

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 (Standalone) 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
<b>1</b>	<b>Income</b>						
	(a) Revenue from Operations	497	573	933	1,824	2,685	3,537
	(b) Other Income	-	-	-	-	-	-
	<b>(c) Total Income [ (a) + (b) ]</b>	<b>497</b>	<b>573</b>	<b>933</b>	<b>1,824</b>	<b>2,685</b>	<b>3,537</b>
<b>2</b>	<b>Expenses</b>						
	(a) Access Charges, Licence Fees and Network Expenses	319	401	782	1,353	2,169	2,906
	(b) Employee Benefits Expenses	7	6	9	20	28	37
	(c) Finance Costs	-	-	-	-	-	-
	(d) Depreciation, Amortisation and Provision for Impairment	46	48	55	149	161	216
	(e) Sales and General Administration Expenses	76	76	57	213	206	247
	<b>(f) Total Expenses [ (a) to (e) ]</b>	<b>448</b>	<b>531</b>	<b>903</b>	<b>1,735</b>	<b>2,564</b>	<b>3,406</b>
<b>3</b>	<b>Profit/ (Loss) before Exceptional Items and Tax [1 (c) - 2 (f)]</b>	<b>49</b>	<b>42</b>	<b>30</b>	<b>89</b>	<b>121</b>	<b>131</b>
4	Exceptional Items	-	-	-	-	-	-
<b>5</b>	<b>Profit / (Loss) before Tax [ 3 - 4 ]</b>	<b>49</b>	<b>42</b>	<b>30</b>	<b>89</b>	<b>121</b>	<b>131</b>
<b>6</b>	<b>Tax Expenses</b>						
	(a) Current Tax	-	-	-	-	-	-
	(b) Short/(Excess) provision of earlier years	1			1		
	(c) Deferred Tax Charge/ (Credit)	-	-	(24)	(30)	(71)	(94)
<b>7</b>	<b>Profit/ (Loss) after Tax [ 5 - 6 ]</b>	<b>48</b>	<b>42</b>	<b>54</b>	<b>118</b>	<b>192</b>	<b>225</b>
8	Profit/ (Loss) before Tax from Discontinued Operations	(192)	(1,919)	(1,217)	(3,682)	(3,044)	(3,986)
9	Tax Expenses of Discontinued Operations	-	-	(884)	(580)	(1,150)	(1,965)
<b>10</b>	<b>Profit/ (Loss) after Tax from Discontinued Operations [8-9]</b>	<b>(192)</b>	<b>(1,919)</b>	<b>(333)</b>	<b>(3,102)</b>	<b>(1,894)</b>	<b>(2,021)</b>
11	Other Comprehensive Income/ (Expense) for the period	-	(1)	(1)	-	(1)	(1)
<b>12</b>	<b>Total Comprehensive Income / (loss) for the period [ 7+ 10 + 11 ]</b>	<b>(144)</b>	<b>(1,878)</b>	<b>(280)</b>	<b>(2,984)</b>	<b>(1,703)</b>	<b>(1,797)</b>
<b>13</b>	<b>Earnings per Share (EPS) (before and after exceptional items) Basic and Diluted (Rs.)</b>						
	(a) Continuing Operations	0.18	0.17	0.22	0.47	0.78	0.91
	(b) Discontinued Operations	(0.73)	(7.78)	(1.35)	(12.26)	(7.68)	(8.19)
14	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	1,383	1,244	1,244	1,383	1,244	1,244
15	Other Equity (Excluding Revaluation Reserve)						22,840

## 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 ₹ 57 crore and ₹ 387 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 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 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. 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	237	826	1,325	2,016	4,451	5,617
Profit/ (Loss) before tax	(192)	(1,919)	(1,217)	(3,682)	(3,044)	(3,986)
Profit/ (Loss) after tax	(192)	(1,919)	(333)	(3,102)	(1,894)	(2,021)

6. Disclosure as per Ind AS 108 “Operating Segments” is reported in Consolidated Financial Results of the Company. Therefore, the same has not been separately disclosed in line with the provision of Ind AS.
7. Provision for Income Tax for the quarter ended December 31, 2017 is based on the estimate for the full financial year.
8. 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**