

**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 - L45309MH2004 PLC147531

**Unaudited Financial Results (Consolidated) for the Quarter ended June 30, 2016**

(₹ in Crore)			
Sr. No.	Particulars	Quarter ended	
		30-Jun-16	30-Jun-15
		Unaudited	Unaudited
1	<b>Income from Operations</b>		
	(a) Net Income from Operations	5,247	5,457
	(b) Other Operating Income	12	64
	<b>Total Income from Operations</b>	<b>5,259</b>	<b>5,521</b>
2	<b>Expenses</b>		
	(a) Access Charges	766	645
	(b) License Fee	206	275
	(c) Employee Cost	303	259
	(d) Depreciation and Amortisation	830	1,182
	(e) Other Expenses	2,526	2,494
	<b>Total Expenses</b>	<b>4,631</b>	<b>4,855</b>
3	<b>Profit from Operation before Other Income, Finance Costs, Exceptional Items and Tax (1 - 2)</b>	<b>628</b>	<b>666</b>
4	Other Income	102	49
5	<b>Profit from Ordinary activities before Finance Cost and Exceptional Items and Tax (3 + 4)</b>	<b>730</b>	<b>715</b>
6	Finance Costs	795	717
7	<b>Profit / (Loss) from Ordinary activities after Finance Costs but before Exceptional Items and Tax (5 - 6)</b>	<b>(65)</b>	<b>(2)</b>
8	Exceptional Items	-	-
9	<b>Profit / (Loss) from Ordinary activities before Tax and Share in Profit / (Loss) of Joint Venture and Associate (7 - 8)</b>	<b>(65)</b>	<b>(2)</b>
10	Tax Expenses (net)	(154)	(65)
11	<b>Net Profit from Ordinary activities after Tax (9 - 10)</b>	<b>89</b>	<b>63</b>
12	Share in Profit / (Loss) of Associates	(1)	-
13	Non Controlling Interest	36	12
14	<b>Net Profit after Tax and Non controlling Interest (11 - 12 - 13)</b>	<b>54</b>	<b>51</b>
15	Other comprehensive income (net of tax)	90	81
16	<b>Total Comprehensive Income (14 + 15)</b>	<b>144</b>	<b>132</b>
17	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	1,244	1,244
18	<b>Earning per Share (EPS) (not annualised)</b>		
	- Basic (Rs.)	0.22	0.21
	- Diluted (Rs.)	0.22	0.21

<b>Segment wise Revenue, Results , Segment Assets and Segment Liabilities</b>			
<b>Sr. No.</b>	<b>Particulars</b>	<b>Quarter ended</b>	
		<b>30-Jun-16</b>	<b>30-Jun-15</b>
		<b>Unaudited</b>	<b>Unaudited</b>
<b>1</b>	<b>Segment Revenue</b>		
	(a) India Operation	4,693	4,812
	(b) Global Operation	1,185	1,125
	<b>Total</b>	<b>5,878</b>	<b>5,937</b>
	Less: Inter segment revenue	(517)	(367)
	<b>Income from Operations</b>	<b>5,361</b>	<b>5,570</b>
<b>2</b>	<b>Segment Results</b>		
	Profit / (Loss) before Tax and Finance Costs from each segment		
	(a) India Operation	671	827
	(b) Global Operation	59	(112)
	<b>Total</b>	<b>730</b>	<b>715</b>
	Add : Unallocable Revenue		
	Less : Finance Costs (net)	795	717
	Less : Exceptional Items	-	-
	<b>Total Profit / (Loss) before Tax and share in profit / (loss) of Associate</b>	<b>(65)</b>	<b>(2)</b>
<b>3</b>	<b>Segment Assets</b>		
	a) India Operation	85,876	78,921
	b) Global Operation	13,065	12,980
	c) Others/ Unallocated (net of Eliminations)	1,746	3,387
	<b>Total</b>	<b>100,687</b>	<b>95,288</b>
<b>4</b>	<b>Segment Liabilities</b>		
	a) India Operation	18,595	11,416
	b) Global Operation	6,661	6,499
	c) Others/ Unallocated (net of Eliminations)	118	2,590
	<b>Total</b>	<b>25,374</b>	<b>20,505</b>

## Notes

1. Figures of the previous period have been regrouped and reclassified, wherever required.
2. Pursuant to the Scheme of Arrangement ("the Scheme") sanctioned by the Hon'ble High Court of Judicature at Bombay, 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 ₹ 238 crore during the quarter ended June 30, 2016, are withdrawable from General Reserve. These withdrawable items are not considered in the accounts for the quarter ended on June 30, 2016 and consequently no withdrawal has been made. The necessary effects, if any, will be carried out at the year end. The Company has, as permitted under the said Schemes, adjusted additional depreciation of ₹ 257 crore, arising on fair value of certain assets, for the quarter by withdrawing an equivalent amount from General Reserve. The matter has been referred to in the Limited Review Report by the Auditors.
3. 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 ended June 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 ended June 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
1	Net profit as previously reported as per Indian GAAP	177	
2	Restatement of Revenue	29	b
3	Impact on Depreciation	(209)	c
4	Fair Valuation impact of Financial Instruments	(13)	d
5	Deferred Tax Credit	73	e
6	Others	(6)	
7	Net Profit before Other Comprehensive Income as per Ind AS	51	

- b. Restatement of Revenue from non cancellable right of use and other revenues, to be recognised over a period of underlying contract of services in line with applicable Ind AS have been reversed on transition date.

- c. Depreciation impact consists of ₹ 22 crore on account of fair valuation and restatement under Ind AS and ₹ 187 crore on account of Restatement of Revenue.
- 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.
- f. Other Comprehensive Income also comprises of actuarial gains and losses on employee Benefits, Exchange differences on translation of foreign operations/ subsidiaries and Fair valuation of Investments.
4. The listed Redeemable Non Convertible Debentures (NCDs) of the Company aggregating to ₹ 4,625 crore as on June 30, 2016 are secured by way of first pari passu charge on the whole of the movable properties, insurance contracts of the Company and its three subsidiaries and the asset cover thereof exceeds 100% of the principal amount of the said Debentures. Out of the above, in case of NCDs of ₹ 2,000 crore, the Company has also assigned Telecom Licences, by execution of Tripartite Agreements with Department of Telecommunications (DoT).
5. 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".
6. The Company has opted to publish consolidated financial results for the year 2016 - 17. Standalone financial results, for the quarter ended June 30, 2016 can be viewed on the website of the Company, National Stock Exchange of India Limited and BSE Limited at [www.rcom.co.in](http://www.rcom.co.in), [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively.
7. Additional information on standalone basis is as follows:

(₹ in crore)

Particulars	30-Jun-2016	30-Jun-2015
	Unaudited	Unaudited
Total Income	2,592	2,585
Profit /(Loss) before tax	(854)	(550)
Total Comprehensive Income	(559)	(231)

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

**For Reliance Communications Limited**

Place: Mumbai  
Date : September 14, 2016

**Anil D. Ambani**  
**Chairman**