

**Reliance Communications Limited**  
 website: [www.rcom.co.in](http://www.rcom.co.in)  
 Regd. Office : H Block, 1st Floor , Dhirubhai Ambani Knowledge City, Navi Mumbai 400710  
 CIN-L45309MH2004PLC147531

**Unaudited Financial Results (Standalone) for the Quarter and Half year ended September 30, 2016**

(₹ in Crore)						
Sr. No.	Particulars	Quarter ended			Half year ended	
		30-Sep-16	30-Jun-16	30-Sep-15	30-Sep-16	30-Sep-15
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
<b>1</b>	<b>Income from operations</b>					
	a) Net Income from Operations	2,212	2,482	2,436	4,694	4,938
	b) Other Operating Income	-	-	-	-	-
	<b>Total Income from Operations (net)</b>	<b>2,212</b>	<b>2,482</b>	<b>2,436</b>	<b>4,694</b>	<b>4,938</b>
<b>2</b>	<b>Expenses</b>					
	a) Access Charges	791	804	686	1,595	1,384
	b) License Fee	148	168	164	316	360
	c) Employee Cost	51	50	52	101	94
	d) Depreciation and Amortisation	408	337	484	745	962
	e) Other Expenses	1,177	1,457	1,241	2,634	2,484
	<b>Total Expenses</b>	<b>2,575</b>	<b>2,816</b>	<b>2,627</b>	<b>5,391</b>	<b>5,284</b>
<b>3</b>	<b>Profit/ (Loss) from Operations before Other Income, Finance Costs, Exceptional Items and Tax (1 - 2)</b>	<b>(363)</b>	<b>(334)</b>	<b>(191)</b>	<b>(697)</b>	<b>(346)</b>
4	Other Income	74	110	71	184	154
<b>5</b>	<b>Profit/ (Loss) before Finance Costs and Exceptional Items and Tax (3 + 4)</b>	<b>(289)</b>	<b>(224)</b>	<b>(120)</b>	<b>(513)</b>	<b>(192)</b>
6	Finance Costs (net)	593	630	563	1,223	1,041
<b>7</b>	<b>Profit / (Loss) after Finance Costs but before Exceptional Items and Tax (5 - 6)</b>	<b>(882)</b>	<b>(854)</b>	<b>(683)</b>	<b>(1,736)</b>	<b>(1,233)</b>
8	Exceptional Items	-	-	-	-	-
<b>9</b>	<b>Profit / (Loss) from ordinary activities before Tax (7+8)</b>	<b>(882)</b>	<b>(854)</b>	<b>(683)</b>	<b>(1,736)</b>	<b>(1,233)</b>
10	Tax Expenses (net)	(18)	(295)	(322)	(313)	(641)
<b>11</b>	<b>Net Profit / (Loss) from Ordinary Activities after Tax (9 - 10)</b>	<b>(864)</b>	<b>(559)</b>	<b>(361)</b>	<b>(1,423)</b>	<b>(592)</b>
12	Other comprehensive income (net of tax)	-	-	-	-	-
<b>13</b>	<b>Total Comprehensive Income ( 11 + 12)</b>	<b>(864)</b>	<b>(559)</b>	<b>(361)</b>	<b>(1,423)</b>	<b>(592)</b>
14	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	1,244	1,244	1,244	1,244	1,244
<b>15</b>	<b>Earning per Share (EPS) (not annualised)</b>					
	- Basic (Rs.)	(3.47)	(2.25)	(1.45)	(5.72)	(2.38)
	- Diluted (Rs.)	(3.47)	(2.25)	(1.45)	(5.72)	(2.38)
16	Debt Equity Ratio (Refer Note 11)				1.39	1.21
17	Debt Service Coverage Ratio (Refer Note 11)				0.08	0.24
18	Interest Service Coverage Ratio (Refer Note 11)				0.21	0.83

<b>Standalone Statement of Assets and Liabilities</b>		(₹ in Crore)
	<b>Particulars</b>	<b>As at</b>
		<b>30-Sep-16</b>
		<b>Unaudited</b>
<b>A</b>	<b>ASSETS</b>	
<b>1</b>	<b>Non-Current Assets</b>	
	(a) Property, Plant and Equipment	14,669
	(b) Capital Work in Progress	1,075
	(c) Investment Property	3
	(d) Other Intangible Assets	15,241
	(e) Financial Assets	
	(i) Investments	17,090
	(ii) Loans	2,719
	(iii) Other Financial Assets	76
	(f) Income Tax Asset (net)	218
	(g) Deferred Tax Asset (net)	1,966
	(h) Other Non Current Assets	4,670
	<b>Sub-total Non-Current Assets</b>	<b>57,727</b>
<b>2</b>	<b>Current Assets</b>	
	(a) Inventories	63
	(b) Financial Assets	
	(i) Investments	4,712
	(ii) Trade Receivables	1,567
	(iii) Cash and Cash Equivalents	578
	(iv) Loans	4,294
	(v) Other Financial Assets	497
	(c) Other Current Assets	5,591
	<b>Sub-total - Current Assets</b>	<b>17,302</b>
	<b>Total Assets</b>	<b>75,029</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>	
<b>1</b>	<b>Equity</b>	
	(a) Equity Share Capital	1,244
	(b) Other Equity	24,351
	<b>Total Equity</b>	<b>25,595</b>
	<b>LIABILITIES</b>	
<b>2</b>	<b>Non-Current Liabilities</b>	
	(a) Financial Liabilities	
	(i) Borrowings	22,363
	(ii) Deferred Payment Liabilities	1,374
	(iii) Trade Payables	18
	(iv) Other Financial Liabilities	224
	(b) Provisions	29
	(c) Other Non-Current Liabilities	92
	<b>Sub-total Non-Current Liabilities</b>	<b>24,100</b>
<b>3</b>	<b>Current Liabilities</b>	
	(a) Financial Liabilities	
	(i) Borrowings	4,132
	(ii) Trade Payables	4,096
	(iii) Other Financial Liabilities	10,000
	(b) Other Current Liabilities	5,872
	(c) Provisions	1,234
	<b>Sub-total - Current Liabilities</b>	<b>25,334</b>
	<b>Total Equity and Liabilities</b>	<b>75,029</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, 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 ₹ 177 crore and ₹ 384 crore during the quarter and half year ended September 30, 2016 respectively, are withdrawable from General Reserve. These withdrawable items are not considered in the accounts for the quarter and half year ended on September 30, 2016 and consequently, no withdrawal has been made. The necessary effects, if any, will be carried out at the year end. This matter has been referred to by the Auditors in their Limited Review Report. Consequently, reported Other Equity, current liabilities, Property, Plant and Equipment and current assets would have been ₹ 24,109 crore, ₹ 25,343 crore, ₹ 14,432 crore and ₹ 17,306 crore respectively as at September 30, 2016. The Company has, as permitted under the said Schemes, adjusted additional depreciation and amortisation of ₹ 208 crore and ₹ 465 crore, arising on fair value of the assets, for the quarter and half year ended on September 30, 2016 respectively by withdrawing an equivalent amount from General Reserve.
3. The Scheme of Arrangement between the Company (the Transferee Company) and Sistema Shyam Teleservices Limited (the Transferor Company) for demerger of Telecom Business Undertaking into the Company has been approved by the Hon'ble High Courts of Rajasthan and Bombay on September 30, 2016 and October 7, 2016 respectively. Further, the Scheme of Arrangement between Reliance Telecom Limited, a wholly owned subsidiary (the Transferor Company) and the Company for demerger of Telecom Undertaking comprising of 5 License Service Areas into the Company has been approved by the Hon'ble High Court of Bombay on October 27, 2016. The effects shall be considered when the aforesaid Schemes become effective upon compliance of certain conditions precedent specified therein.
4. Pursuant to the provisions of Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, the Company has filed on October 17, 2016 with BSE Limited and National Stock Exchange of India Limited, the Scheme of Arrangement ("Scheme"), which provides inter alia for demerger of the Wireless Business Undertaking of the Company and Reliance Telecom Limited (RTL), a Subsidiary of the Company into Aircel Limited (AL) and its subsidiary, Dishnet Wireless Limited (DWL) on the basis that pursuant to the Scheme, the Company would hold 50% ownership interest in AL.

5. The Company has adopted Indian Accounting Standard (Ind AS) from April 1, 2016 with a transition date of April 1, 2015. The figures for the quarter and half year ended September 30, 2015 have also been converted as per Ind AS, which have not been subject to limited review or audit. However, the management has exercised necessary due diligence to ensure that the comparable financial results are correctly stated.

a. Reconciliation and explanatory notes for the effects of the transition on Statement of Profit and Loss for the quarter and half year ended September 30, 2015 as previously reported and as per Ind AS are as follows:

Sr.	Adjustments to Increase/ (Decrease) in Net Profit	Amount (₹ in crore)		Refer Note below
		Quarter ended September 30, 2015	Half year ended September 30, 2015	
1	Net profit as previously reported as per Indian GAAP	(705)	(1,256)	
2	Restatement of Revenue	3	10	b
3	Impact on Depreciation	7	10	c
4	Fair Valuation impact of Financial Instruments	3	(3)	d
5	Deferred Tax Credit	322	641	e
6	Others	9	6	
7	Net Profit before Other Comprehensive Income as per Ind AS	(361)	(592)	

b. Restatement of Revenue to be recognized over the period of underlying contract of services in line with applicable Ind AS has been reversed on transition date.

c. Depreciation impact consists of ₹ 10 crore on account of change in useful life and write off of certain assets.

d. Fair valuation impact of borrowings, deposits/ advances etc. has been accounted considering net present value on transition date and consequent impact on profitability.

e. Deferred tax is charged due to following the Balance Sheet approach; and impact arising on account of such changes on transition date.

6. The listed Redeemable Non Convertible Debentures (NCDs) of the Company aggregating to ₹ 4,625 crore as on September 30, 2016 are secured by way of first pari passu charge on the

movable plant and machinery, 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, NCDs of ₹ 1,625 crore have also been secured by way assignment of 20 Telecom Licenses by execution of Tripartite Agreements with Department of Telecommunications (DoT). Further, NCDs of ₹ 500 crore have been secured by pledge of equity shares of RCIL held by the Company and of RTL held by the Company and Reliance Infocomm Infrastructure Limited (RIIL) by execution of the Share Pledge Agreement. The asset cover in case of these NCDs exceeds 100% of the principal amount of the said NCDs.

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

Nature of Instruments	11.20% NCDs	11.60% NCDs	11.25% NCDs
Amount outstanding (₹ in crore)	3,000	500	1,125
Previous due date for payment of Interest	02.11.2016	07.02.2016	07.11.2016
Whether Interest was paid on the due date	Yes	Yes	Yes
Next due date for payment of interest	02.12.2016	07.02.2017	07.12.2016
Credit Rating	ICRA BBB+	CARE A –	CARE A –
Due Date for Principal Repayment	01.03.2019	07.02.2017	₹ 375 crore on each dates 07.02.2017 07.02.2018 and 07.02.2019

8. Debenture Redemption Reserve ( DRR) : ₹ 590 crore as on September 30, 2016.
9. Net Worth : ₹ 25,595 crore, as on September 30, 2016  
 - Includes ₹ 13,633 crore created pursuant to the Scheme of Amalgamation approved by High court which shall for all regulatory purposes be considered to be part of owned funds / Net worth of the Company.
10. The Company has identified geographic segment as primary segments. As a result, the Company has single geographical segment as “India Operations”. Hence, no separate disclosure of segment information in line with Ind AS 108 “Operating Segments” is required.
11. 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).

12. Provision for Income Tax for the quarter and half year ended September 30, 2016 is based on the estimate for the full financial year.
13. After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on November 14, 2016 and the financial results for the quarter and half year ended September 30, 2016 is subjected to limited review by the Statutory Auditors of the Company.

**For Reliance Communications Limited**

Place: Mumbai

Date : November 14, 2016

**Anil D. Ambani**

**Chairman**