

Unaudited Financial Results (Standalone) for the Quarter ended June 30, 2016

(₹ in Crore)			
Sr. No.	Particulars	Quarter ended	
		30-Jun-16	30-Jun-15
		Unaudited	Unaudited
1	Income from Operations		
	a) Net Income from Operations	2,482	2,502
	b) Other Operating Income	-	-
	Total Income from Operations	2,482	2,502
2	Expenses		
	a) Access Charges	804	698
	b) License Fee	168	196
	c) Employee Cost	50	42
	d) Depreciation and Amortisation	337	478
	e) Other Expenses	1,457	1,243
	Total Expenses	2,816	2,657
3	Profit/ (Loss) from Operations before Other Income, Finance Costs, Exceptional Items and Tax (1 - 2)	(334)	(155)
4	Other Income	110	83
5	Profit/ (Loss) before Finance Costs and Exceptional Items and Tax (3 + 4)	(224)	(72)
6	Finance Costs (net)	630	478
7	Profit / (Loss) after Finance Costs but before Exceptional Items and Tax (5 - 6)	(854)	(550)
8	Exceptional Items	-	-
9	Profit / (Loss) from ordinary activities before Tax (7+8)	(854)	(550)
10	Tax Expenses (net)	(295)	(319)
11	Net Profit / (Loss) from Ordinary Activities after Tax (9 - 10)	(559)	(231)
12	Other comprehensive income (net of tax)	-	-
13	Total Comprehensive Income (11 + 12)	(559)	(231)
14	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	1,244	1,244
15	Earning per Share (EPS) (not annualised)		
	- Basic (Rs.)	(2.25)	(0.93)
	- Diluted (Rs.)	(2.25)	(0.93)

Notes

1. Figures of the previous period have been regrouped and reclassified, wherever required.
2. Pursuant to the Scheme of Arrangement ("the Scheme") 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 ₹ 207 crore during the quarter ended June 30, 2016, are withdrawable from General Reserve. These withdrawable items are not considered in the accounts for the quarter ended on June 30, 2016 and consequently no withdrawal has been made. The necessary effects, if any, will be carried out at the year end. The Company has, as permitted under the said Schemes, adjusted additional depreciation of ₹ 257 crore, arising on fair value of certain assets, for the quarter by withdrawing an equivalent amount from General Reserve. The matter has been referred to by the Auditors, without qualifying in their Limited Review Report.
3. The Company has adopted Indian Accounting Standard (Ind AS) from April 1, 2016 with a transition date of April 1, 2015. The figures for the quarter ended June 30, 2015 have also been converted as per Ind AS, which have not been subject to limited review or audit. However, the management has exercised necessary due diligence to ensure that the comparable financial results are correctly stated.
 - a. Reconciliation and explanatory notes for the effects of the transition on Statement of Profit and Loss for the quarter ended June 30, 2015 as previously reported and as per Ind AS are as follows:

Sr.	Adjustments to Increase/ (Decrease) in Net Profit / (Loss)	Amount (₹ in crore)	Refer Note below
1	Net Profit / (Loss) as previously reported as per Indian GAAP	(551)	
2	Restatement of Revenue	7	b
3	Impact on Depreciation	3	c
4	Fair Valuation impact of Financial Instruments	(6)	d
5	Deferred Tax Credit	319	e
6	Others	(3)	
7	Net Profit before Other Comprehensive Income as per Ind AS	(231)	

- b. Restatement of Revenue to be recognized over the period of underlying contract of services in line with applicable Ind AS has been reversed on transition date.

- c. Depreciation impact consists of ₹ 3 crore on account of change in useful life and write off of certain assets.
 - d. Fair valuation impact of borrowings, deposits/ advances etc. has been accounted considering net present value on transition date and consequent impact on profitability.
 - e. Deferred tax is charged due to following the Balance Sheet approach; and impact arising on account of such changes on transition date.
4. The listed Redeemable Non Convertible Debentures (NCDs) of the Company aggregating to ₹ 4,625 crore as on June 30, 2016 are secured by way of first pari passu charge on the whole of the movable properties, insurance contracts of the Company and its three subsidiaries and the asset cover thereof exceeds 100% of the principal amount of the said Debentures. Out of the above, in case of NCDs of ₹ 2,000 crore, the Company has also assigned Telecom Licences, by execution of Tripartite Agreements with Department of Telecommunications (DoT).
5. Provision for Income Tax for the quarter ended June 30, 2016 is based on the estimate for the full financial year.
6. 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 Ind AS 108 "Operating Segments" is required.
7. After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on September 14, 2016 and the same is subjected to limited review.

For Reliance Communications Limited

Place: Mumbai
Date : September 14, 2016

Anil D. Ambani
Chairman