



Reliance Communications Limited  
Dhirubhai Ambani Knowledge City  
Navi Mumbai - 400 710, India

Tel : +91 022 3038 6286  
Fax: +91 022 3037 6622  
www.rcom.co.in

May 27, 2019

**The General Manager**  
**Corporate Relationship Department**  
**BSE Limited**  
Phiroze Jeejeeboy Towers  
Dalal Street,  
Mumbai- 400 001  
**BSE Scrip Code: 532712**

**The Manager**  
**National Stock Exchange of India Limited**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G Block  
Bandra Kurla Complex, Bandra (E)  
Mumbai - 400 051  
**NSE Symbol: RCOM**

Dear Sirs,

**Sub: Statement of Audited Financial Results for the quarter and financial year ended March 31, 2019**

Further to our letter dated May 21, 2019, we hereby inform you that the Interim Resolution Professional today i.e. May 27, 2019 has, *inter alia*, considered and approved the Audited Financial Results (Standalone and Consolidated) for the quarter and financial year ended March 31, 2019.

In terms of Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations), we enclose the following:

- Audited Financial Results (Standalone and Consolidated) for the quarter and year ended March 31, 2019.
- Auditors' Report on the Audited Standalone & Consolidated Financial Results.
- Statement showing impact of audit qualifications in specified format.

Such process of consideration and approval of results started at 5.30 pm and concluded at 9.00 pm.

We request you to inform your members accordingly.

Yours faithfully,

For **Reliance Communications Limited**

  
**Pardeep Kumar Sethi**  
**Interim Resolution Professional**  
**Reg. No. IBBI/PA-001/IP-P00711/2017-2018/11265**  
21-23 TV Industrial Estate 248-A,  
S K Ahire Marg, Worli Mumbai - 400030

Encl.: as above

*(Reliance Communications Limited is under Corporate Insolvency Resolution Process pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016. Its affairs, business and assets are being managed by the Interim Resolution Professional, Mr. Pardeep Kumar Sethi, appointed by Hon'ble National Company Law Tribunal, Mumbai Bench, Mumbai, vide order dated 18<sup>th</sup> May, 2018)*

**Registered Office:**

Reliance Communications Limited, H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400 710  
CIN No. I45309MH2004PLC147531

To

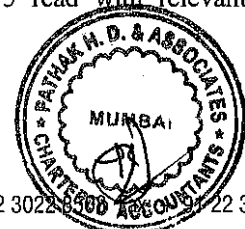
**The Interim Resolution Professional (IRP)  
Reliance Communications Limited**

**Independent Auditor's Report on the Standalone Financial Results**

1. The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an Insolvency and bankruptcy petition filed by an operational creditor against Reliance Communications Limited ("the Company") vide its order dated May 15, 2018 and appointed Mr. Pardeep Kumar Sethi to act as Interim Resolution Professional (IRP) with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 ("the Code") and other related rules. However, The National Company Law Appellate Tribunal ("NCLAT") by an order dated May 30, 2018 stayed the order passed by NCLT. Subsequently, by order dated April 30, 2019, the NCLAT allowed stay on Corporate Insolvency Resolution (CIR) process to be vacated and directed the NCLT to pass necessary orders on May 7, 2019. On the basis of the orders of the NCLAT Mr. Pardeep Kumar Sethi in his capacity as IRP has taken control and custody of the management and operations of the Company from May 02, 2019.
2. As per Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the standalone financial results of the Company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the standalone financial results, In view of the ongoing Corporate Insolvency Resolution Process (CIRP), the power of the board is vested with IRP, the standalone financial results has been signed by Mr. Pardeep Kumar Sethi in his capacity as the IRP of the Company w.e.f. May 02, 2019 as per the provisions of the Code.
3. We have audited the standalone financial results of Reliance Communications Limited ('the Company') for the quarter and year ended March 31, 2019 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by the SEBI. Attention is drawn to the fact that the figures for quarter ended March 31, 2019 and corresponding quarter ended in previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and published year- to- date figures up to the end of the third quarter of the current and previous financial year respectively. Also the figures up to the end of the third quarter for the current and previous financial year had only been reviewed and not subjected to audit.

**Management's Responsibility for the Standalone Financial Statements**

4. The Statement has been prepared on the basis of the annual standalone Ind AS Financial Statements which is the responsibility of Company's management and has been approved by the IRP in their meeting held on May 27, 2019. The Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India and other recognized accounting practices and policies and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI.



**Independent Auditor's Report on the Standalone Financial results  
(Continued)**

**Auditor's Responsibility**

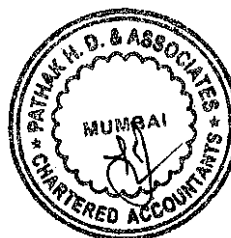
5. Our responsibility is to express an opinion on the Statement based on our audit of the annual Standalone Ind AS Financial Statements. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides reasonable basis for our opinion.

**Basis for Qualified Opinion**

6. (a) We draw attention to Note 2 & 10 of the Statement regarding, "Assets Held for Sale (AHS)" including Spectrum acquired on Deferred Payment Basis, being carried at the value determined in Financial Year 2017-18, pursuant to the Definitive Binding Agreement (DBA) dated December 28, 2017 & August 11, 2018 for monetization of assets of the Company and two of its subsidiaries namely Reliance Infratel Ltd (RITL) & Reliance Telecom Ltd. (RTL) with Reliance Jio Infocomm Ltd. As the said agreement has been terminated on mutual consent on March 18, 2019 fair value of AHS at the reporting date hasn't been ascertained. Further, the Company has defaulted in payment of spectrum installments due to Department of Telecom (DOT), the ultimate realisability of AHS is presently not ascertainable. Non determination of fair value on the reporting date is not in compliance with Ind AS 105 "Non-Current Assets Held for Sale and Discontinued Operations". Accordingly, we are unable to comment on the consequential impact, if any, on the Statement.

(b) We draw attention to Note 3 of the Statement regarding commencement of CIRP and various claims submitted by the Operational/financial/ other creditors and employees and pending reconciliation and determination of final obligation during CIR Process, the Company has not provided interest on borrowings amounting to Rs. 1,063 Crore & Rs. 3,907 Crore respectively for the quarter and year ended March 31, 2019 and Rs. 3,055 Crore for the previous year as per the terms of the borrowings. Also the Company has not credited/ provided foreign exchange variance (gain)/ loss amounting to Rs. (275) Crore and Rs.803 Crore respectively for the quarter and year ended March 31, 2019. Had such interest and foreign exchange variation (gain)/ loss as mentioned above been provided, the reported (loss) / profit for the quarter and year ended March 31, 2019 would have been Rs.(4,370) Crore & Rs.(1,863) Crore respectively and total Equity of the Company would have been Rs. 4,621 Crore . Non provision of Bank interest is not in compliance with Ind AS 23 "Borrowing Costs" and non-recognition of foreign exchange variation (gain)/ loss is not in compliance with Ind AS 21 "The Effects of Changes in Foreign Exchange Rates".

(c) We draw attention to Note 2 & 10 of the Statement, regarding the pending impairment review by the Company of it's tangible & intangible assets, capital work in progress, investments, other financial and non-financial assets as at March 31, 2019, hence no provision in the books of account has been made by the Company. In the absence of assessment of impairment by the Company, we are unable to comment on the recoverable amount with regard to said items.



**Independent Auditor's Report on the Standalone Financial results  
(Continued)**

**Qualified Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in Basis for Qualified Opinion section in paragraph 6 of our report, the Statement-
- is presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI and
  - Gives a true and fair view in conformity with the aforesaid Ind AS and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information for the quarter and year ended March 31, 2019.

**Material Uncertainty Relating to Going Concern**

8. We draw attention to Note 2 of the Statement regarding termination of definitive binding agreement for monetization of assets of the Company and two of its subsidiaries namely RTL & RITL and NCLAT order dated April 30, 2019 vacating its order dated May 30, 2018 regarding staying NCLT order dated May 15, 2018 admitting the Company under IBC, 2016. The Company continues to incur losses and its current liabilities exceed current assets, its wireless operations have been suspended and there is considerable decline in the level of wire line operations. Further, the Company has defaulted in repayment of its borrowings, installments dues related to Spectrum and payment of statutory dues.

These events raise significant doubt on the ability of the Company to continue as a "Going Concern". These events or conditions, along with other matters indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of the above matter.

For Pathak H.D. & Associates  
Chartered Accountants  
Firm's Registration No: 107783W

*Parimal Kumar Jha*

Parimal Kumar Jha  
Partner  
Membership No: 124262



Place: Mumbai  
Date: May 27, 2019

Reliance Communications Limited

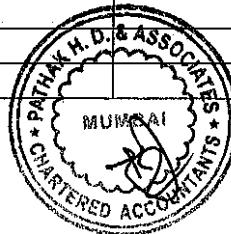
website: www.rcom.co.in

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

CIN - L45309MH2004 PLC147531

Audited Financial Results (Standalone) for the quarter and year ended March 31, 2019

Sr. No.	Particulars	(₹ In Crore)				
		Quarter ended			Year ended	
		31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
		Audited	Unaudited	Audited	Audited	Audited
1	<b>Income</b>					
	(a) Revenue from Operations	300	341	407	1,379	2,231
	(b) Other Income	61	-	-	86	-
	<b>(c) Total Income [ (a) + (b) ]</b>	<b>361</b>	<b>341</b>	<b>407</b>	<b>1,465</b>	<b>2,231</b>
2	<b>Expenses</b>					
	(a) Access Charges, Licence Fees and Network Expenses	78	241	278	901	1,631
	(b) Employee Benefits Expenses	64	24	8	105	28
	(c) Finance Costs	-	-	-	-	-
	(d) Depreciation, Amortisation and Provision for Impairment	111	55	51	277	200
	(e) Sales and General Administration Expenses	218	99	95	489	308
	<b>(f) Total Expenses [ (a) to (e) ]</b>	<b>471</b>	<b>419</b>	<b>432</b>	<b>1,772</b>	<b>2,167</b>
3	<b>Profit/ (Loss) before Exceptional Items and Tax [1 (c) - 2 (f)]</b>	<b>(110)</b>	<b>(78)</b>	<b>(25)</b>	<b>(307)</b>	<b>64</b>
4	Exceptional Items (Refer Note 9)	-	-	-	8,964	-
5	<b>Profit / (Loss) before Tax [ 3 + 4 ]</b>	<b>(110)</b>	<b>(78)</b>	<b>(25)</b>	<b>8,657</b>	<b>64</b>
6	<b>Tax Expenses</b>					
	(a) Current Tax	-	-	-	-	-
	(b) Short/(Excess) provision of earlier years	-	-	-	-	1
	(c) Deferred Tax Charge/ (Credit)	1,470	-	30	3,558	-
	<b>(d) Tax Expenses (net) [ (a) to (c) ]</b>	<b>1,470</b>	<b>-</b>	<b>30</b>	<b>3,558</b>	<b>1</b>
7	<b>Profit/ (Loss) after Tax [ 5 - 6 (d) ]</b>	<b>(1,580)</b>	<b>(78)</b>	<b>(55)</b>	<b>5,099</b>	<b>63</b>
8	Profit/ (Loss) before Tax and Exceptional Item from Discontinued Operations	(235)	(58)	704	(485)	(2,978)
9	Exceptional Items from Discontinued Operations (Refer Note 10)					
	Provision for Impairment of Assets / Diminution in the value of Investments	1,767	-	6,955	1,767	6,955
10	<b>Profit/ (Loss) before Tax from Discontinued Operations [ 8-9 ]</b>	<b>(2,002)</b>	<b>(58)</b>	<b>(6,251)</b>	<b>(2,252)</b>	<b>(9,933)</b>
11	Tax Expenses of Discontinued Operations	-	-	580	-	-
12	<b>Profit/ (Loss) after Tax from Discontinued Operations [10-11]</b>	<b>(2,002)</b>	<b>(58)</b>	<b>(6,831)</b>	<b>(2,252)</b>	<b>(9,933)</b>
13	Other Comprehensive Income/ (Expense) for the period	-	-	3	-	3
14	<b>Total Comprehensive Income / (loss) for the period [ 7+ 12 + 13 ]</b>	<b>(3,582)</b>	<b>(136)</b>	<b>(6,883)</b>	<b>2,847</b>	<b>(9,867)</b>
15	<b>Earnings per Share (EPS) Basic and Diluted (Rs.)</b>					
	<b>(before exceptional items)</b>					
	(a) Continuing Operations	(5.76)	(0.28)	(0.20)	(6.48)	0.24
	(b) Discontinued Operations	(0.86)	(0.21)	0.45	(1.77)	(11.53)
	(c) Continuing Operations and Discontinued Operations	(6.62)	(0.49)	0.26	(8.25)	(11.29)
	<b>(after exceptional items)</b>					
	(a) Continuing Operations	(5.76)	(0.28)	(0.20)	18.58	0.24
	(b) Discontinued Operations	(7.30)	(0.21)	(24.89)	(8.21)	(38.46)
	(c) Continuing Operations and Discontinued Operations	(13.06)	(0.49)	(25.09)	10.37	(38.22)
16	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	1,383	1,383	1,383	1,383	1,383
17	Debt Equity Ratio (Refer Note 14)				3.25	3.85
18	Debt Service Coverage Ratio (DSCR) (Refer Note 14)				-	-
19	Interest Service Coverage Ratio (ISCR) (Refer Note 14)				-	-



Standalone Statement of Assets and Liabilities		(₹ in Crore)	
	Particulars	As at	As at
		31-Mar-19	31-Mar-18
		Audited	Audited
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-Current Assets</b>		
	(a) Property, Plant and Equipment	1,645	2,126
	(b) Capital Work in Progress	98	160
	(c) Intangible Assets	24	104
	(d) Investment in Subsidiaries and Associates	22,524	13,559
	(e) Financial Assets		
	(i) Other Financial Assets	2	11
	(f) Income Tax Asset (net)	181	197
	(g) Deferred Tax Asset (net)	-	3,558
	(h) Other Non Current Assets	932	956
	<b>Sub-total Non-Current Assets</b>	<b>25,406</b>	<b>20,671</b>
<b>2</b>	<b>Current Assets</b>		
	(a) Inventories	61	64
	(b) Financial Assets		
	(i) Investments	4,218	4,225
	(ii) Trade Receivables	1,527	1,672
	(iii) Cash and Cash Equivalents	185	147
	(iv) Bank Balances other than (iii) above	40	54
	(v) Loans	6,528	3,640
	(vi) Other Financial Assets	311	126
	(c) Other Current Assets	4,075	4,162
	(d) Assets Held for Sale	19,731	21,188
	<b>Sub-total - Current Assets</b>	<b>36,676</b>	<b>35,278</b>
	<b>Total Assets</b>	<b>62,082</b>	<b>55,949</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
	(a) Equity Share Capital	1,383	1,383
	(b) Other Equity	11,003	7,933
	<b>Total Equity</b>	<b>12,386</b>	<b>9,316</b>
	<b>LIABILITIES</b>		
<b>2</b>	<b>Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	-	9,359
	(b) Other Non-Current Liabilities	83	83
	(c) Provisions	22	18
	<b>Sub-total Non-Current Liabilities</b>	<b>105</b>	<b>9,460</b>
<b>3</b>	<b>Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	28,335	18,595
	(ii) Trade Payables		
	Due to Micro Enterprises & Small Enterprises	30	32
	Due to Others	2,700	3,078
	(iii) Other Financial Liabilities	12,830	9,257
	(b) Other Current Liabilities	446	850
	(c) Provisions	1,217	1,219
	(d) Liabilities directly related to Assets held for Sale	4,033	4,142
	<b>Sub-total - Current Liabilities</b>	<b>49,591</b>	<b>37,173</b>
	<b>Total Equity and Liabilities</b>	<b>62,082</b>	<b>55,949</b>



## Notes

1. Figures of the previous period have been regrouped and reclassified, wherever required.
2. During the quarter, the Board decided that the Company and its subsidiaries; Reliance Telecom Limited (RTL) and Reliance Infratel Limited (RITL) on account of non receipt of 100% approvals and consensus from lenders, (as mentioned by RBI's February 12, 2018 circular) on all important issues, and numerous legal issues at Hon'ble High Court, TDSAT and Hon'ble Supreme Court should seek resolution through the Hon'ble National Company Law Tribunal (NCLT), and accordingly, filed application before the Hon'ble National Company Law Appellate Tribunal (NCLAT) for reinstatement of debt resolution process. Subsequently Hon'ble NCLAT vide its order dated April 30, 2019 vacated the stay and directed the Hon'ble NCLT to pass necessary orders on May 7, 2019. The Hon'ble NCLT recommenced the resolution process under the Insolvency and Bankruptcy Code, 2016 (IBC). As a consequence Interim Resolution Professionals (IRPs), namely Mr. Pardeep Kumar Sethi, for the Company, Ms Mitali Shah for RTL and Mr. Manish Kaneria for RITL, appointed vide Hon'ble NCLT orders dated May 18, 2018, have from May 02, 2019 again taken control and custody of the management and operation of the Company and its said subsidiaries. During the quarter, in compliance of the judgment of the Hon'ble Supreme Court, payment of ₹ 550 crore and interest thereon to Ericsson India Private Limited has been completed. Further, The petition filed before the Hon'ble NCLT under the Companies Act, 2013 (Section 397-398 of the Companies Act, 1956) by the minority shareholders holding 4.26% stake in RITL, stood dismissed as withdrawn pursuant to settlement terms agreed. RITL Minority Shareholders have filed a contempt petition before the Hon'ble NCLAT in relation to non adherence of settlement terms within stipulated time and the matter is pending.

During the quarter, the agreements dated December 28, 2017 and August 11, 2018 entered into between the Company and its subsidiary companies; RTL and RITL with Reliance Jio Infocomm Limited have been terminated by mutual consent on account of various factors and developments since the execution of the said agreements including inter alia non receipt of consents from lenders and permission/ approvals from Department of Telecommunication.

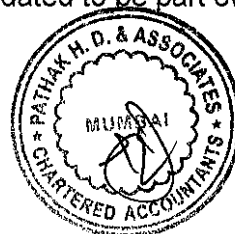
On finalisation and implementation of debt resolution process through Hon'ble NCLT, the Company will carry out a comprehensive impairment review of its tangible, intangible assets and Assets held for Sale, investments and other assets including credits relating to Goods and Service Tax and Tax Deducted at source, which the Company is in the process of reconciling. The Auditors have also drawn qualification for recoverability of assets in their Audit Report for the quarter and year ended March 31, 2019.

Considering these developments including, in particular, the IRP having taken over the management and control of the Company and its two subsidiaries inter alia with the objective of running them as going concerns, the financial results continue to be prepared on going concern basis. However, since the Company continues to incur ~~loss~~, current liabilities exceed current



assets and Company has defaulted in repayment of borrowings, payment of regulatory and statutory dues, these events indicate that material uncertainty exists that may cast significant doubt on Company's ability to continue as a going concern. This matter has been referred to by the Auditors in their Audit Report.

3. Considering various factors including admission of the Company to debt resolution process under the IBC with effect from May 15, 2018 and pursuant to the commencement of Corporate Insolvency Resolution (CIR) Process of the Company under Insolvency and Bankruptcy Code, 2016 (IBC), there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors. The Overall obligations and liabilities including obligation for interest on loans and the principal rupee amount in respect of loans including foreign currency denominated loans shall be determined during the CIR Process. Further, prior to May 15, 2018, the Company was under Strategic Debt Restructuring (SDR) and asset monetization and debt resolution plan was being worked out. The Company has not provided Interest of ₹1,063 crore and ₹3,907 crore for the quarter and year ended March 31, 2019 respectively and foreign exchange variance aggregating to ₹275 crore gain and ₹803 crore loss for the quarter and year ended March 31, 2019 respectively. Had the Company provided Interest and foreign exchange variance, the Loss would have been higher by ₹788 crore and ₹4,710 crore for the quarter and year ended March 31, 2019 respectively. The Auditors have drawn qualification for non provision of interest and foreign exchange variations in their Audit Report for the quarter and year ended March 31, 2019. During the previous year, Interest of ₹ 3,055 crore was not provided and the Auditors had drawn qualification in their audit report for the financial year ended March 31, 2018.
4. The listed Redeemable Non Convertible Debentures (NCDs) of the Company aggregating to ₹ 3,750 crore as on March 31, 2019 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 Agreement with Department of Telecommunications (DoT). The asset cover in case of these NCDs exceeds 100% of the principal amount of the said NCDs.
5. Figures for the quarter ended March 31, 2019 and March 31, 2018 are balancing figures between the audited figures in respect of the full financial year and published year to date figures upto the third quarter of the relevant financial years.
6. Net Worth: ₹ 10,989 crore, as on March 31, 2019.  
Includes ₹ 5,538 crore created pursuant to the Scheme of Amalgamation approved by Hon'ble High Courts which shall for all regulatory purposes be consolidated to be part owned funds of the Company.

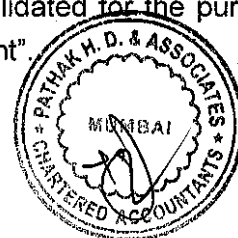




7. Additional details as required in relation to Non Convertible Debentures (NCDs):

Nature of Instruments	11.20% NCDs	11.25% NCDs
Amount outstanding (₹ in crore)	3,000	750
Previous due date for Principal Repayment and whether paid	Not Applicable	07.02.2018 unpaid
Previous due date for payment of Interest	02.03.2019	07.03.2019
Whether Interest was paid on the due date	No	No
Next due date for payment of interest	Not Applicable	Not Applicable
Credit Rating and change in credit rating, if any	ICRA D earlier ICRA BB	CARE D earlier CARE BB
Due Date for Principal Repayment	₹ 3,000 crore on 01.03.2019 (Unpaid)	₹ 375 crore each on 07.02.2018 and 07.02.2019 (Unpaid)
Interest Unpaid up to March 31, 2019 (₹ in crore)	671	167

8. Debenture Redemption Reserve (DRR) : ₹ 590 crore as on March 31, 2019.
9. During the quarter ended September 30, 2018, pursuant to amendment to the articles of association and consequently control of Reliance Realty Limited (RRL) being conferred on ADA Group, RRL has been deconsolidated and Investment by the Company in RRL has been accounted at fair value as per Ind AS 109 "Financial Instruments". Impact on profitability net of tax was ₹ 6,876 crore and has been represented as Exceptional Items. Hence the figures for the quarter and year ended March 31, 2019 are not comparable with the previous corresponding period.
10. The assets pertaining to Wireless Spectrum, Towers, Fiber and Media Convergence Nodes (MCNs) continued to be classified as assets held for sale at the value ascertained at the end of previous year, along with liabilities, for the reasons referred in para 2 above and disclosed separately as discontinued operations in line with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations". During the quarter, certain intangible assets of ₹ 1,767 crore have been impaired and represented as exceptional items as a part of Discontinued Operations.
11. The Company had entered into a definitive binding agreement with Pantel Technologies Private Limited and Veecon Media and Television Limited (the Purchaser) for sale of its subsidiary company, Independent TV Limited (ITVL) (Formerly Reliance Big TV Limited) having DTH Business. As per the agreement, all collections from Debtors and all liabilities of the ITVL will be to the account of, and borne by, the purchaser. In view of the above and upon transfer of the entire operations of ITVL, during the quarter, ITVL has been deconsolidated for the purpose of and as per requirement of Ind AS 110 "Consolidated Financial Statement".

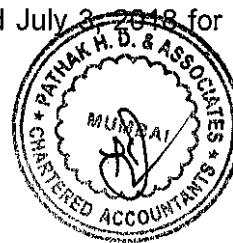


The financial result of discontinued operations is as under:

(₹ in Crore)


Particulars	Quarter ended			Year ended	
	31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
	Audited	Unaudited	Audited	Audited	
Total Income	537	30	29	635	2,045
Profit/ (Loss) before tax	(2,002)	(58)	(6,251)	(2,252)	(9,933)
Profit/ (Loss) after tax	(2,002)	(58)	(6,831)	(2, 252)	(9,933)

12. Provision for Income Tax (Normal Tax/ Minimum Alternative Tax) has been calculated as per Income tax Act 1961 after adjusting carried forward losses, write off of earlier years provisions.
13. Disclosure as per Ind AS "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.
14. Formula used for the computation of ratios:
  - i ) Debt Equity Ratio = Debt/ Equity;
  - ii ) Debt Service Coverage Ratio (DSCR) = Earnings before depreciation, interest and tax/ (Interest + Principal repayment);
  - iii ) Interest Service Coverage Ratio (ISCR) = Earnings before depreciation, interest and tax/ (Interest expense).
15. It is hereby declared that the Auditors have issued audit reports with qualification on the annual audited Standalone financial result for the year ended March 31, 2019. Impact of the qualification is given in Annexure 1.
16. NCDs along with 6.5% Senior Secured Notes, Foreign Currency Loans and Rupee Loans totaling to ₹ 28,999 crore and Rupee Loans of ₹ 3,464 crore have been secured by first pari passu charge and second pari passu charge respectively on certain assets of Borrower Group/ Obligor Group; comprising of the Company, and its subsidiaries namely Reliance Telecom Limited, Reliance Infratel Limited and Reliance Communications Infrastructure Limited. During the Quarter, Lenders have exercised their rights and raised demand on each of the obligor Group. Lenders have also invoked guarantees provided by Borrower Group for Outstanding Rupee Loan of ₹ 5,950 crore, ₹ 611 crore and ₹ 485 crore availed by the Company, Reliance Telecom Limited and Reliance Infratel Limited respectively.
17. During the quarter, Department of Telecommunications has issued show cause notice to the Company for revocation/ termination of spectrum due to nonpayment of 3rd installment due on March 03, 2019 for 0.6 MHz Spectrum acquired in 1800 MHz band in Mumbai, which has been stayed by Hon'ble NCLAT. Further, In the matter of One Time Spectrum Charges, TDSAT vide order dated February 4, 2019, confirmed its earlier order dated July 3, 2018 for return of Bank Guarantee of ₹ 2,000 crore.



17. During the quarter, based on the final confirmation, sale of certain Media Convergence Nodes (MCNs) have been recorded and net income thereof has been accounted as part of Discontinued Operations.
18. The Hon'ble NCLT admitted the application by pronouncing on May 15, 2018 which came to be delivered on May 17, 2018 and appointed Mr. Pardeep Kumar Sethi as the Interim Resolution Professional (IRP) of the Company on May 18, 2018. However, the Hon'ble NCLAT by an order dated May 30, 2018 stayed the order passed by the Hon'ble NCLT for initiating the Corporate Insolvency Resolution (CIR) process of the Company and allowed the management of the Company to function. In accordance with the order of the Hon'ble NCLAT, Mr. Pardeep Kumar Sethi handed over the control and management of the company back to the erstwhile management of the Company on May 30, 2018. Subsequently, by order dated April 30, 2019, the Hon'ble NCLAT allowed stay on CIR process to be vacated and directed the Hon'ble NCLT to pass necessary orders on May 07, 2019. On the basis of the orders of the Hon'ble NCLAT, Mr. Pardeep Kumar Sethi, wrote to the management of the Company on May 02, 2019 requesting the charge, operations and management of the Company to be handed over back to IRP. Therefore, Mr. Pardeep Kumar Sethi has in his capacity as IRP has taken control and custody of the management and operations of the Company from May 02, 2019. For the information set out in the financial statements for the year ended March 31, 2019, the IRP has relied upon the accuracy and veracity of any and all information and data provided by the officials of the Company and the records of the Company made available by such officials. For all such information and data, the IRP has assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial statements and that they give true and fair view of the position of the Company as of the dates and period indicated therein. Accordingly, the IRP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial statements.

**For Reliance Communications Limited**

  
Pardeep Kumar Sethi  
Interim Resolution Professional

  
Suresh Rangachar  
Director

  
Manikantan Iyer  
Chief Financial Officer



Place: Mumbai

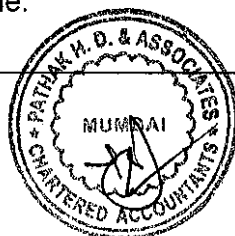
Date : May 27, 2019

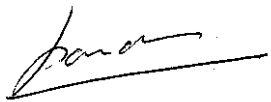

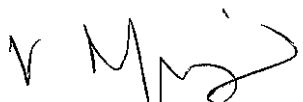
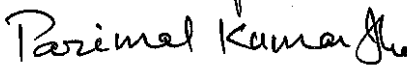
**ANNEXURE I**

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019  
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	1,465	1,465
	2	Total Expenditure	3,242	3,242
	3	Net Profit/(Loss) before Exceptional items	(1,777)	(1,777)
	4	Exceptional Item (Refer Note 9 above)	6,876	6,876
	5	Net Profit/(Loss) after Exceptional items	5,099	5,099
	6	Net Profit / (Loss) from Discontinued Operations	(2,252)	(6,962)
	7	Earnings Per Share (Rs.)	10.37	(6.79)
	8	Total Assets	62,082	62,082
	9	Total Liabilities	49,696	54,406
	10	Net worth	12,386	7,676
	11	Any other financial item(s) (as felt appropriate by the management)		
<b>II</b>	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification:	Non Provision of Interest and Foreign Exchange variation (Refer Note 3)	
	b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion	
	c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Second Time	
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Impact is not ascertainable as the Company is under IBC and CIR process initiated	
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	Impairment review of tangible and intangible assets, assets held for sale, investments and other assets and reconciliation of credits relating to GST and TDS (Refer Note 2)	
		(i) Management's estimation on the impact of audit qualification:		
		(ii) If management is unable to estimate the impact, reasons for the same:	Impact is not ascertainable as the Company is under IBC and CIR process initiated	



		(iii) Auditors' Comments on (i) or (ii) above:	
III	Signatories:		
	Interim Resolution Professional		
	Director		
	CFO		
	Statutory Auditor		 Parimal Kumar J.
	Place	Mumbai	
	Date	May 27, 2019	

