

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 and nine months ended December 31, 2017

							(₹ in Crore)
Sr. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from Operations	1,144	1,133	1,675	3,644	4,976	6,554
	(b) Other Income	32	19	23	64	36	83
	(c) Total Income [(a) + (b)]	1,176	1,152	1,698	3,708	5,012	6,637
2	Expenses						
	(a) Access Charges, Licence Fees and Network Expenses	665	665	1,157	2,257	3,279	4,326
	(b) Employee Benefits Expenses	110	101	105	319	335	442
	(c) Finance Costs	52	51	73	154	205	255
	(d) Depreciation , Amortisation and Provision for Impairment	172	176	241	547	596	821
	(e) Sales and General Administration Expenses	149	148	119	392	463	641
	(f) Total Expenses [(a) to (e)]	1,148	1,141	1,695	3,669	4,878	6,485
3	Profit/ (Loss) before Share of Profit of Associates, Exceptional Items and Tax [1 (c) - 2 (f)]	28	11	3	39	134	152
4	Share of (Loss) / Profit of Associates	3	1	1	4	3	3
5	Profit/ (Loss) before Exceptional Items and Tax [3 - 4]	31	12	4	43	137	155
6	Exceptional Items	-	-	-	-	-	-
7	Profit/ (Loss) before Tax [5 - 6]	31	12	4	43	137	155
8	Tax Expenses						
	(a) Current Tax	(2)	2	21	1	19	24
	(b) Short/(Excess) provision of earlier years	-	-	-	-	-	(22)
	(c) Deferred Tax Charge/ (Credit) (net) (including MAT Credit)	6	(11)	(33)	(18)	(119)	(92)
	(d) Tax Expenses/ (Credit) (net) [(a) to (c)]	4	(9)	(12)	(17)	(100)	(90)
9	Profit/ (Loss) after Tax [7 - 8]	27	21	16	60	237	245
10	Profit/ (Loss) before Tax from Discontinued Operations	(130)	(2,832)	(921)	(4,601)	(1,232)	(2,542)
11	Tax Expenses of Discontinued Operations	10	(102)	(417)	(509)	(659)	(1,014)
12	Profit/ (Loss) after Tax from Discontinued Operations [10-11]	(140)	(2,730)	(504)	(4,092)	(573)	(1,528)
13	Other Comprehensive Income for the period	(76)	9	47	(91)	126	(37)
14	Total Comprehensive Income/ (Loss) for the period [9+12+13]	(189)	(2,700)	(441)	(4,123)	(210)	(1,320)
15	Profit/ (Loss) for the period attributable to						
	(a) Equity holders of the company	(130)	(2,712)	(531)	(4,063)	(438)	(1,403)
	(b) Non Controlling Interest	17	3	43	31	102	120
16	Total Comprehensive Income/ (Loss) attributable to						
	(a) Equity holders of the company	(206)	(2,703)	(484)	(4,154)	(312)	(1,440)
	(b) Non Controlling Interest	17	3	43	31	102	120
17	Earnings per Share (EPS) (before and after exceptional items) (Basic and Diluted) (Rs.)						
	(a) Continuing Operations	0.10	0.09	0.07	0.24	0.96	0.99
	(b) Discontinued Operations	(0.59)	(11.07)	(2.22)	(16.30)	(2.73)	(6.68)
18	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	1,383	1,244	1,244	1,383	1,244	1,244
19	Other Equity (Excluding Revaluation Reserve)						27,325

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

Sr. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	(a) India Operation	596	645	1,043	2,078	3,035	4,052
	(b) Global Operation	709	681	1,132	2,229	3,406	4,394
	(c) Total [(a) + (b)]	1,305	1,326	2,175	4,307	6,441	8,446
	(d) Less: Inter segment revenue	(129)	(174)	(477)	(599)	(1,429)	(1,809)
	(e) Income from Operations [(c) - (d)]	1,176	1,152	1,698	3,708	5,012	6,637
2	Segment Results						
	Profit / (Loss) before Tax and Finance Cost from each segment						
	(a) India Operation	60	65	40	241	146	224
	(b) Global Operation	20	(3)	36	(48)	193	183
	(c) Total [(a) + (b)]	80	62	76	193	339	407
	(d) Add : Unallocable Revenue	-	-	-	-	-	-
	(e) Less : Finance Costs (net)	52	51	73	154	205	255
	(f) Less : Exceptional Items	-	-	-	-	-	-
	Total Profit/ (Loss) before Tax and share in Profit / (Loss) of Associate	28	11	3	39	134	152
	Total Profit/ (Loss) before Tax from Discontinued Operations	(130)	(2,832)	(921)	(4,601)	(1,232)	(2,542)
3	Segment Assets						
	(a) India Operation	86,136	80,976	85,123	86,136	85,123	83,947
	(b) Global Operation	11,759	11,811	13,608	11,759	13,608	12,139
	(c) Others/ Unallocable (net of Eliminations)	2,935	3,322	3,696	2,935	3,696	3,645
	(d) Total [(a) to (c)]	100,830	96,109	102,427	100,830	102,427	99,731
4	Segment Liabilities						
	a) India Operation	20,025	16,470	21,364	20,025	21,364	16,017
	b) Global Operation	6,240	6,224	2,584	6,240	2,584	6,465
	c) Others/ Unallocable (net of Eliminations)	2,363	2,374	2,624	2,363	2,624	2,547
	(d) Total [(a) to (c)]	28,628	25,068	26,572	28,628	26,572	25,029

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, exchange 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 ₹ 51 crore and ₹ 401 crore during the quarter and nine months ended December 31, 2017 respectively, are withdrawable from General Reserve. These withdrawable items are not considered in the accounts for the quarter and nine months ended on December 31, 2017 and consequently, no withdrawal has been made. The necessary effects, if any, will be carried out at the year end. Also, the Company has, as permitted under the said Schemes, adjusted additional depreciation and amortisation of ₹ Nil and ₹ 280 crore, arising on fair value of the assets, for the quarter and nine months ended on December 31, 2017 respectively by withdrawing an equivalent amount from General Reserve. These matters have been referred to by the Auditors in their Limited Review Report.
3. Pursuant to the Scheme of Demerger ("the Scheme") sanctioned by the Hon'ble High Court of Judicature at Bombay and at Jaipur, the Company has acquired Wireless undertaking of Systema Shyam Teleservices Limited (SSTL) with effect from October 31, 2017. Upon merger of Wireless undertaking of SSTL, ₹ 1,413 crore being excess of assets over liabilities taken over has been credited to Capital Reserve. The Company has also allotted 27,65,53,305 nos of Equity Shares of ₹ 5 each, on October 31, 2017, to SSTL.
4. The listed Redeemable Non Convertible Debentures (NCDs) of the Company aggregating to ₹ 3,750 crore as on December 31, 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; Reliance Telecom Limited (RTL), Reliance Infratel Limited (RITL) and Reliance Communications Infrastructure Limited (RCIL). 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.
5. Pursuant to strategic transformation programme as a part of debt resolution plan of the Company considered by the Lenders, pending final determination of the terms of the resolution plan and considering the request of the Company and its subsidiaries; Reliance Telecom Limited (RTL) and Reliance Infratel Limited (RITL) for waiver of interest in the period of implementation of the resolution plan and prima facie views of Joint Lender's Forum (JLF) and discussions with Other Lenders including Bond Holders, the Company has neither provided interest during the quarter under review nor reversed interest provided during the earlier quarters. Consequent to the process of monetisation of the Company led by the Lenders, the Company has, during the quarter, entered into definitive binding agreements with Reliance Jio Infocomm Limited (RJio) for sale of Wireless Spectrum, Tower, Fiber and Media Convergence

Node (MCN) assets and announced exit from RBI's Strategic Debt Restructuring (SDR) Scheme. These transactions are expected to be closed in a phased manner, subject to due diligence by RJio and certain conditions precedent. Further, the Company has also entered into a definitive binding agreement with Pantel Technologies Private Limited and Veecon Media and Television Limited for sale of its subsidiary company having DTH Business. Consequently, the said assets along with liabilities, revenue and expenses related thereto have been classified as assets held for sale and disclosed separately as discontinued operations in line with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations". Pending the process of monetization and the resolution plan, accounts have been prepared on going concern basis. The Company, on determination of and effective implementation of the entire resolution plan, does not anticipate material effect. However, necessary effect with respect to the above transactions shall be considered in the next quarter on completion of currently ongoing resolution plan.

(₹ in Crore)

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-17	30-Sept-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
	Unaudited			Unaudited		Audited
Total Income	890	1,515	3,224	4,616	10,413	13,312
Profit/ (Loss) before tax	(130)	(2,832)	(921)	(4,601)	(1,232)	(2,542)
Profit/ (Loss) after tax	(140)	(2,730)	(504)	(4,092)	(573)	(1,528)

6. 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".
7. The Company has opted to publish consolidated financial results for the financial year 2017-18. Standalone financial results, for the quarter and nine months ended December 31, 2017 can be viewed on the website of the Company, National Stock Exchange of India Limited and BSE Limited at www.rcom.co.in, www.nseindia.com and www.bseindia.com respectively.
8. Provision for Income Tax for the quarter ended December 31, 2017 is based on the estimate for the full financial year.
9. Additional information on standalone basis is as follows:

(₹ in Crore)

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-17	30-Sept-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
	Unaudited			Unaudited		Audited
Total Income	497	573	933	1,824	2,685	3,537
Profit/ (Loss) before tax	49	42	30	89	121	131
Total Comprehensive Income	(144)	(1,878)	(280)	(2,984)	(1,703)	(1,797)

10. After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on January 29, 2018 and the financial results for the Quarter and nine months ended December 31, 2017 have been subjected to limited review by the Statutory Auditors of the Company.

For Reliance Communications Limited

Place: Mumbai

Date : January 29, 2018

Punit Garg
Executive Director