

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, 2018**

(₹ in Crore)					
Sr. No.	Particulars	Quarter ended			Year ended
		30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
		Unaudited	Audited	Unaudited	Audited
<b>1</b>	<b>Income</b>				
	(a) Revenue from Operations	1,006	949	1,367	4,593
	(b) Other Income	2	27	13	91
	<b>(c) Total Income [ (a) + (b) ]</b>	<b>1,008</b>	<b>976</b>	<b>1,380</b>	<b>4,684</b>
<b>2</b>	<b>Expenses</b>				
	(a) Access Charges, Licence Fees and Network Expenses	598	565	927	2,822
	(b) Employee Benefits Expenses	110	108	108	427
	(c) Finance Costs	50	32	51	186
	(d) Depreciation, Amortisation and Provision for Impairment	198	174	199	721
	(e) Sales and General Administration Expenses	164	144	95	536
	<b>(f) Total Expenses [ (a) to (e) ]</b>	<b>1,120</b>	<b>1,023</b>	<b>1,380</b>	<b>4,692</b>
<b>3</b>	<b>Profit/ (Loss) before Share of Profit/ (Loss) of Associates, Exceptional Items and Tax [ 1 (c) - 2 (f) ]</b>	<b>(112)</b>	<b>(47)</b>	<b>-</b>	<b>(8)</b>
4	Share of Profit / (Loss) of Associates	1	1	-	5
<b>5</b>	<b>Profit/ (Loss) before Exceptional Items and Tax [ 3 + 4 ]</b>	<b>(111)</b>	<b>(46)</b>	<b>-</b>	<b>(3)</b>
6	Exceptional Items	-	-	-	-
<b>7</b>	<b>Profit/ (Loss) before Tax [ 5 - 6 ]</b>	<b>(111)</b>	<b>(46)</b>	<b>-</b>	<b>(3)</b>
<b>8</b>	<b>Tax Expenses</b>				
	(a) Current Tax	-	3	1	4
	(b) Deferred Tax Charge/ (Credit) (net) (including MAT Credit)	(1)	30	(13)	12
	<b>(c) Tax Expenses (net) [ (a) + (b) ]</b>	<b>(1)</b>	<b>33</b>	<b>(12)</b>	<b>16</b>
<b>9</b>	<b>Profit/ (Loss) after Tax [ 7 - 8 ]</b>	<b>(110)</b>	<b>(79)</b>	<b>12</b>	<b>(19)</b>
10	Profit/ (Loss) before Tax and Exceptional Items from Discontinued Operations	(232)	45	(1,639)	(4,556)
11	Exceptional Items				
	Provision for Impairment of Assets	-	(21,255)	-	(21,255)
<b>12</b>	<b>Profit/ (Loss) before Tax from Discontinued Operations [10-11]</b>	<b>(232)</b>	<b>(21,210)</b>	<b>(1,639)</b>	<b>(25,811)</b>
13	Tax Expenses of Discontinued Operations	1	(1,414)	(417)	(1,923)
<b>14</b>	<b>Profit/ (Loss) after Tax from Discontinued Operations [12-13]</b>	<b>(233)</b>	<b>(19,796)</b>	<b>(1,222)</b>	<b>(23,888)</b>
15	Other Comprehensive Income for the period	145	48	(24)	(43)
<b>16</b>	<b>Total Comprehensive Income for the period [ 9 + 14 + 15 ]</b>	<b>(198)</b>	<b>(19,827)</b>	<b>(1,234)</b>	<b>(23,950)</b>
<b>17</b>	<b>Profit/ (Loss) for the period attributable to</b>				
	(a) Equity holders of the company	(342)	(19,776)	(1,221)	(23,839)
	(b) Non Controlling Interest	(1)	(99)	11	(68)
<b>18</b>	<b>Total Comprehensive Income/ (Loss) attributable to</b>				
	(a) Equity holders of the company	(197)	(19,728)	(1,245)	(23,882)
	(b) Non Controlling Interest	(1)	(99)	11	(68)
<b>19</b>	<b>Earnings per Share (EPS) (after exceptional items) (Basic and Diluted) (Rs.)</b>				
	(a) Continuing Operations	(0.40)	(0.29)	0.05	(0.07)
	(b) Discontinued Operations	(0.85)	(71.22)	(5.00)	(92.22)
	(c) Continuing and Discontinued Operations	(1.25)	(71.51)	(4.95)	(92.29)
20	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	1,383	1,383	1,244	1,383
21	Other Equity (Excluding Revaluation Reserve)				1,400

Segment wise Revenue, Results, Segment Assets and Segment Liabilities					(₹ in Crore )
Sr. No.	Particulars	Quarter ended			Year ended
		30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
		Unaudited	Audited	Unaudited	Audited
<b>1</b>	<b>Segment Revenue</b>				
	(a) India Operation	482	456	837	2,534
	(b) Global Operation	630	703	840	2,933
	<b>(c) Total [ (a) + (b) ]</b>	<b>1,112</b>	<b>1,159</b>	<b>1,677</b>	<b>5,467</b>
	(d) Less: Inter segment revenue	(104)	(183)	(297)	(783)
	<b>(e) Income from Operations [ (c) - (d) ]</b>	<b>1,008</b>	<b>976</b>	<b>1,380</b>	<b>4,684</b>
<b>2</b>	<b>Segment Results</b>				
	Profit / (Loss) before Tax and Finance Cost from each segment				
	(a) India Operation	(37)	(22)	117	220
	(b) Global Operation	(25)	7	(66)	(42)
	<b>(c) Total [ (a) + (b) ]</b>	<b>(62)</b>	<b>(15)</b>	<b>51</b>	<b>178</b>
	(d) Less : Finance Costs (net)	50	32	51	186
	(e) Less : Exceptional Items	-	-	-	-
	<b>Total Profit before Tax and share in Profit / (Loss) of Associate</b>	<b>(112)</b>	<b>(47)</b>	<b>-</b>	<b>(8)</b>
	<b>Total Profit/ (Loss) before Tax from Discontinued Operations</b>	<b>(232)</b>	<b>(21,210)</b>	<b>(1,639)</b>	<b>(25,811)</b>
<b>3</b>	<b>Segment Assets</b>				
	(a) India Operation	62,174	60,827	82,253	60,827
	(b) Global Operation	12,027	11,645	11,938	11,645
	(c) Others/ Unallocable (net of Eliminations)	2,059	2,106	3,465	2,106
	<b>(d) Total [ (a) to (c) ]</b>	<b>76,260</b>	<b>74,578</b>	<b>97,656</b>	<b>74,578</b>
<b>4</b>	<b>Segment Liabilities</b>				
	a) India Operation	18,494	17,734	15,328	17,734
	b) Global Operation	6,410	6,291	6,411	6,291
	c) Others/ Unallocable (net of Eliminations)	37	203	2,455	203
	<b>(d) Total [ (a) to (c) ]</b>	<b>24,941</b>	<b>24,228</b>	<b>24,194</b>	<b>24,228</b>

## Notes

1. Figures of the previous period have been regrouped and reclassified, wherever required.
2. The listed Redeemable Non Convertible Debentures (NCDs) of the Company aggregating to ₹ 3,750 crore as on June 30, 2018 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 Licenses, 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.
3. Pursuant to strategic transformation programme, as a part of Monetization and Resolution Plan of the Company under consideration, inter alia of the Lenders, the Company and its subsidiary companies; Reliance Telecom Limited (RTL) and Reliance Infratel Limited (RITL), with the permission of and on the basis of suggestions of the Lenders, had for monetization of some specified Assets, entered into definitive binding agreements with Reliance Jio Infocomm Limited (RJio) on December 28, 2017 for sale of Wireless Spectrum, Towers, Fiber and Media Convergence Nodes (MCNs). 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. The Company and its said subsidiaries expect to close these transactions in a phased manner. In the meanwhile, Hon'ble National Company Law Tribunal (NCLT), Mumbai had, overruling the objections of the Company as also its lenders represented by State Bank of India, the lead member, vide its order dated May 15, 2018 admitted applications filed by an operational creditor for its claims against the Company and its subsidiaries; RTL and RITL and thereby admitted the companies to debt resolution process under the Insolvency and Bankruptcy Code, 2016 (IBC). As a consequence, Interim Resolution Professionals (IRPs) were appointed vide NCLT orders dated May 18, 2018. The Company along with the support of the lenders filed an appeal with Hon'ble National Company Law Appellate Tribunal (NCLAT) challenging the said order of the NCLT and the Hon'ble NCLAT, vide its order dated May 30, 2018, has stayed the order passed by NCLT. Consequently, the Board of Directors of the respective companies stood reinstated. Further, the petition filed by the minority shareholders holding 4.26% stake in RITL, before the NCLT under Section 230 of the Companies Act, 2013 (Section 397-398 of the Companies Act, 1956), stood dismissed as withdrawn vide NCLT order dated July 3, 2018. Consequently, the interim stay granted by NCLT on the implementation of the resolution approving the sale of the assets of RITL no more survives. The Company is confident that a suitable debt resolution plan would be formulated along with its lenders as per the strategic transformation programme. Considering these developments, the financial results continue to be prepared on going concern basis. This matter has been referred to by the Auditors in their Limited Review Report.

4. The assets pertaining to discontinued operations referred to in Note 3 above, along with liabilities 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”. Assets held for sale are recorded at lower of carrying amount and fair value less cost to sell as per Ind AS 105.

The financial result of discontinued operations is as under:

(₹ in crore)

Particulars	Quarter ended			Year ended
	30-Jun-2018	31-Mar-2018	30-Jun-2017	31-Mar-2018
	Unaudited	Audited	Unaudited	Audited
Total Income	520	183	2,211	4,799
Profit/ (Loss) before tax	(232)	(21,210)	(1,639)	(25,811)
Profit/ (Loss) after tax	(233)	(19,796)	(1,222)	(23,888)

5. Considering all factors including admitting the companies to debt resolution process and request of the Company for waiver of interest and for determining the foreign currency loans at the exchange rate prevailing on the date of entering into binding agreements for the sale of assets, the Company and its subsidiary companies, with a view to reflecting fairly the position for the purpose of presentation in respect of the Company’s obligation for interest and the principal rupee amount in respect of foreign currency denominated loans without implying in any way that the terms of lending by the banks and other lenders are altered, has not provided interest of ₹ 1,039 crore and foreign exchange losses including amortization of Foreign Currency Monetary Items Translation Difference Account aggregating to ₹ 747 crore during the quarter under review. Had the Company provided Interest and foreign exchange losses, the Loss would have been higher by ₹ 1,786 crore for the quarter ended June 30, 2018. The Auditors had drawn qualification in their audit report for the financial year ended March 31, 2018 for non provision of interest. Further, the auditors have drawn qualification for non provision of interest and foreign exchange variations in their Limited Review Report for the quarter ended June 30, 2018. However, impact is likely to be nil if requests of the Company are accepted by the lenders.
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 year 2018 - 19. Standalone financial results, for the quarter ended June 30, 2018 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. Additional information on standalone basis is as follows:

(₹ in crore)

Particulars	Quarter ended			Year ended
	30-Jun-2018	31-Mar-2018	30-Jun-2017	31-Mar-2018
	Unaudited	Audited	Unaudited	Audited
Total Income	404	407	754	2,231
Profit /(Loss) before tax	(41)	(25)	(2)	64
Total Comprehensive Income	(142)	(6,883)	(962)	(9,867)

9. Provision for Income Tax for the quarter ended June 30, 2018 is based on the estimate for the full financial year.

10. After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on July 18, 2018 and the financial results for the quarter ended June 30, 2018 is subjected to limited review by the Statutory Auditors of the Company.

For **Reliance Communications Limited**

**Punit Garg**  
Executive Director

Place: Mumbai  
Date : July 18, 2018