Reserve.
3. Pursuant to the Companies Act, 2013 (the Act) becoming effective from April 1, 2014, the Company has adopted estimated useful life of fixed assets as stipulated under Schedule II to the Act, except in case of some of its telecommunication equipments, as legally advised and as permitted by the said Schedule, where, based on condition of such telecommunication equipments, regular maintenance schedule, material of construction and past experience the Company has considered useful life of 20 years instead of 18 years.
4. The paid up share capital of the Company is net of 21,279,000 no. of equity shares, of ₹ 5/- each, ₹ 11 crore being the face value of such equity shares. The Company has consolidated financial statements of the RCOM ESOS Trust as at 31st March, 2014 with Standalone financial results of the Company in terms of SEBI (ESOS and ESPS) Guidelines, 1999 and recent opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI).
5. The Company has identified geographic segment as primary segments. As a result, the Company has single geographical segment as "India Operations". Hence, no separate disclosure of segment information in line with Accounting Standard (AS) 17 "Segment Reporting" is required.
6. 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)

7. After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on November 14, 2014 and the same is subjected to limited review.

**For Reliance Communications Limited**

Place: Mumbai

Date: November 14, 2014

**Anil D. Ambani**

**Chairman**