

Reliance Communications Limited

website: www.rcom.co.in

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

CIN - L45309MH2004 PLC147531

Unaudited Financial Results (Consolidated) for the quarter ended June 30, 2017

(₹ in Crore)					
Sr. No.	Particulars	Quarter ended			Year ended
		30-Jun-17	31-Mar-17	30-Jun-16	31-Mar-17
		Unaudited	Audited	Unaudited	Audited
<b>1</b>	<b>Income</b>				
	(a) Revenue from Operations	3,494	4,312	5,259	19,493
	(b) Other Income	97	212	102	456
	<b>(c) Total Income [ (a) + (b) ]</b>	<b>3,591</b>	<b>4,524</b>	<b>5,361</b>	<b>19,949</b>
<b>2</b>	<b>Expenses</b>				
	(a) Access Charges, Licence Fees and Network Expenses	2,402	2,624	2,683	10,772
	(b) Employee Benefits Expenses	245	271	303	1,138
	(c) Finance Costs	998	983	795	3,561
	(d) Depreciation , Amortisation and Provision for Impairment	1,184	1,393	830	4,221
	(e) Sales and General Administration Expenses	401	545	815	2,647
	<b>(f) Total Expenses [ (a) to (e) ]</b>	<b>5,230</b>	<b>5,816</b>	<b>5,426</b>	<b>22,339</b>
<b>3</b>	<b>Profit/ (Loss) before Share of Profit of Associates, Exceptional Items and Tax [ 1 (c) - 2 (f) ]</b>	<b>(1,639)</b>	<b>(1,292)</b>	<b>(65)</b>	<b>(2,390)</b>
4	Share of (Loss) / Profit of Associates	-	-	1	3
<b>5</b>	<b>Profit/ (Loss) before Exceptional Items and Tax [ 3 - 4 ]</b>	<b>(1,639)</b>	<b>(1,292)</b>	<b>(64)</b>	<b>(2,387)</b>
6	Exceptional Items	-	-	-	-
<b>7</b>	<b>Profit/ (Loss) before Tax [ 5 - 6 ]</b>	<b>(1,639)</b>	<b>(1,292)</b>	<b>(64)</b>	<b>(2,387)</b>
<b>8</b>	<b>Tax Expenses</b>				
	(a) Current Tax	45	(56)	11	(2)
	(b) Short/(Excess) provision of earlier years	-	(22)	-	(22)
	(c) Deferred Tax Charge/ (Credit) (net) (including MAT Credit)	(474)	(266)	(165)	(1,080)
	<b>(d) Tax Expenses/ (Credit) (net) [ (a) to (c) ]</b>	<b>(429)</b>	<b>(344)</b>	<b>(154)</b>	<b>(1,104)</b>
<b>9</b>	<b>Profit/ (Loss) after Tax [ 7 - 8 ]</b>	<b>(1,210)</b>	<b>(948)</b>	<b>90</b>	<b>(1,283)</b>
10	Other Comprehensive Income for the period	(24)	(164)	90	(37)
<b>11</b>	<b>Total Comprehensive Income/ (Loss) for the period [ 9 + 10 ]</b>	<b>(1,234)</b>	<b>(1,112)</b>	<b>180</b>	<b>(1,320)</b>
<b>12</b>	<b>Profit/ (Loss) for the period attributable to</b>				
	(a) Equity holders of the company	(1,221)	(966)	54	(1,403)
	(b) Non Controlling Interest	11	18	36	120
<b>13</b>	<b>Total Comprehensive Income/ (Loss) attributable to</b>				
	(a) Equity holders of the company	(1,245)	(1,130)	144	(1,440)
	(b) Non Controlling Interest	11	18	36	120
<b>14</b>	<b>Earnings per Share (EPS) (before and after exceptional items)</b>				
	(a) Basic (Rs.)	(4.95)	(3.91)	0.22	(5.69)
	(b) Diluted (Rs.)	(4.95)	(3.91)	0.22	(5.69)
15	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	1,244	1,244	1,244	1,244
16	Other Equity (Excluding Revaluation Reserve)				27,325

**Segment wise Revenue, Results , Segment Assets and Segment Liabilities** (₹ in Crore )

Sr. No.	Particulars	Quarter ended			Year ended
		30-Jun-17	31-Mar-17	30-Jun-16	31-Mar-17
		Unaudited	Audited	Unaudited	Audited
<b>1</b>	<b>Segment Revenue</b>				
	(a) India Operation	3,048	3,916	4,693	17,364
	(b) Global Operation	839	988	1,185	4,394
	<b>(c) Total [ (a) + (b) ]</b>	<b>3,887</b>	<b>4,904</b>	<b>5,878</b>	<b>21,758</b>
	(d) Less: Inter segment revenue	(296)	(380)	(517)	(1,809)
	<b>(e) Income from Operations [ (c) - (d) ]</b>	<b>3,591</b>	<b>4,524</b>	<b>5,361</b>	<b>19,949</b>
<b>2</b>	<b>Segment Results</b>				
	Profit / (Loss) before Tax and Finance Cost from each segment				
	(a) India Operation	(576)	(300)	671	988
	(b) Global Operation	(65)	(9)	59	183
	<b>(c) Total [ (a) + (b) ]</b>	<b>(641)</b>	<b>(309)</b>	<b>730</b>	<b>1,171</b>
	(d) Add : Unallocable Revenue	-	-	-	-
	(e) Less : Finance Costs (net)	998	983	795	3,561
	(f) Less : Exceptional Items	-	-	-	-
	<b>Total Profit/ (Loss) before Tax and share in Profit / (Loss) of Associate</b>	<b>(1,639)</b>	<b>(1,292)</b>	<b>(65)</b>	<b>(2,390)</b>
<b>3</b>	<b>Segment Assets</b>				
	(a) India Operation	82,253	83,947	85,876	83,947
	(b) Global Operation	11,938	12,139	13,065	12,139
	(c) Others/ Unallocable (net of Eliminations)	3,465	3,645	1,746	3,645
	<b>(d) Total [ (a) to (c) ]</b>	<b>97,656</b>	<b>99,731</b>	<b>100,687</b>	<b>99,731</b>
<b>4</b>	<b>Segment Liabilities</b>				
	a) India Operation	15,328	16,017	18,595	16,017
	b) Global Operation	6,411	6,465	6,661	6,465
	c) Others/ Unallocable (net of Eliminations)	2,455	2,547	118	2,547
	<b>(d) Total [ (a) to (c) ]</b>	<b>24,194</b>	<b>25,029</b>	<b>25,374</b>	<b>25,029</b>

## 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 ₹ 166 crore during the quarter ended June 30, 2017, are withdrawable from General Reserve. These withdrawable items are not considered in the accounts for the quarter ended on June 30, 2017 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 and amortisation of ₹ 139 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 the Limited Review Report.
3. The Company has filed the petition for the Scheme of Arrangement (the Scheme) for demerger of the Wireless Business Undertaking of the Company and Reliance Telecom Limited (RTL), a Subsidiary of the Company into Aircel Limited and its subsidiary, Dishnet Wireless Limited with the Mumbai Bench of the National Company Law Tribunal ("NCLT") on April 25, 2017. Further, Reliance Infratel Limited (RITL), a subsidiary of the Company has filed petition for the Scheme for demerger of Tower Business Undertaking of RITL into another subsidiary namely Towercom Infrastructure Private Limited, which on transfer thereof upon completion of the said Scheme will be wholly owned and independently managed by affiliates of Brookfield Infrastructure Group, with NCLT on April 28, 2017. Pending the admission of the said petitions by NCLT for the final hearing to be taken up and as the Agreements between the parties being subject to various conditions precedent, the assets and operations of respective undertakings are accordingly not considered necessary to be presented separately as discontinued operation in the Accounts.
4. Ind AS Transition Facilitation Group (ITFG) of Ind AS Implementation Committee of the Institute of Chartered Accountants of India has issued clarification on July 31, 2017 regarding method of estimating depreciation for preparing standalone financial statements of the subsidiary and consolidated financial statements. The Company is in process of studying the basis/applicability of the clarification and evaluating the expected pattern of consumption of future economic benefits embodied in the respective assets for adopting an appropriate method of depreciation in each of standalone financial statements and consolidated financial statements and the financial effect will be considered accordingly.
5. The listed Redeemable Non Convertible Debentures (NCDs) of the Company aggregating to ₹ 3,750 crore as on June 30, 2017 are secured by way of first pari passu charge on the whole of the movable properties, plant and equipment and Capital Work in Progress, both present and future, including all insurance contracts relating thereto of the Borrower Group; comprising of the Company and its subsidiary companies namely; RTL, RITL and Reliance Communications Infrastructure

Limited. Out of the above, in case of NCDs of ₹ 750 crore, the Company has also assigned Telecom Licences, by execution of Tripartite Agreements with Department of Telecommunications (DoT). The asset cover in case of these NCDs exceeds 100% of the principal amount of the said NCDs.

6. The Company has been engaged with its lenders to finalise an overall debt resolution plan. Based on applicable guidelines, the lenders have, on June 2, 2017, constituted a Joint Lenders' Forum (JLF) and agreed to consider Strategic Debt Restructuring (SDR) for the Company and its two subsidiaries, RTL and RITL. Consequently, standstill on the Company's debt servicing obligations for a period of 7 months till end December, 2017 has become effective, by which transactions pertaining to demerger of Wireless and Towers Business required to be completed. In the event these transactions are not completed in such timeframe, the lenders may exercise their right to convert their debt, in accordance with applicable SDR guidelines, subject to approvals as may be necessary under law.
7. The Company is operating with India Operations, Global Operations and Others/ Unallocated segments. Accordingly, segment-wise information has been given. This is in line with the requirement of Ind AS 108 "Operating Segments".
8. The Company has opted to publish consolidated financial results for the year 2016 - 17. Standalone financial results, for the quarter ended June 30, 2017 can be viewed on the website of the Company, National Stock Exchange of India Limited and BSE Limited at [www.rcom.co.in](http://www.rcom.co.in), [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively.
9. Additional information on standalone basis is as follows:

(₹ in crore)

Particulars	Quarter ended			Year ended
	30-Jun-2017	31-Mar-2017	30-Jun-2016	31-Mar-2017
	Unaudited	Audited	Unaudited	Audited
Total Income	1,707	2,018	2,592	9,154
Profit /(Loss) before tax	(1,573)	(932)	(854)	(3,855)
Total Comprehensive Income	(962)	(94)	(559)	(1,797)

10. Provision for Income Tax for the quarter ended June 30, 2017 is based on the estimate for the full 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 August 12, 2017 and the financial results for the quarter ended June 30, 2017 is subjected to limited review by the Statutory Auditors of the Company.

For **Reliance Communications Limited**

Place: Mumbai  
Date : August 12, 2017

**R. N. Bhardwaj**  
**Director**