


RELIANCE




Investors' Presentation

November, 2015


RELIANCE




Leading integrated telecommunications operator in India with presence across wireless, enterprise, broadband, passive infrastructure, and DTH




Leading global data communications business under GCX, with sub-sea cable network of 68,698 km



Only pan-India GSM & CDMA operator with long weighted average life spectrum and 3G services across 18 circles*



Integrated nationwide network with c.43k towers, >86,000 cell sites, 190k Km optical fibre network and 1.1m sq ft data centre space



112m total wireless subscribers including 37m data subscribers of which ~19m are 3G

Leading Player in the Indian Telecom Sector

Note: * including ICR arrangements

- ❑ Indian Telecom Scenario
- ❑ RCOM - Strategy for Growth
 - Operations
 - Financial Update
- ❑ Deleveraging and Asset Monetisation
- ❑ Investment Highlights



Data: The key growth driver

Indian Telecom - Moving from Voice to Data

Communication

Information

The Past

- ❑ SMS
- ❑ Radio
- ❑ CRBT
- ❑ Voice Calling

Present

- ❑ Social Networking
- ❑ Mobile Apps
- ❑ Mobile Gaming

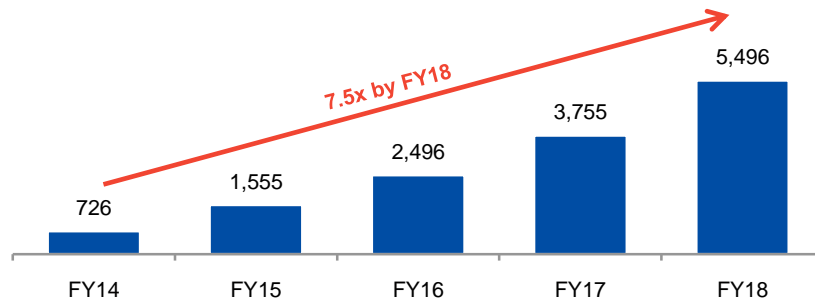
Future

- ❑ Mobile Broadband
- ❑ Convergence: M2M
- ❑ M-commerce
- ❑ Mobile Advertising

Mobile broadband is the enabler for future growth

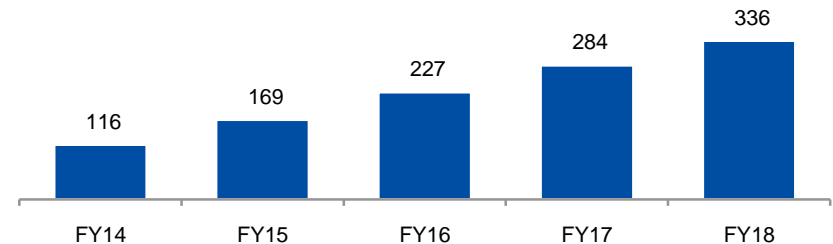
Data Traffic to grow 7.5x over FY 14-18

GB mn



Smart-phone penetration in India

Units mn



- ❑ Small & large screen to drive future data revenue growth
- ❑ Smartphone, Feature Phone and USB Modem constitute 97% of data usage

Source: Broker Estimates/ Industry Estimates

Indian mobile data poised to become a USD 15 bn market

FDI policy

- ❑ Foreign Direct Investment is allowed up to 49% under the automatic route and any equity infusion beyond 49% is to be made with the prior approval of the Foreign Investment Promotion Board

M&A

- ❑ Mergers only up to 50% of the market share of the resultant entity is allowed
- ❑ The resultant entity must not hold spectrum exceeding 25% of the total spectrum assigned in the access area, 50% of the spectrum in any given band and 10MHz in case of 800MHz band

UASL

- ❑ All future telecom licenses will be granted as a Unified Access Service License, which will allow the provision of all voice and data services
- ❑ All Unified Access Service Licenses will be valid for a period of 20 years

Positive Momentum in Addressing the Regulatory Issues

Spectrum Allocation

- ❑ All spectrum required for the Unified Access Services License has been delinked from the license and spectrum is now being allotted through a transparent auction process

Spectrum Sharing

- ❑ Allowed in a Licensed Service Area (LSA), where both the licensees are having spectrum in the same band
- ❑ SUC rate of each of the licensees post-sharing shall increase by 0.5% of Aggregate Gross Revenue (AGR)
- ❑ All access spectrum including traded spectrum will be sharable

Spectrum Trading

- ❑ Outright transfer of right to use the spectrum from seller to the buyer
- ❑ Permitted only on a pan-LSA (Licensed Service Area) basis
- ❑ All access spectrum bands will be treated as tradable spectrum bands
- ❑ Spectrum acquired through an auction in the year 2010 or afterwards, or on which the Telecom Service Provider (TSP) has already paid the prescribed market value is allowed to be traded

Enhanced Regulatory Clarity

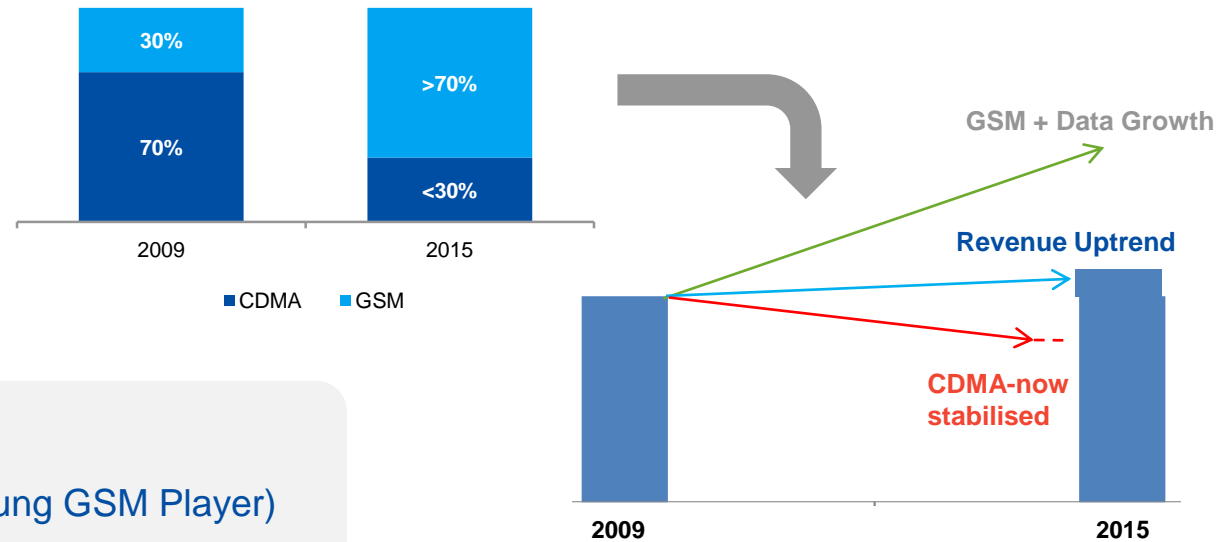
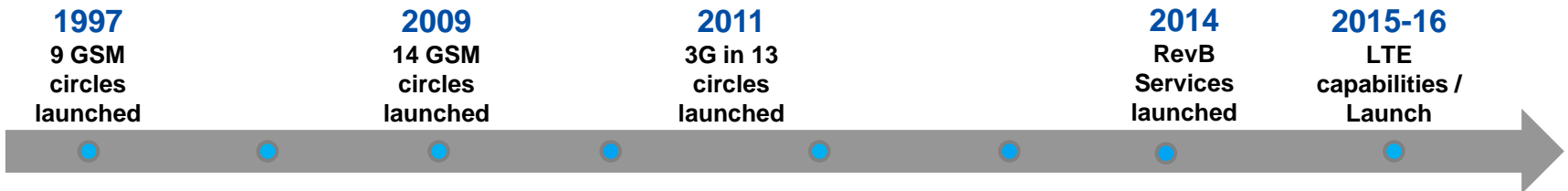
Contents



- Indian Telecom Scenario
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- Deleveraging and Asset Monetisation
- Investment Highlights



RCOM: A Multi-Technology Integrated Telecom Operator



- ❑ Pan India CDMA: 2003
- ❑ Pan India GSM: 2009 (Young GSM Player)
- ❑ Largest own footprint of 3G in 13 circles, including 3 Metros

Pan-India data leadership with 800 MHz spectrum and one of the largest fiber network

RCOM successfully arrested the de-growth in CDMA voice revenue and maintained leadership position in data

Supporting and Enhancing Our Domestic Data Leadership Position

	Service Areas				Spectrum Holding (MHz*)			
	CDMA	2G GSM	3G	LTE	CDMA	2G GSM	3G	BWA
	20	22	22	14	✓	✓	✓	✓
					45.0	204.4	110.0	280.0
RELIANCE	22	22*	13		✓	✓	✓	☐
					113.75	90.2	65.0	
	19	18	9		✓	✓	✓	☐
					61.25	81.8	45.0	
	22	13	8		☐	✓	✓	✓
						122.6	65.0	160.0
	22	19	8		☐	✓	✓	✓
						293.5	100.0	160.0
	22	12			☐	✓	✓	☐
						210.7	60.0	
	22	15			☐	✓	✓	☐
						220.75	75.0	

■ CDMA
 ■ 2G GSM
 ■ 3G
 ■ LTE

Source: DoT, * including continuity proposed through ICR, Spectrum status as per post March 2015 auction

Leading network of backhaul optical fiber

Optical Fiber Layout for Operators (Kms)	
Network Provider	Length of Fiber Cable
Airtel	201,953
RCOM	+190,000
Idea Cellular	100,400



RCOM's unique network differentiation versus competition

- ☐ RCOM has a mesh network for optical backhaul
- ☐ Top urban sites fiberised, capable of high speed / broadband services including handling 4G services

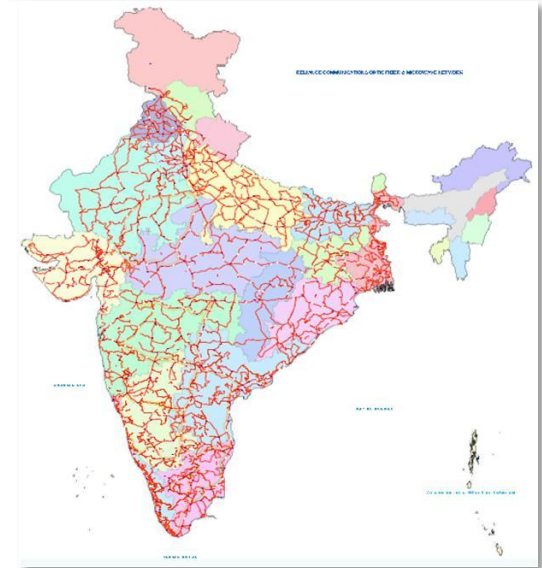
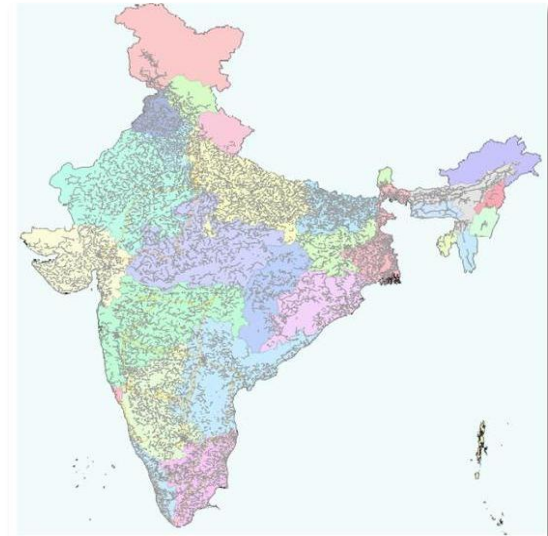
Portfolio of GSM3G and CDMA spectrum, twinned with a pan-India presence and extensive network deployment across technology platforms helps maintain data leadership

Tower Assets: Overview

- ❑ 43,379 towers, located in 22 circles in India and supported by an OFC network of over 190,000 Kms
- ❑ Young tower portfolio, with towers spread across all 22 circles
- ❑ High quality portfolio capable of housing 4 tenants; can be enhanced to 7 tenants with marginal capex
- ❑ Towers are shared with other players under long-term contracts

OFC Assets: Overview

- ❑ Largest network of backhaul optical fiber amongst all private operators
- ❑ Total length of fiber of ~190,000 Kms with ~120,000 Kms intercity and balance intracity
- ❑ Routes have 6, 12 & 24 Pair Fiber Cables
- ❑ Spare ducts available, which can increase capacity multiple times with marginal capex
- ❑ Large number of urban sites fiberised, capable of high speed / broadband services including handling 4G services



Only integrated tower company having a pan-India tower portfolio & robust backhaul network

	Pre-auction				Post-Auction				Business Continuity and Growth Plans
	800 MHz	900 MHz	1800 MHz	2100 MHz	800 MHz	900 MHz	1800 MHz	2100 MHz	
Assam	2.5	6.2	-	5.0	5.0	-		5.0	ICR Arrangements, Shift of customers to 3G
Bihar	5.0	6.2	-	5.0	5.0	-		5.0	ICR Arrangements, Shift of customers to 3G
Himachal	2.5	6.2	-	5.0	5.0	5.0		5.0	Renewal achieved
MP	5.0	6.2	-	5.0	5.0	5.0		5.0	Renewal achieved
NE	2.5	4.4	1.8	5.0	5.0	-	5.0	5.0	Renewal achieved in 1800 band
Orissa	3.75	6.2	-	5.0	5.0	-	5.0	5.0	Renewal achieved in 1800 band
WB	3.75	4.4	1.8	5.0	5.0	-		5.0	ICR Arrangements, Shift of customers to 3G
Total	25.0	39.8	3.6	35.0	35.0	10.0	10.0	35.0	

Note: Spectrum coming up for renewal highlighted in red font and acquired in blue font
Source: TRAI & DoT

- ❑ Renewals/acquisition of spectrum on the basis of financially prudent strategy
- ❑ Further beefing-up of spectrum through sharing/trading

Incremental outgo at low levels & Business Continuity Plans in place

Cat	Circle	800 MHz	900 MHz	1800 MHz	2100 MHz
M	Delhi	5.00	-	4.40	5.00
M	Kolkata	6.25	-	6.20	5.00
M	Mumbai	5.00	-	5.00	5.00
A	Andhra Pradesh	5.00	-	4.40	-
A	Gujarat	6.25	-	4.40	-
A	Karnataka	5.00	-	5.00	-
A	Maharashtra	5.00	-	4.40	-
A	Tamil Nadu	5.00	-	4.40	-
B	Haryana	5.00	-	5.00	-
B	Kerala	5.00	-	4.40	-
B	Madhya Pradesh	5.00	5.00	-	5.00
B	Punjab	6.25	-	5.00	5.00
B	Rajasthan	3.75	-	4.40	5.00
B	UP (East)	5.00	-	4.40	-
B	UP (West)	6.25	-	4.40	-
B	West Bengal	5.00	-	-	5.00
C	Assam	5.00	-	-	5.00
C	Bihar	5.00	-	-	5.00
C	Himachal Pradesh	5.00	5.00	-	5.00
C	Jammu & Kashmir	5.00	-	4.40	5.00
C	North East	5.00	-	5.00	5.00
C	Orissa	5.00	-	5.00	5.00
	Total	113.75	10.00	80.20	65.00

- ❑ Acquisition of substantial spectrum in 800/850 band - to augment Rev B data strategy and future LTE plans with 5MHz nation-wide holdings
- ❑ Only operator with contiguous spectrum on a pan-India basis
- ❑ RCOM spectrum outgo ~USD 687 Mn with an upfront payment of ~ USD 177 Mn
- ❑ ~50% of total auction outlay on 800MHz
- ❑ Renewed/acquired 48MHz against expiry of 48MHz spectrum in this auction

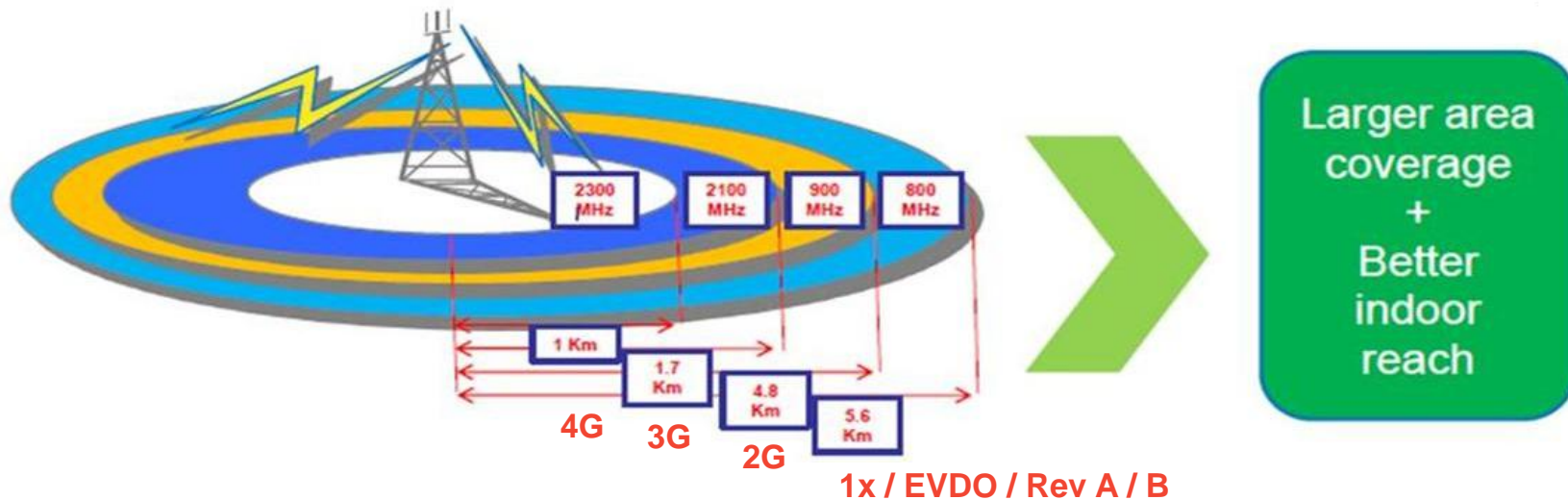
Strengthening of data-delivery capability through holdings in 850 MHz Band

Our Spectrum Holding in this band – Strategic Advantage in Data Leadership

- 850 MHz spectrum band is a powerful LTE spectrum. Global commercial services are already being provided by many reputed operators in various markets such as :
 - Australia
 - US
 - South Korea
 - Philippines
 - Malaysia

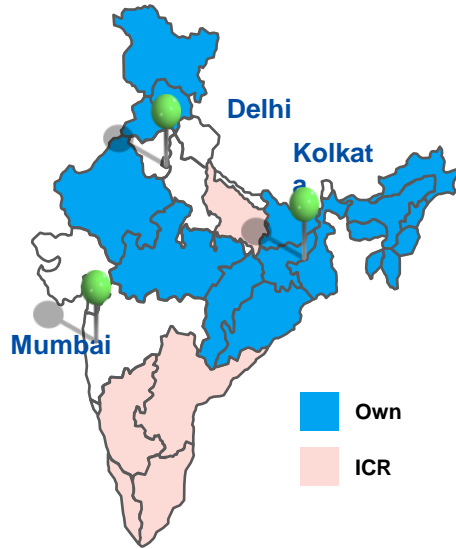
Better LTE Band

850MHz band beats other bands in terms of indoor coverage due to better penetration and throughput of the signal



Supports RCOM's Unique Incumbency Position in Data

GSM – 3G

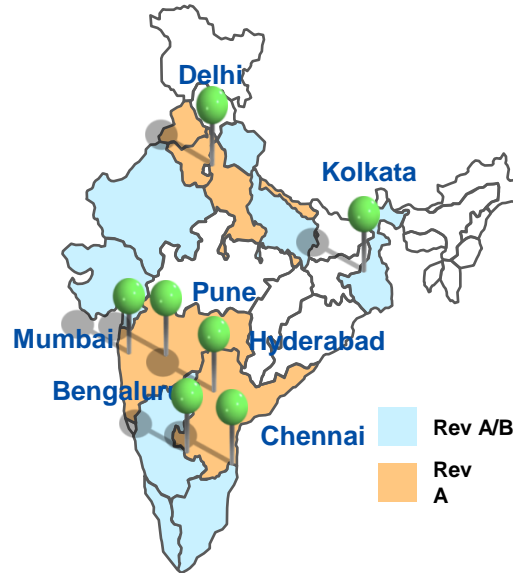


- ❑ 3G coverage in 18 circles
- ❑ 334 cities (13 own circles)
- ❑ 5 ICR circles



Dominate hand held devices

CDMA – Rev B and Rev A

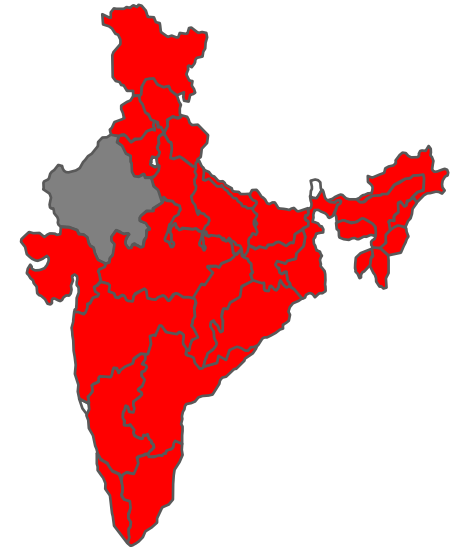


- ❑ 7 metros on Rev B (14.7 Mbps)
- ❑ 436 towns with Rev B coverage



Dominate large screen

LTE Ready Spectrum Capability



- ❑ Pan-India (except Rajasthan) 5 MHz or more LTE ready 800/850 MHz spectrum

3G + Rev B Covers 100% Data Market; Ready for Pan-India LTE Services

SIM / Connection Business

(Non-proprietary / Open Market Device Ecosystem)

Unbundled

Contract / Annuity like Business

(Proprietary / Dedicated Devices)

Bundled

National

Circles

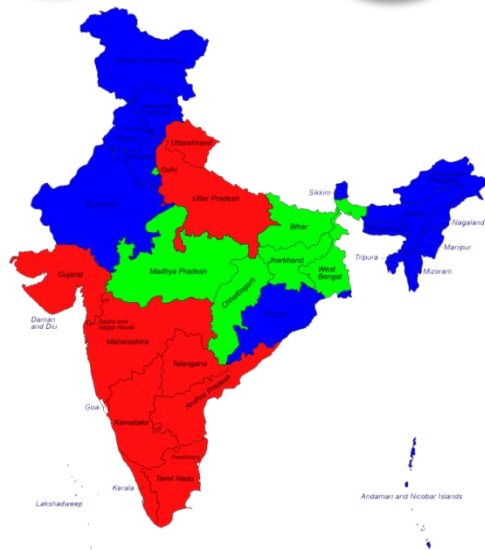
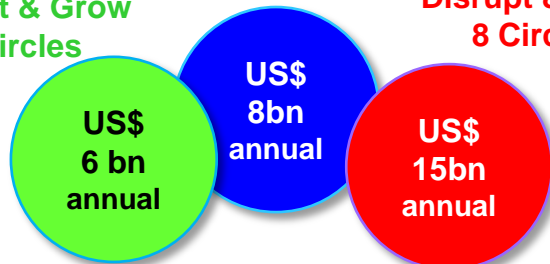
Hot Micro Markets

3 Clusters of Circles

Participate & Grow
10 Circles

Protect & Grow
4 Circles

Disrupt & Grow
8 Circles



	Protect	Participate	Disrupt
Circles	Del, Bh, MP, WB	Or, Asm, NE, Kol, Pb, Har, HP, JK, Raj, Mum	TN, AP, KK, Ker, Guj, Mah, UPE, UPW
No. of Circles	4	10	8
Annual Market Revenue (\$ Bn)	6	8	15
%	22%	26%	52%

Acquisition rate strategy being executed in line with market portfolio, with data potential across all clusters

Data Dominance

1

Large & Fastest Data Network

- ❑ Aggressive pricing proposition

Bundled Sales

2

Smart Bundled Products

Bundled Offers & Tariff

- ❑ Value Service Plans + Device Combo
- ❑ Targeted Deals For Value Segment

Smart Segmentation

3

Smart Segmentation & Products

Target Segmented Products

- ❑ Contract plans for upgrade
- ❑ High market share in SME & Enterprise

Device Ecosystem

4

Smart Internet Device Ecosystem

Universal Mode Internet Devices

- ❑ Smart-phone and smart devices on network
- ❑ Developing Multimode device ecosystem

Data Coverage Advantage Into Play: WiFi

Residential

Small Enterprise

Larger Scale Enterprise/ Residential

WiPod – The WiFi Product To Capture Data From Over 180 Mn Internet Devices

RELIANCE Mobile

Wi-Pod™ Mini

So small that you can carry it everywhere!

#PocketWiFi

*T&C Apply.

RELIANCE Mobile

Carry your portable **Wi-Fi zone** everywhere.

Carry your **Wi-Pod™ Mini.**

#PocketWiFi

*T&C Apply.

Infrastructure Sharing



Internet for All



internet.org by facebook

Internet of Things (IoT)



Cloud Portfolio



HITACHI
Inspire the Next

Panasonic

Establishing partnerships to consolidate dominant data position across businesses

Mass Distribution

- ❑ One tier reach in urban towns (3,500 Distributors and 700k Retailers)
- ❑ Two tier format (Distributor/sub-Distributor and Retailer) mainly for rural areas



Exclusive Retail Channel

- ❑ Over 1,000 exclusive full service franchisee retail outlet across more than 150 cities
- ❑ Full suite of sales and services, including innovative self-care options, to our prepaid and postpaid data and voice customers
- ❑ Present and operate with new age organised retail format stores in shopping malls and high footfall areas



DSA for Retail and Corporate Customers

- ❑ Help us reach out to the Post-Paid customer
- ❑ Service Corporates, SMEs and high ARPU customers

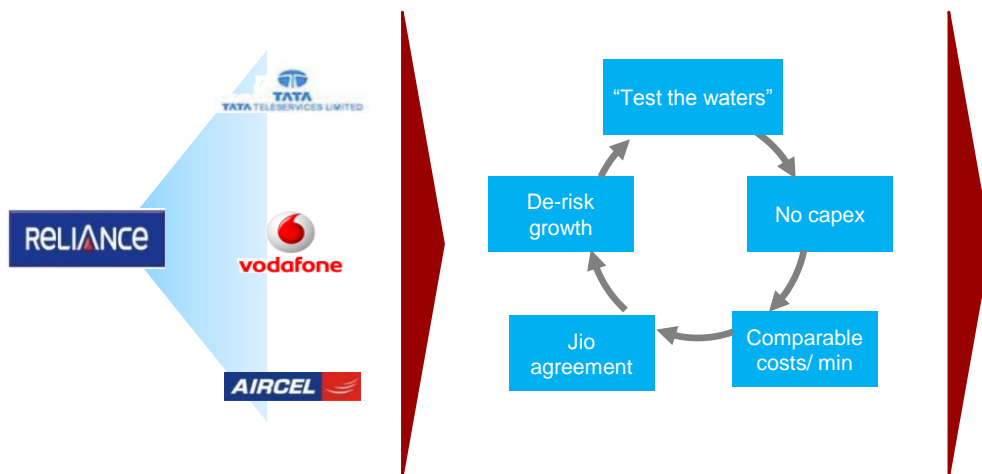
Digital Channel

- ❑ Active in growing digital channel of sales
- ❑ Selling handsets, recharge and bill payments
- ❑ RCOM website and other e-commerce sites



Multiple forms of distribution network at par with incumbents

Minimal Capex Due to ICR & Jio Reciprocity



1) Intra-Circle Roaming arrangements:

- ❑ Agreement to share infrastructure in select areas
- ❑ Typical tenure 12 – 18 months
- ❑ Access to 10,000+ sites
- ❑ “Pay as you use” model

2) Reciprocity arrangement with Jio (with ~50% cost saving) will give access for

- ❑ Expansion of footprint
- ❑ To convert “Bridge ICR” to our own network
- ❑ To shift, on expiry, IP Colo sites to Jio

Future Ready Spectrum Portfolio

Spectrum Band (MHz)	LTE Ecosystem ^(a)	RCOM LTE capable spectrum
2300	Y	X
2100	Y	Y
1800	Y	Y
900	Y	Y
850	Y	Y

(a) 2300 MHz band is for TDD, rest for FDD



- ❑ Most urban cell-sites fiberised, providing strong backhaul capabilities for high speed / broadband services including handling of 4G services

RCOM has spectrum capability to move up on LTE roadmap



Carrier

- ❑ World's largest private submarine cable system owner with 68,000+ km of sub-sea fiber
- ❑ Serving top 290 carriers of the world

Global Enterprise

- ❑ Top 5 Managed Network Service provider globally
- ❑ Leading Ethernet services provider in the U.S.
- ❑ Data connectivity to over 150 countries
- ❑ Over 650 Enterprise customers served outside India

Voice

- ❑ Top 15 largest international long distance carriers
- ❑ Carriage of 20 billion minutes of traffic
- ❑ 2.6 million retail customers for voice in 14 countries

Global provider of retail and wholesale voice connectivity, data and internet network and services, as well as lease of submarine cable infrastructure and metropolitan city networks

RCOM- Among top 10 Most Reputed Indian Companies

RCOM's List of Most Reputed Indian Companies, Again

RCOM is a national employer and augmenting technical side," said B. R. Birla, chairman of the conglomerate for three years in a row. RCOM is Bank and Reputations (RCOM) top 10 list this year. RCOM is a conglomerate of various parameters for the company's transparency, perception of vision and services, financial performance and work-place environment.

Making the Cut

Company	Rank 2014-15	Rank 2013-14
Birla Group	1	1
Tata Motors	2	3
ITC	3	3
Axis Bank	4	14
Tata Steel	5	7
SBI	6	6
LIC	7	2
HUL	8	8
HDFC Bank	9	3
RCOM	10	18

Source: Nielsen India, Corporate Image Monitor 2014-15

Companies also felt that during job switches, a positive image helps to attract and retain talent. "A strong corporate image is one that effectively communicates the company's brand and philosophy. In order to recruit top talent, a company needs to be able to project itself and provide a good idea of what it really represents," a Tata Motors spokesperson said.

While Aditya Birla Group came up on top in areas of vision and leadership, financial performance and operating style, Tata Steel bagged the top position on product, service quality and workplace management.

"Most of the companies that have made it to the top 10 are very visible

in the media and have high involvement among large set of stakeholders," said Ajay Macaden, executive director of Nielsen India.

"An increasing focus on ad spends, communicating via technology and innovation have helped consumers spontaneously recall and talk about certain banking and finance sector companies — an improvement from last year," he added.

ITC topped in corporate social responsibility among the 42 companies studied.

Tech, Telecom Dominate India's Most Exciting Brands

Instant messaging application WhatsApp beat Facebook, the social networking giant that owns it, to win the title of India's Most Exciting Brand 2015 — a survey conducted by global research firm Nielsen exclusively for **Brand Equity** shows. The survey provides a great insight into the brands and categories that teens and twenty somethings find exciting. For instance — despite a multi-million dollar ad campaign, 1.5 billion active users and 2 million active advertisers, Facebook loses the top slot to WhatsApp, a company it acquired for a jaw-dropping \$19 billion in 2014. However, with a large user base owing to WhatsApp (800 million users) and Facebook Messenger (600 million users), it is safe to say that Facebook dominates the messaging space.

The list dominated by telecom and technology brands that aid and abet a digital lifestyle. Also coming up tops are brands that young consumers may not be able to afford now but are certainly on their long term wish list such as Mercedes and BMW — both of which make the Top 10. Brands that older GenX may have found exciting such as Pepsi barely made it to the Top 20.

Turn to **Brand Equity** to find just what and who young urban India finds exciting.

The study surveyed 1,260 persons aged between 15 and 26, across seven Indian metros

- 1 WhatsApp
- 2 Facebook
- 3 Vodafone
- 4 Airtel
- 5 Google
- 6 Mercedes
- 7 Samsung
- 8 BMW
- 9 Apple
- 10 Idea
- 11 YouTube
- 12 Woodland
- 13 Reebok
- 14 Reliance
- 15 Honda Cars
- 16 Nike
- 17 Adidas
- 18 Puma
- 19 Slice
- 20 Pepsi



Reliance -14th Most Exciting Brand

RCOM among top 10 most reputed Indian Companies & ranked 14th in most exciting brands





- ❑ RCOM announced first consolidation in Indian telecom sector
- ❑ Wireless business of Sistema Shyam Teleservices Ltd. (SSTL) carried on in India under MTS brand to be demerged into RCOM
- ❑ RCOM to acquire approx. 9 mn customers and revenues of ~Rs 1,500 crore annually
- ❑ RCOM to acquire most valuable and superior 800 / 850 MHz band spectrum ideal for 4G LTE services and to be the largest holder of 800 / 850 band for 4G LTE aggregating 148.75 MHz
- ❑ RCOM gets longer dated 800 / 850 MHz band spectrum in 8 circles
- ❑ Consideration to be paid in RCOM stock and liability limited to deferred payments for SSTL spectrum payable over 10 years
- ❑ SSTL to hold 10% of RCOM's fully diluted equity capital

Merger –Value Accretive to RCOM

Combined Spectrum Pool (800 – 850 MHz)

No.	Category	Circles	MTS Spectrum (MHz)	RCOM Legacy Spectrum (MHz)	RCOM New Acquired Spectrum (MHz)	Total Spectrum Holding (MHz)
1	Metro	Delhi	3.75	5.00	0	8.75
2	Metro	Kolkata	3.75	3.75	1.25	8.75
3	A Circle	Gujarat	3.75	3.75	2.50	10.00
4	A Circle	Karnataka	3.75	5.00	0	8.75
5	A Circle	Tamil Nadu	3.75	5.00	0	8.75
6	B Circle	Kerala	3.75	5.00	0	8.75
7	B Circle	Rajasthan	5.00	3.75	0	8.75
8	B Circle	UP (West)	3.75	5.00	1.25	10.00
9	B Circle	West Bengal	3.75	3.75	1.25	8.75
		Total	35.00	40.00	6.25	81.25

- ❑ Spectrum valid for 18 years till 2033 (excluding Rajasthan till 2018) - extends validity of RCOM spectrum by 12 long years in the above circles (excl. Rajasthan)
- ❑ Largest holding of 850 MHz band spectrum - most suited for 4G LTE

-  The Sharing and Trading policies have set the stage to extend our partnership with Jio to the next level of co-operation
-  Will help in faster rolling out 4G services in the most potent band of 800 MHz by pooling spectrum with Jio
-  Sharing/Trading will help in continuity of services in 3 Circles (Bihar, WB & Assam), where RCOM did not opt for renewal of 900 MHz spectrum in March, 2015 auctions, due to economic viability concerns
-  Likely to reduce regulatory cash outflow in future auctions as competitive intensity should become benign, as these policies provide alternate avenues of acquiring spectrum for the operators

Spectrum sharing / trading guidelines positive for RCOM

India Operations

US\$ mn

	Q2 FY15	Q1 FY16	Q2 FY16	Q-o-Q %	Y-o-Y%
Revenue	714	730	717	-1.9%	0.4%
Voice	523	525	510	-2.7%	-2.5%
Non-voice	168	188	190	1.3%	13.3%
EBITDA	253	258	245	-5.3%	-3.4%
<i>Margin %</i>	35.5%	35.4%	34.2%		

Global Operations

US\$ mn

	Q2 FY15	Q1 FY16	Q2 FY16	Q-o-Q %	Y-o-Y%
Revenue	153	170	162	-4.9%	5.5%
Data	103	121	110	-8.9%	7.2%
Voice	50	49	52	4.9%	2.1%
EBITDA	25	28	27	-2.2%	7.2%
<i>Margin %</i>	16.4%	16.1%	16.6%		

Voice

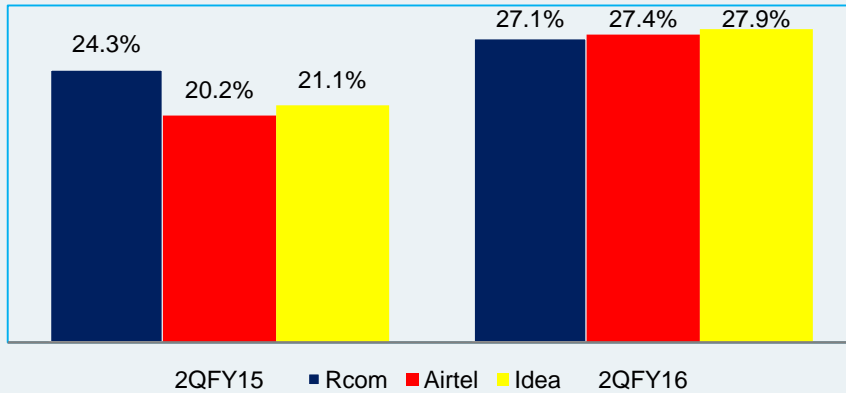
Voice KPIs	Q2 FY15	Q1 FY16	Q2 FY16	Q-o-Q %	Y-o-Y %
ARPU (INR)	137	140	138	-1.4%	0.7%
RPM (INR)	0.444	0.445	0.448	0.7%	0.9%
Total MoU (Bn. Min.)	102.1	105	102.5	-2.4%	0.4%
Voice Usage/ Cust/ Month (Min.)	307	316	307	-2.8%	0.0%
Total Customer Base (Mn.)	111.3	111.1	111.6	0.5%	0.3%
Churn (%)	4.3	3.2	3.6	40 bps	-70 bps
VLR (%)	97.5	97.6	97.1	-50 bps	-40 bps
Voice ARPU (INR)	103	103	100	-2.9%	-2.9%
Voice RPM (INR)	0.336	0.328	0.327	-0.3%	-2.7%

Non-Voice

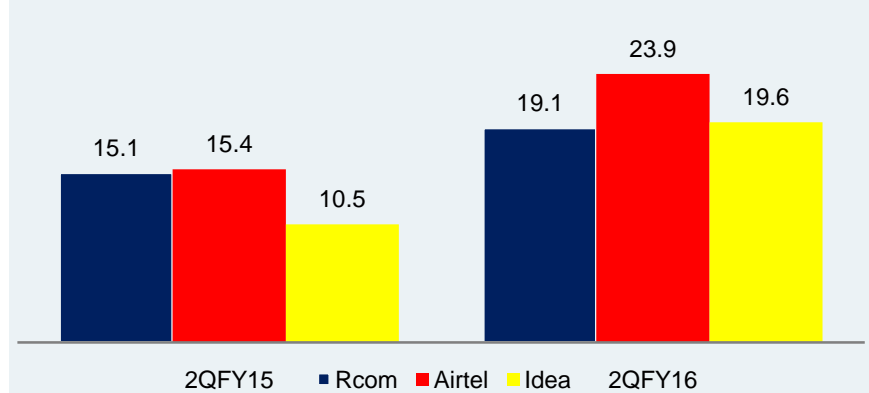
Non-Voice KPIs	Q2 FY15	Q1 FY16	Q2 FY16	Q-o-Q %	Y-o-Y %
Total Data Customer (Mn.)	29.7	35.4	37.2	5.1%	25.3%
3G customer (Mn.)	15.1	17.9	19.1	6.7%	26.5%
Total data traffic (Mn. MB)	65,778	92,793	97,340	4.9%	48.0%
Data usage/ Cust (MB)	792	895	894	-0.1%	12.9%
Non voice as % of telecom revenue	24.3	26.4	27.1	70 bps	280 bps

RCOM - Leading player in the Wireless Data Market

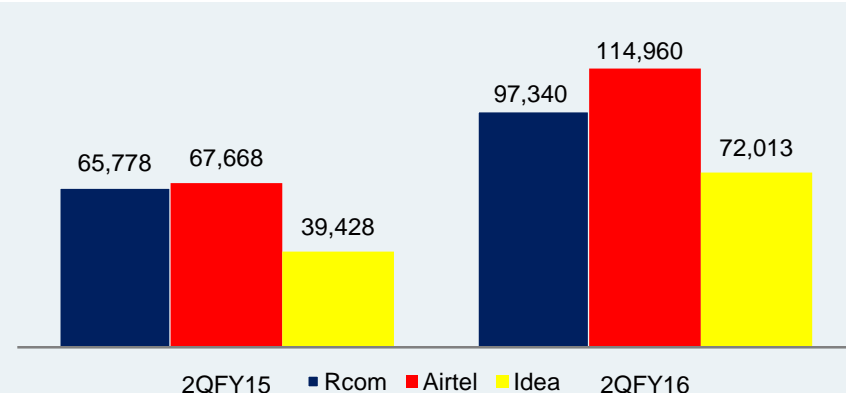
Non-voice as % of Total Revenue



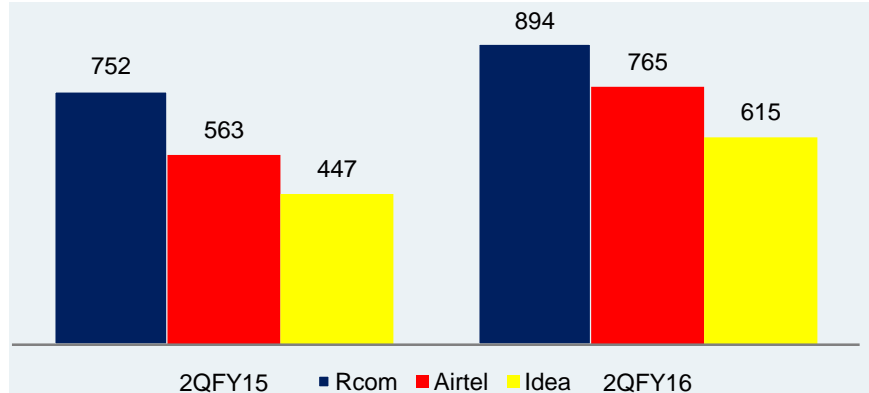
No. of 3G Active Subscribers (mn) *



Total Data Traffic on Network (mn MBs)



Data usage per customer (MB) *



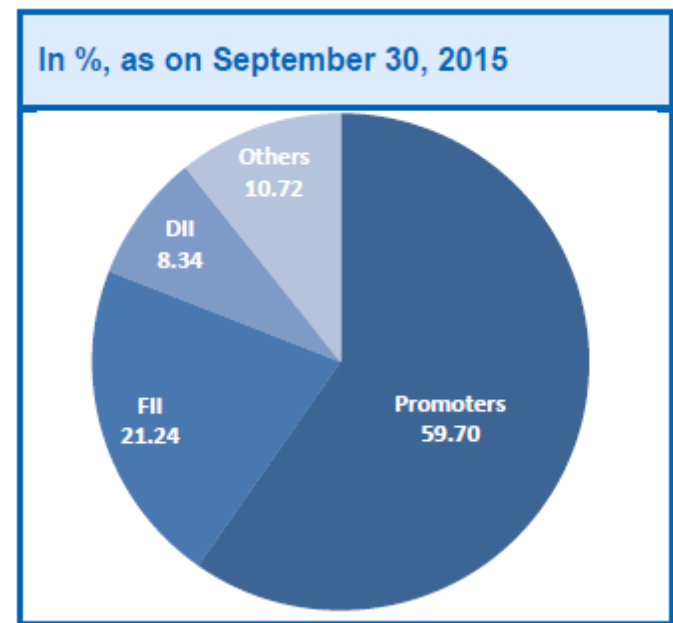
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Largest Corporate Qualified Institutional Placement (QIP) in India - INR 48bn - Solid investor confidence in RCOM's long-term business strategy

- ❑ Promoters invested INR13bn (US\$213m) through preferential allotment of warrants alongside QIP, making total proceeds as ~INR 61bn
 - ❑ Promoters invested at INR150 per equity share, 5% higher than QIP price
- ❑ Largely subscribed by Foreign Institutional Investors (FIIs)
- ❑ Investors include many marquee names

Shareholding Pattern



Highest Promoter Shareholding vis-à-vis other listed companies in the sector

Comprehensive Business Co-operation Framework Between RCOM & Reliance Jio

Tower Sharing Contract

- ❑ Nation-wide tower infrastructure sharing agreement with R Jio
- ❑ Duration: 15 years, till 2030
- ❑ Upto ~43,000 towers to be shared

RCOM to have reciprocal access to Jio tower infrastructure

Inter-city and Intra-city fiber sharing contract

- ❑ RCOM's 120,000 Kms of Inter-city fiber optic network to be utilised by Jio on IRU contract basis
- ❑ RCOM's Intra-city fiber optic network to be utilised by Jio through service level agreement



Tower Sharing Deal to be Significantly EBITDA and Value Accretive

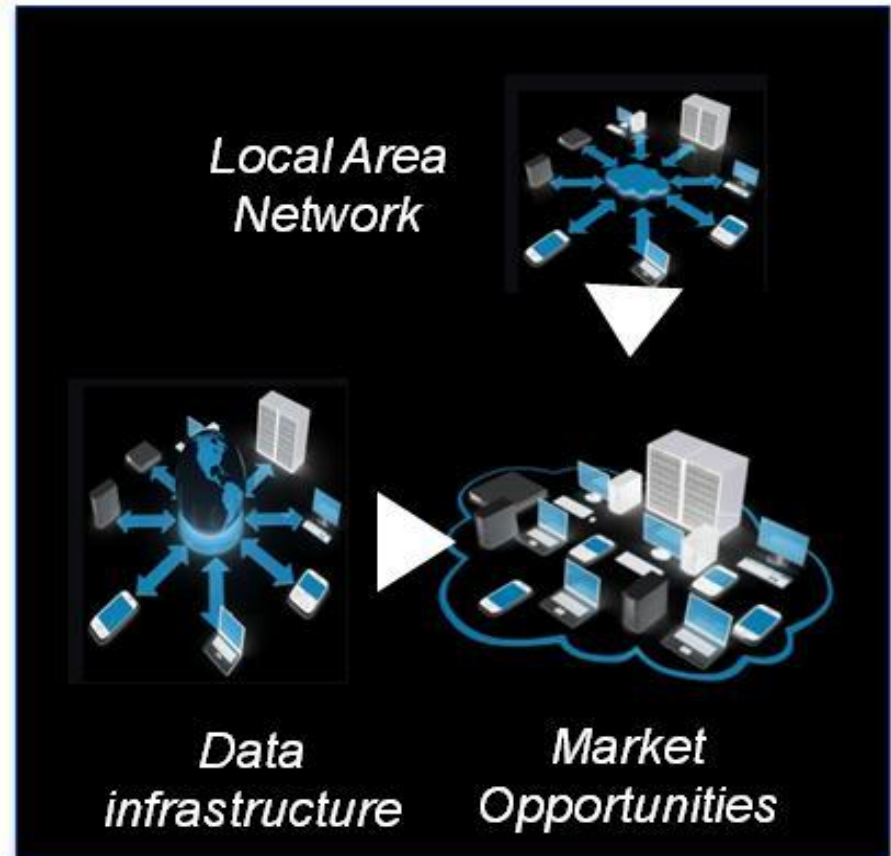
Potential Deal

- ❑ Tower Companies' multiples at historically higher levels
- ❑ Tower industry very positive in view of the expected growth in tenancies due to data-led business growth
- ❑ Bidders engaged in advanced DD process
- ❑ Attractive asset due to higher share of external tenancies (Jio and others)
- ❑ On completion, it would substantially reduce RCOM's debt



Potential Deal

- ❑ Multiple options being pursued simultaneously
- ❑ In discussions with strategic and financial investors
- ❑ Enterprise valuation should be attractive as per recent multiples
- ❑ One-step or two-step sale process
- ❑ Expected timeline: FY16/FY17



Expected proceeds will be used towards debt reduction

Phase-I

- ❑ Residential flats at Navi Mumbai
 - ❑ NRI Complex – one of the most prestigious housing projects in Navi Mumbai; 46 spacious Blocks and over 1,500 Houses
 - ❑ RCOM owns 2, 3 & 4 BHK flats including duplex and penthouses
- ❑ Prime property at Connaught Place, New Delhi (~4 acres)
- ❑ Expected timeline: Q3/Q4 ' FY16

Phase-II

- ❑ DAKC located in Navi Mumbai on the Thane Belapur highway opposite Kopar Khairane railway station.
- ❑ Total area: ~135 acres, ~28% FSI constructed and much lesser FSI in actual use
- ❑ Long term lease from MIDC

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Potential Future Upsides

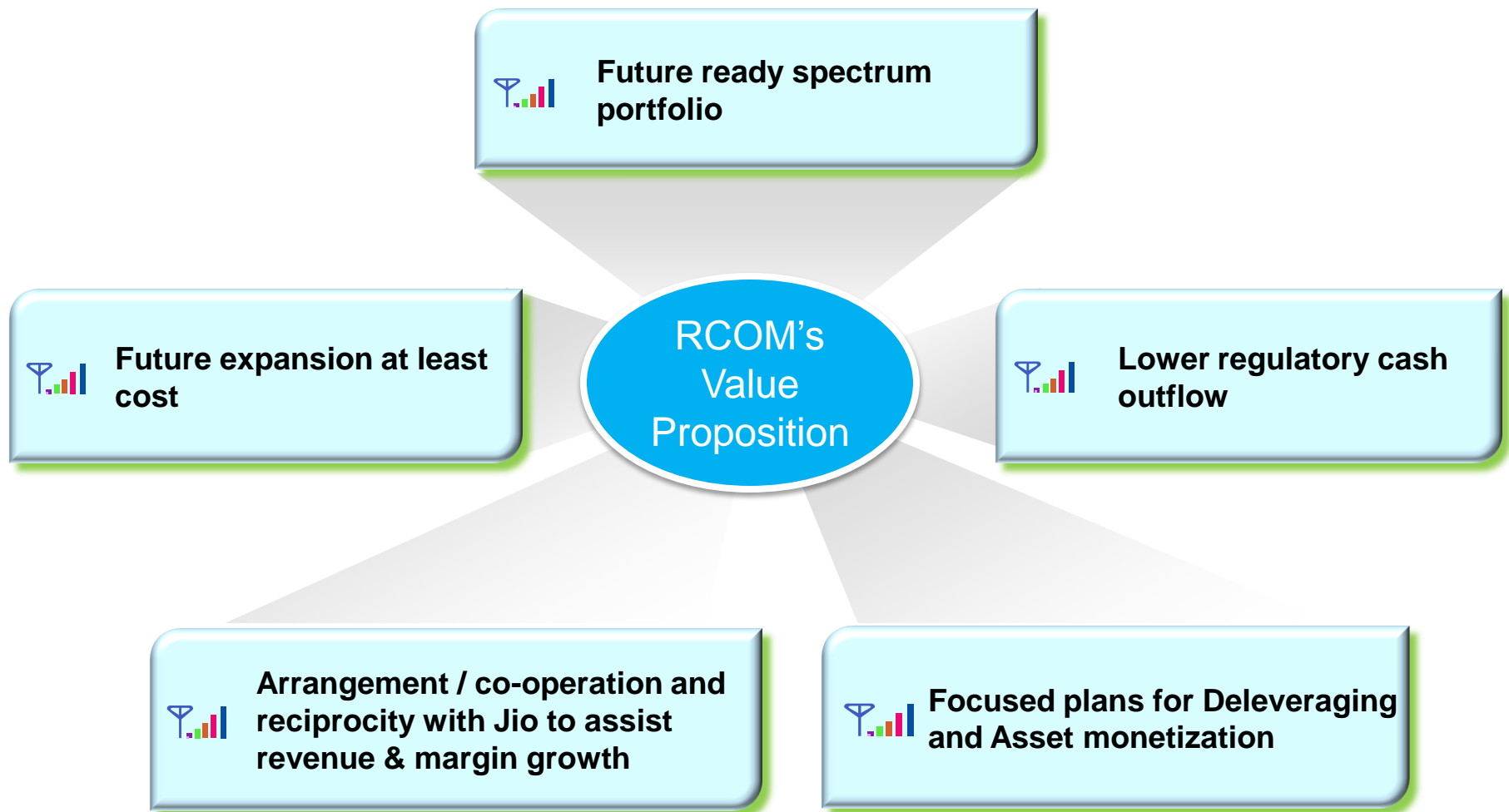
Status

Potential Future Risks

Impact on RCOM

Data Leadership Capability	Ready	Regulatory Spectrum Payouts	Low
Intercity and Intracity Fiber Deal with Jio	Done	Capex Intensity	Low
Tower Tenancy Deal with Jio	Done	Business Operation Downside	Low
Stake Sale in Tower business	In progress	CDMA Revenue	Low (Revenue Stabilised)
Monetisation of Assets (GCX/Real Estate / DTH)	In progress	Technology Risk	Low (LTE ready spectrum)

RCOM is well placed to improve EBITDA & Cashflows and reduce debt levels



Immense Sectoral Growth in India – Consolidation & Data Opportunities

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