



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

November 28, 2020

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, 5th Floor,
Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051
NSE Symbol: RCOM

Dear Sirs,

Sub: Statement of Unaudited (Standalone and Consolidated) Financial Results for the quarter and half year ended on September 30, 2020 and limited review reports thereon.

In furtherance of the letter dated November 20, 2020 and pursuant to Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Statement of Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2020, along with Limited Review Reports submitted by the Statutory Auditors of Reliance Communications Limited ("**Company**").

The above financial results were approved by the Directors of the Company at a meeting held on November 28, 2020. Given that the Company is under corporate insolvency resolution process pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016, and with effect from June 28, 2019, its affairs, business and assets are being managed by, and the powers of the board of directors are vested in, the resolution professional, Mr. Anish Niranjana Nanavaty ("**RP**"), the aforesaid meeting of the Directors was chaired by the RP of the Company who, relying on the certifications, representations and statements of the Directors and management of the Company and the consequent recommendation of the Directors, took on record the Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2020.

The above-mentioned meeting of the Directors of the Company commenced at 12.30 P.M. and concluded at 4.00 P.M.

This is for your information and records.

Yours faithfully,
For **Reliance Communications Limited**

Rakesh Gupta
Company Secretary

(Reliance Communications Limited is under corporate insolvency resolution process pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016. With effect from June 28, 2019, its affairs, business and assets are being managed by, and the powers of the board of directors are vested in, the Resolution Professional, Mr. Anish Nanavaty, appointed by Hon'ble National Company Law Tribunal, Mumbai Bench, vide order dated June 21, 2019 which was published on the website of the Hon'ble National Company Law Tribunal, Mumbai Bench on June 28, 2019.)

Registered Office:

Reliance Communications Limited. H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400 710
CIN No.: L45309MH2004PLC147531

Limited Review Report on Standalone Unaudited Financial Results of Reliance Communications Limited for the Quarter and Half year ended September 30, 2020 pursuant to Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors / Resolution Professional (RP) of Reliance Communications Limited

1. The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by a financial creditor against Reliance Communications Limited ("the Company") and appointed Resolution Professional (RP) who has been vested with management of affairs and powers of the Board of Directors with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.
2. We have reviewed the accompanying statement of standalone unaudited financial results of the Company for the quarter and half year ended September 30, 2020 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
3. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company and taken on record by the RP in their meeting held on November 28, 2020, has been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
4. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
5. We draw attention to Note no. 3 & 5 of the Statement, "Assets Held for Sale (AHS)" including Wireless Spectrum, Towers, Fiber and Media Convergence Nodes (MCNs) and liabilities continue to be classified as held for sale at the value ascertained at the end of March 31, 2018 alongwith liabilities, for the reasons referred to in the aforesaid note and impact of the non payment of spectrum installments due to Department of Telecommunication (DOT). Non determination of fair value as 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 carrying amount of Assets Held for Sale and on the reported losses for the quarter and half year ended September 30, 2020.
6. We draw attention to Note no. 4 of the Statement regarding admission of the Company and its three subsidiaries into Corporate Insolvency Resolution Process ("CIRP"), and pending determination of obligations and liabilities with regard to various claims submitted by the Operational/financial/other creditors and employees including interest payable on loans during CIRP. We are unable to comment the accounting impact there of pending reconciliation and determination of final obligation. The Company accordingly has not provided interest on borrowings amounting to Rs. 942 crore and Rs. 1,942 crore for the quarter and half year ended September 30, 2020 respectively and Rs. 11,174 crore up to the previous financial year calculated based on basic rate of interest as per terms of loan. The Company further has not provided for foreign exchange gain amounting to Rs. 350 crore and Rs. 382 crore for the quarter and half



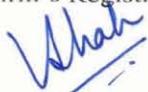
year ended September 30, 2020 respectively and Rs. 2,116 crore of foreign exchange loss up to the previous financial year. Had such interest and foreign exchange variation (gain)/ loss as mentioned above been provided, the reported loss for the quarter and half year ended September 30, 2020 would have been higher by Rs. 592 crore and Rs. 1,560 crore respectively and Net worth of the Company as at September 30, 2020 and March 31, 2020 would be lower by Rs. 14,850 crore and Rs. 13,290 crore respectively. Non provision of interest and non-recognition of foreign exchange variation (gain)/ loss is not in compliance with Ind AS 23 "Borrowing Costs" and Ind AS 21 "The Effects of Changes in Foreign Exchange Rates" respectively.

7. We draw attention to Note no. 3 of the Statement, regarding pending comprehensive review of carrying amount of all other assets including investment & liabilities for the reasons stated in the aforesaid note and accordingly non-provision for impairment of carrying value of assets and write back of liabilities if any, pending completion of the corporate insolvency resolution process. Further Goods & Service Tax (GST) and Tax Deducted at Source (TDS) are pending reconciliation. In the absence of Comprehensive review as mentioned above for the carrying value of all the assets and liabilities and pending reconciliation of GST and TDS, we are unable to comment that whether any adjustment is required in the carrying amount of such assets and liabilities and consequential impact, if any, on the reported losses for the quarter and half year ended September 30, 2020. Non determination of fair value of financial assets & liabilities and carrying amount for other assets and liabilities are not in compliance with Ind AS 109 "Financial Instruments" and Ind AS 37 "Provisions, Contingent Liabilities & Contingent Assets".
8. We draw attention to Note no. 13 of the Statement, regarding non adoption of Ind AS 116 "Leases" effective from April 01, 2019 and the consequent impact thereof. The aforesaid accounting treatment is not in accordance with Ind AS 116.
9. We draw attention to Note no. 3 of the Statement, regarding continuous losses incurred by the Company, current liabilities exceeding its current assets, default in repayment of borrowings and default in payment of regulatory and statutory dues. This situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The accounts however have been prepared by the management on a going concern basis for the reason stated in the aforesaid note. We however are unable to obtain sufficient and appropriate audit evidence regarding management's use of the going concern basis of accounting in the preparation of the financial results, in view of ongoing Corporate Insolvency Resolution Process, the outcome of which cannot be presently ascertained.
10. Based on our review conducted as above, except for the matters described in paragraphs 5 to 9 above, nothing has come to our attention that causes us to believe that the accompanying Statement of standalone unaudited financial results prepared in accordance with applicable Accounting Standards i.e. Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.
11. We draw attention to Note no. 7 of the Statement, regarding provision of license fee and spectrum usage charges based on management estimates pending special audit from Department of Telecommunications, pursuant to the judgment of Hon'ble Supreme Court of India, vide its order dated October 24, 2019 and status of payment thereof. Our conclusion on the Statement is not modified in respect of this matter.



12. We draw attention to Note no. 18 of the Statement, as regards to the management evaluation of impact of COVID-19 on the future performance of the Company. The actual outcome of the assumptions and estimates may vary in future due to impact of pandemic. Our conclusion on the Statement is not modified in respect of this matter.
13. The entire review process was carried out from remote locations i.e. other than the office of the Company, where books of account and other records are kept, based on the data/details or financial information provided to us through digital medium, owing to lockdown imposed by the Central Government to restrict the spread of COVID-19. Being constrained, we resorted to and relied upon the results of the alternative procedures to obtain sufficient and appropriate audit evidence for significant matters in course of our review. Our conclusion on the Statement is not modified in respect of this matter.
14. Pursuant to applications filed by Ericsson India Pvt. Ltd. before the NCLT, Mumbai Bench in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the applications and ordered the commencement of CIRP of the Company and two of its subsidiaries namely Reliance Infratel Limited and Reliance Telecom Limited (collectively, the "Corporate Debtors") vide its orders dated May 15, 2018. The committee of creditors ("CoC") of the Corporate Debtors, at the meetings of the CoC held on May 30, 2019, in terms of Section 22 (2) of the Code, resolved with the requisite voting share, to replace the Interim Resolution Professionals with the Resolution Professional for the Corporate Debtors, which has been confirmed by the NCLT in its orders dated June 21, 2019 (published on the website of the NCLT on June 28, 2019).
15. As per Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the standalone unaudited 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 unaudited financial results. As mentioned in Note No 1 of the Statement, in view of the ongoing Corporate Insolvency Resolution Process, the powers of the board of directors stand suspended and are exercised by the Resolution Professional.

For **Pathak H. D. & Associates LLP**
Chartered Accountants
Firm's Registration No:107783W/W100593



Vishal D. Shah
Partner
Membership No.: 119303
UDIN No. : 20119303AAAALM1937



Date: November 28, 2020
Place: Mumbai

Reliance Communications Limited

website: www.rcom.co.in

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

CIN - L45309MH2004 PLC147531

Standalone unaudited Financial Results for the Quarter and Half year ended September 30, 2020

		(` in Crore)					
Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from Operations	128	141	225	269	461	818
	(b) Other Income	-	-	-	-	-	
	(c) Total Income [(a) + (b)]	128	141	225	269	461	818
2	Expenses						
	(a) Access Charges, Licence Fees and Network Expenses	131	138	190	269	390	714
	(b) Employee Benefits Expenses	27	21	32	48	71	105
	(c) Finance Costs	-	-	-	-	-	-
	(d) Depreciation, Amortisation and Provision for Impairment	34	30	57	64	114	183
	(e) Sales and General Administration Expenses	11	42	71	53	118	1,428
	(f) Total Expenses [(a) to (e)]	203	231	350	434	693	2,430
3	Profit/ (Loss) before Exceptional Items and Tax [1 (c) - 2 (f)]	(75)	(90)	(125)	(165)	(232)	(1,612)
4	Exceptional Items (Refer Note 6)	-	-	(2,608)	-	(2,608)	(15,251)
5	Profit / (Loss) before Tax [3 - 4]	(75)	(90)	(2,733)	(165)	(2,840)	(16,863)
6	Tax Expenses						
	(a) Current Tax	-	-	-	-	-	-
	(b) Deferred Tax Charge/ (Credit)	-	-	-	-	-	-
	(c) Tax Expenses (net) [(a) to (b)]	-	-	-	-	-	-
7	Profit/ (Loss) after Tax [5 - 6]	(75)	(90)	(2,733)	(165)	(2,840)	(16,863)
8	Profit/ (Loss) before Tax and Exceptional Item from Discontinued Operations	(88)	(107)	(360)	(195)	(452)	(654)
9	Exceptional Items (Refer Note 7)						
	Provision of Liability on account of License & Spectrum fee	(1,041)	(1,004)	(25,588)	(2,045)	(25,588)	(27,821)
	Provision for Impairment of Assets / Diminution in the value of Investments	-	-	-	-	-	
10	Profit/ (Loss) before Tax from Discontinued Operations [8-9]	(1,129)	(1,111)	(25,948)	(2,240)	(26,040)	(28,475)
11	Tax Expenses of Discontinued Operations	-	-	-	-	-	-
12	Profit/ (Loss) after Tax from Discontinued Operations [10-11]	(1,129)	(1,111)	(25,948)	(2,240)	(26,040)	(28,475)
13	Other Comprehensive Income/ (Expense) for the period / year	-	-	-	-	-	5
14	Total Comprehensive Income / (loss) for the period / year [7+ 12 + 13]	(1,204)	(1,201)	(28,681)	(2,405)	(28,880)	(45,333)
15	Earnings per Share (EPS) Basic and Diluted (Rs.)						
	(before exceptional items) (Not annualised for the quarter and half year ended)						
	(a) Continuing Operations	(0.27)	(0.33)	(0.45)	(0.60)	(0.84)	(5.87)
	(b) Discontinued Operations	(0.32)	(0.39)	(1.31)	(0.71)	(1.65)	(2.38)
	(c) Continuing Operations and Discontinued Operations	(0.59)	(0.72)	(1.76)	(1.31)	(2.49)	(8.25)
	(after exceptional items) (Not annualised for the quarter and half year ended)						
	(a) Continuing Operations	(0.27)	(0.33)	(9.96)	(0.60)	(10.35)	(61.45)
	(b) Discontinued Operations	(4.11)	(4.05)	(94.55)	(8.16)	(94.89)	(103.76)
	(c) Continuing Operations and Discontinued Operations	(4.38)	(4.38)	(104.51)	(8.76)	(105.24)	(165.21)
16	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	1,383	1,383	1,383	1,383	1,383	1,383
17	Debt Equity Ratio (Refer Note 12)				-	-	-
18	Debt Service Coverage Ratio (DSCR) (Refer Note 12)				-	-	-
19	Interest Service Coverage Ratio (ISCR) (Refer Note 12)				-	-	-

Standalone Statement of Assets and Liabilities		(' in Crore)	
	Particulars	As at	As at
		30-Sep-20	31-Mar-20
		Unaudited	Audited
A	ASSETS		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	1,426	1,484
	(b) Capital Work in Progress	101	97
	(c) Intangible Assets	8	11
	(d) Investment in Subsidiaries and Associates	7,450	7,450
	(e) Financial Assets		
	(i) Other Financial Assets	2	2
	(f) Income Tax Asset (net)	102	261
	(g) Other Non Current Assets	699	699
	Sub-total Non-Current Assets	9,788	10,004
2	Current Assets		
	(a) Inventories	29	32
	(b) Financial Assets		-
	(i) Investments	4,046	4,046
	(ii) Trade Receivables	227	253
	(iii) Cash and Cash Equivalents	304	234
	(iv) Bank Balances other than (iii) above	47	40
	(v) Loans	6,548	6,556
	(vi) Other Financial Assets	199	205
	(c) Other Current Assets	4,115	4,116
	(d) Assets Held for Sale	19,731	19,731
	Sub-total - Current Assets	35,246	35,213
	Total Assets	45,034	45,217
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share Capital	1,383	1,383
	(b) Other Equity	(36,734)	(34,329)
	Total Equity	(35,351)	(32,946)
	LIABILITIES		
2	Non-Current Liabilities		
	(a) Other Non-Current Liabilities	139	156
	(b) Provisions	5	5
	Sub-total Non-Current Liabilities	144	161
3	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	28,340	28,340
	(ii) Trade Payables	-	-
	Due to Micro Entreprises & Small Enterprises	34	35
	Due to Others	2,949	2,979
	(iii) Other Financial Liabilities	42,802	40,711
	(b) Other Current Liabilities	276	305
	(c) Provisions	1,218	1,219
	(d) Liabilities directly related to Assets held for Sale	4,622	4,413
	Sub-total - Current Liabilities	80,241	78,002
	Total Equity and Liabilities	45,034	45,217

Cash Flow Statement for the period ended		(' in Crore)	
Sr. No.	Particulars	Half year ended	
		30-Sep-20	30-Sep-19
		Unaudited	Unaudited
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit / (Loss) before tax from Continuing Operations	(165)	(2,840)
	Profit / (Loss) before tax from Discontinued Operations	(2,240)	(26,040)
	Profit before tax -Continuing and Discontinuing Operation	(2,405)	(28,880)
	Adjusted for:		
	Provision for Doubtful Debts and Advances	9	9
	Write off other non current assets / (Write back) of old Liabilities	-	233
	Depreciation and Amortisation Expenses	64	114
	Provision for diminution in the Value/ (profit)on fair Value of Investments	-	2,608
	Effect of change in Foreign Exchange Rate (net)	(22)	2
	Finance Costs (net)	220	206
	Interest Income	(2)	(6)
		269	3,166
	Operating Profit before Working Capital Changes	(2,136)	(25,714)
	Adjusted for:		
	Receivables and Other Advances	1	53
	Inventories	3	-
	Trade Payables and Other Liabilities	2,044	25,818
		2,048	25,871
	Cash Generated from Operations	(88)	157
	Income Tax Refund	161	-
	Income Tax Paid	(1)	(40)
	Net Cash from Operating Activities	72	117
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Additions of Property, Plant and Equipments, Intangible Assets and Capital Work in Progress/ Intangible Assets under Developments (including realised loss capitalised)	(5)	(4)
	Proceeds from Sale of Property, Plant and Equipments	-	-
	Refund of Loans given to Subsidiaries	-	1
	Loans given to Subsidiaries	-	-
	Investment in Bank deposits (having original maturity for more than 3 months)	1	1
	Interest Income	2	-
	Net Cash from / (Used in) Investing Activities	(2)	(2)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Net Proceeds from/ (Repayment) of Borrowings - Current	-	-
	Finance Costs	-	(27)
	Net Cash from / (used in) Financing Activities	-	(27)
	Net Increase/ (Decrease) in Cash and Cash Equivalents	70	88
	Opening Balance of Cash and Cash Equivalents	234	185
	Closing Balance of Cash and Cash Equivalents	304	273



Notes:

1. Pursuant to an application filed by Ericsson India Pvt. Ltd before the National Company Law Tribunal, Mumbai Bench (“**NCLT**”) in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder (“**Code**”), the NCLT had admitted the application and ordered the commencement of corporate insolvency resolution process (“**CIRP**”) of Reliance Communications Limited (“**Corporate Debtor**”) vide its order dated May 15, 2018. The NCLT had appointed Mr. Pardeep Kumar Sethi as the interim resolution professional for the Corporate Debtor vide its order dated May 18, 2018. However, the Hon'ble NCLAT by an order dated May 30, 2018 had stayed the order passed by the Hon'ble NCLT for initiating the CIRP of the Corporate Debtor and allowed the management of the Corporate Debtor to function. In accordance with the order of the Hon'ble NCLAT, Mr. Pardeep Kumar Sethi handed over the control and management of the Corporate Debtor back to the erstwhile management of the Corporate Debtor on May 30, 2018. Subsequently, by order dated April 30, 2019, the Hon'ble NCLAT allowed stay on CIRP to be vacated. On the basis of the orders of the Hon'ble NCLAT, Mr. Pardeep Kumar Sethi, wrote to the management of the Corporate Debtor on May 02, 2019 requesting the charge, operations and management of the Corporate Debtor to be handed over back to IRP. Therefore, Mr. Pardeep Kumar Sethi had in his capacity as IRP taken control and custody of the management and operations of the Corporate Debtor from May 02, 2019. Subsequently, the committee of creditors of the Corporate Debtor pursuant to its meeting held on May 30, 2019 resolved, with requisite voting share, to replace the existing interim resolution professional, i.e. Mr. Pardeep Kumar Sethi with Mr. Anish Niranjana Nanavaty as the resolution professional for the Corporate Debtor in accordance with Section 22(2) of the Code. Subsequently, upon application by the CoC in terms of Section 22(3) of the Code, the NCLT appointed Mr. Anish Niranjana Nanavaty as the resolution professional for the Corporate Debtor (“**RP**”) vide its order dated June 21, 2019, which was published on June 28, 2019 on the website of the NCLT. Accordingly, the IRP handed over the matters pertaining to the affairs of the Corporate Debtor to the RP as on June 28, 2019 who assumed the powers of the board of directors of the Corporate Debtor and the responsibility of conducting the CIRP of the Corporate Debtor.

Further, pursuant to the meeting of the committee of creditors of the Corporate Debtor dated March 2, 2020, a resolution plan, submitted by a resolution applicant in respect of the Corporate Debtor, has been approved by the committee of creditors. The application under Section 31 of the Code filed by the RP for approval of resolution plan is currently pending adjudication before the NCLT.

With respect to the financial results for the quarter and half year ended September 30, 2020, the RP has signed the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable laws, and subject to the following disclaimers:

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- (i) The RP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of the Code;
- (ii) No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorized representatives and advisors;
- (iii) The RP, in review of the financial results and while signing this statement of financial results, has relied upon the assistance provided by the directors of the Corporate Debtor, and certifications, representations and statements made by the directors of the Corporate Debtor, in relation to these financial results. The statement of financial results of the Corporate Debtor for the quarter and half year ended September 30, 2020 have been taken on record by the RP solely on the basis of and on relying the aforesaid certifications, representations and statements of the aforesaid directors and the management of the Corporate Debtor. For all such information and data, the RP 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 results and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial results.
- (iv) In terms of the provisions of the Code, the RP is required to undertake a review of certain transactions. Such review has been completed and the RP has filed the necessary applications with the adjudicating authority.

During the quarter ended September 30, 2019, Reliance Communications Infrastructure Limited (RCIL), a wholly owned subsidiary of the Corporate Debtor, had been admitted by NCLT for resolution process under the Code.

- 2. Figures of the previous period / year have been regrouped and reclassified, wherever required.
- 3. During the quarter ended June 30, 2019, the CIRP in respect of the Corporate Debtor and its subsidiaries; Reliance Telecom Limited (RTL) and Reliance Infratel Limited (RITL) has been re-commenced, and interim resolution professionals had been appointed in respect of the aforesaid companies. Subsequently, appointment of Mr. Anish Niranjana Navatya as the Resolution Professional (RP) of the Corporate Debtor and its subsidiaries has been confirmed by the NCLT vide its order dated June 21, 2019 which was published on June 28, 2019 on the NCLT's website.

Pursuant to strategic transformation programme, as a part of asset monetization and resolution plan of the Corporate Debtor, the Corporate Debtor and its subsidiary

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CIN No.: L45309MH2004PLC147531



companies; RTL and RITL, with the permission of and on the basis of suggestions of the lenders, had entered into definitive binding agreements with Reliance Jio Infocomm Limited (RJio) for monetisation of certain specified assets on December 28, 2017 for sale of Wireless Spectrum, Towers, Fiber and Media Convergence Nodes (MCNs). During the previous financial year, the said asset sale agreements were terminated by mutual consent on account of various factors and developments including inter alia non receipt of consents from lenders and permission/ approvals from Department of Telecommunication.

On completion of the corporate insolvency resolution process, the Corporate Debtor will carry out a comprehensive review of all the assets including investments, liabilities and Impairment of goodwill on Consolidation and accordingly provide for impairment of assets and write back of liabilities, if any. Further, the Corporate Debtor and some of its subsidiaries are in the process of reconciling Goods & Service Tax (GST) and Tax Deducted at source. The Auditors have drawn qualification in this regard in their Limited Review Report for the quarter and half year ended September 30, 2020.

Considering these developments including, in particular, the RP having taken over the management and control of the Corporate Debtor and its three subsidiaries (Group) 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 Group continues to incur loss, current liabilities exceed current assets and Group 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 Group's ability to continue as a going concern. The Auditors have drawn qualification in their Limited Review Report for the quarter and half year ended September 30, 2020.

4. Considering various factors including admission of the Corporate Debtor and its three subsidiaries; RTL RITL and RCIL to CIRP under the Code, 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 CIRP and accounting impact if any will be given on completion of CIRP.

Further, prior to May 15, 2018, the Corporate Debtor and its said subsidiaries were under Strategic Debt Restructuring (SDR) and asset monetization and debt resolution plan was being worked out. The Corporate Debtor and some of its subsidiaries have not provided Interest of Rs. 942 crore and Rs. 1,942 crore calculated based on basic rate of interest as per terms of loan for the quarter and half year ended September 30, 2020 respectively and foreign exchange (Gain) aggregating to Rs. 350 crore and Rs 382 crore for the quarter and half year ended September 30, 2020 respectively. Had the Corporate Debtor provided Interest and foreign exchange variation, the Loss would have been higher by Rs. 592 crore and Rs 1,560 crore for the quarter and half year ended September 30, 2020 respectively. The Net Worth of the Company as on September 30, 2020 and March

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31, 2020 would have been lower by Rs.14,850 crore and Rs.13,290 crore respectively. The Auditors have drawn qualification for non provision of interest and foreign exchange variations in their Limited Review Report for the quarter and half year ended September 30, 2020. During the previous years, Interest of Rs 11,174 crore and foreign exchange loss (net) aggregating to Rs 2,116 crore were not provided and the Auditors had drawn qualification in their audit report for the financial year ended March 31, 2018, March 31, 2019 and March 31, 2020.

- Assets held for sale including Wireless Spectrum, Towers, Fiber and Media Convergence Nodes (MCNs) continue to be classified as held for sale at the value ascertained at the end of March 31, 2018, along with liabilities, for the reasons referred in Note 3 above and disclosed separately as discontinued operations in line with Ind AS 105 “Non-current Assets Held for Sale and Discontinued Operations”.

In this regard it is pertinent to note that the due pertaining to the spectrum (including entire deferred payments) have been claimed by DoT and the same have been admitted by the RP, and accordingly, the dues shall be dealt with in accordance with provisions of the IBC. In accordance with the aforesaid and admission of deferred spectrum installments as claims, the Corporate Debtor and its subsidiary RTL have not paid the installments.

The financial results of discontinued operations are as under:

(Rs in crore)

Particulars	Quarter ended			Half year ended		Year ended
	30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total Income	25	2	2	27	6	2
Total Expenses	113	109	362	222	458	656
Profit/ (Loss) before Exceptional Item tax	(88)	(107)	(360)	(195)	(452)	(654)
Exceptional Item	(1,041)	(1,004)	(25,588)	(2,045)	(25,588)	(27,821)
Tax	-	-	-	-	-	-
Profit/ (Loss) after tax	(1,129)	(1,111)	(25,948)	(2,240)	(26,040)	(28,475)

Cash Flow from	30-Sep-20	31-Mar-20
- Operating activities	84	(24)
- Investing Activities	2	2
- Financing Activities	-	(12)

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6. During the previous year, GCX Limited, a step down subsidiary of RCOM, along with its subsidiaries/affiliates (collectively, "GCX") had filed for voluntary pre-packaged restructuring under Chapter 11 of the US Bankruptcy Code before Delaware court, USA. Objections were filed on behalf of the Corporate Debtor which were not accepted by the court. The plan filed by GCX had been confirmed by the court on December 4, 2020.

The Plan, as confirmed, provides that the old equity interests in the Debtors would be extinguished and the new ownership would pass to the participating Note holders on the "Effective Date" of the Plan. It provided that certain transactions needed to occur and various regulatory approvals needed to be obtained before the Debtors would file a Notice of Effective Date (i.e., a notice declaring that, as of the stated date, the Plan had become effective). As of the present date, certain Debtors have not filed any such Notice of Effective Date, and the Plan has not become "effective." As a result, although the Debtors and the Noteholders continue to work towards satisfying the various Plan requirements, technically, RCom has not yet been divested of its indirect equity interest in GCX and the other Debtors. Impact on profitability was Rs. 2,608 crore for the quarter ended September 30, 2019 and Rs. 6,287 crore for the previous year ended March 31, 2020 and has been represented as part of exceptional items.

Pursuant to the order dated February 25, 2020, the court has granted a motion filed by GCX Limited along with the other debtors aimed at addressing the issues they have been having in completing the steps to make their plan effective *inter alia* seeking approval for process whereby a bifurcation has been created wherein debtors not requiring regulatory approvals could complete their processes and arrive at effective date, while others may wait for occurrence of their effective date upon fulfillment of regulatory approvals. Accordingly, on April 14, 2020, a notice has been issued intimating occurrence of "Effective Date" of certain "non-regulated debtors" while the "*Effective Date of the Plan with respect to Debtors GCX Limited, FLAG Telecom Network USA Limited, Reliance Globalcom Limited, and Vanco US, LLC (collectively, the "Regulated Debtors") is expected to occur at a later date*". The court confirmed the aforesaid and entered order on April 21, 2020.

A notice by GCX entities (Debtors) has been filed on June 30, 2020 to further extend the plan effectiveness deadlines to December 31, 2020 with respect to the Regulated Debtors. A motion has been filed on July 2, 2020 seeking further extension for (a) the Plan Period through and including December 31, 2020 and (b) the Solicitation Period through and including February 8, 2021. The Debtors have further requested that entry of the Proposed Order be without prejudice to the Debtors' rights to seek additional extensions of the Exclusive Periods.

7. The Hon'ble Supreme Court of India, vide its order dated October 24, 2019 had dismissed the petition filed by the telecom operators and agreed with the interpretation of the Department of Telecommunications (DoT) to the definition of Adjusted Gross Revenue (AGR) under the license. Vide order dated March 18, 2020, the Supreme Court has directed that self-assessment/re-assessment of AGR dues by telecom companies will not be permitted and the dues are to be paid along with interest and penalty as per

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the AGR judgment dated October 24, 2019. The DoT had filed an application on March 16, 2020, wherein it has sought permission from the Supreme Court to recover the AGR dues from the telecom companies in a staggered manner over a period of 20 years. Vide order dated July 20, 2020, the Supreme Court observed that it would examine the bona fide of the telecom operators that have gone into insolvency. The hearing on the matter continued over several weeks wherein various arguments had been placed by the counsel representing the RP (as well as counsel for COC).

On September 01, 2020, the Supreme Court pronounced the judgment in the AGR matter. It has framed various questions in respect of companies under insolvency and in respect of such questions, the Court has held that the same should be decided first by the NCLT by a reasoned order within 2 months, and that it has not gone into the merits in this decision, and has held the following:

“We consider it appropriate that the aforesaid various questions should first be considered by the NCLT. Let the NCLT consider the aforesaid aspects and pass a reasoned order after hearing all the parties. We make it clear that it being a jurisdictional question, it requires to be gone into at this stage itself. Let the question be decided within the outer limits of two months. We also make it clear that we have not observed on the merits of the case, and we have kept all the questions open to be examined by the NCLT.”

The Corporate Debtor and Reliance Telecom Limited have filed intervention applications before the NCLAT in the appeal filed by the Department of Telecommunications against the resolution plan approval orders of the Aircel companies (wherein the NCLAT is adjudicating on the questions framed by the Hon'ble Supreme Court in the AGR matter in its judgement dated September 1, 2020). The matter currently remains *sub-judice*.

Further, in its judgement dated September 1, 2020, reiterating that AGR dues as per original decision should be paid, the Hon'ble Supreme Court directed that DoT should complete the assessment in cases where demand had not been raised and raise demand if it has not been raised, to examine the correctness of self-assessment and raise demand, if necessary, after due verification. In case demand notice has not been issued, DoT should raise the demand within six weeks from date of judgement. The Corporate Debtor has not received any such demand in this regard till date.

The DoT had during the pendency of the various proceedings simultaneously directed Special Audit in relation to the computation of License fee, Spectrum fee, applicable interest and penalties thereon, which is under progress for the financial year 2015-16 onwards. In this regard, the Corporate Debtor had provided for estimated liability aggregating to Rs. 27,821 crore up to the previous year ended March 31, 2020 and has provided additional charge of Rs. 1,041 crore and Rs. 2,045 crore during the quarter and half year ended September 30, 2020 respectively and represented as exceptional items relating to discontinued operations which may undergo revision based on demands from DoT and/ or any developments in this matter.

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Considering various factors including admission of the Corporate Debtor and its subsidiary RTL to resolution process under the Code and the moratorium applicable under Code, discharge of the aforesaid liability will be dealt with in accordance with the Code (subject to orders in the relevant judicial proceedings). This matter has been referred to by the Auditors in their Limited Review report for the quarter and half year ended September 30, 2020.

8. The listed Redeemable Non Convertible Debentures (NCDs) of the Corporate Debtor aggregating to Rs 3,750 crore as on September 30, 2020 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 Corporate Debtor 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 Rs 750 crore, the Corporate Debtor has also assigned Telecom Licenses, 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.

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

Nature of Instruments	11.20% NCDs	11.25% NCDs
Amount outstanding (Rs in crore)	3,000	750
Previous due date for Principal Repayment and whether paid	01.03.2019 unpaid	07.02.2019 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	Rs3,000 crore on 01.03.2019 (Unpaid)	Rs 375 crore each on 07.02.2018 and 07.02.2019 (Unpaid)
Interest Unpaid up to September 30, 2020 (Rs in crore)	1,176	294

10. Debenture Redemption Reserve (DRR) : Rs 590 crore as on September 30, 2020

11. Net worth : Rs.(-) 36,748 crore, as on September 30, 2020

Includes Rs. 5,538 crore created pursuant to the Scheme of Amalgamation approved by Hon'ble High courts which shall for all regulatory purposes be considered to be part of

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owned funds of the Company. The above net worth is without considering the impact of the above qualification given by the auditors in their review report. (Refer note 4 above)

12. 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).

13. The Company's assets are held for sale as per Ind AS 105 accordingly lease agreements are considered to be short term in nature and Ind AS 116 has not been applied. The Auditors have drawn qualification in their Limited Review Report for the quarter and half year ended September 30, 2020.

14. Disclosure as per Ind AS 108 "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.

15. During the quarter, Reliance Tech Services Limited (RTSL), a wholly owned subsidiary of the Corporate Debtor, has been admitted by NCLT on August 04, 2020 for corporate insolvency resolution process under the Code and Mr. Anjan Bhattacharya has been appointed as the Interim Resolution Professional by the Hon'ble NCLT.

16. The managerial remuneration paid to the Executive Director and CFO of the Corporate Debtor amounting to Rs. 0.49 crore for the financial year ended March 31, 2020 exceeded the prescribed limits under Section 197 read with Schedule V to the Companies Act, 2013 by Rs. 0.27 crore for which the required approval of the Shareholders was obtained at the Annual General Meeting held on September 26, 2020.

17. Provision for Income Tax for the quarter and half year ended September 30, 2020 is based on the estimate for the full financial year.

18. While the Corporate Debtor is sensitive about the impact of the pandemic (COVID-19), not only on the human life but on businesses and industrial activity across the globe, however, its effect will only be realized and ascertained over the next few months.

The Corporate Debtor has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by Government of India, various state governments and local bodies to ensure safety of workforce across all its offices.

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Vide notification dated March 24, 2020 issued by Ministry of Home Affairs, a nation-wide lockdown was announced to contain COVID-19 outbreak. Further various state governments have issued orders from time to time in relation to easing of restrictions and protocols to be followed. However, Telecommunication services, being essential services, had been exempted and permitted to continue operation during the period of lockdown. The Corporate Debtor has continued to provide services to its Enterprise customers without any interruptions and honour commitments, despite facing all odds during lockdown.

The extent to which the COVID-19 pandemic will impact the Corporate Debtor's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and the action to mitigate its spread as advised by local authorities.

As the Corporate Debtor is undergoing CIRP, it is relevant to note that the period of lockdown is notified to be exempt under the Code for the purpose of timeline to complete the CIRP. This matter has been referred to by the Auditors in their Audit report for the quarter and half year ended September 30, 2020.

19. The above standalone financial results for the quarter and half year ended September 30, 2020 are prepared in accordance with the recognition and measurement principles of Ind AS 34 "Interim Financial Reporting" prescribed under the Act, read with relevant rules made thereunder.
20. After review by the Audit Committee, the Directors of the Corporate Debtor have approved the above results at their meeting held on November 28, 2020 which was chaired by Mr. Anish Niranjana Nanavaty, Resolution Professional ('RP') of the Corporate Debtor and RP took the same on record basis recommendation from the directors. The Financial Results for the quarter and half year ended September 30, 2020 are Limited Reviewed by the Statutory Auditors of the Company.

For Reliance Communications Limited


Anish Niranjana Nanavaty
(Resolution Professional)


Viswanath Devaraja Rao
(Executive Director and Chief Financial Officer)

Place: Mumbai

Date: November 28, 2020

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Limited Review Report on Consolidated Unaudited Financial Results of Reliance Communications Limited for the quarter and half year ended September 30, 2020 pursuant to Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors / Resolution Professional (RP) of Reliance Communications Limited

1. The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by a financial creditor against Reliance Communications Limited and appointed Resolution Professional (RP) who has been vested with management of affairs and powers of the Board of Directors with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.
2. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Reliance Communications Limited ('the Parent Company') and its subsidiaries (the Parent Company and its subsidiaries together referred to as the 'Group'), and its share of net profit / (loss) after tax and total comprehensive income/ (loss) of its associates for the quarter and half year ended September 30, 2020 ("the Statement") attached herewith, being submitted by the Parent Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
3. This Statement which is the responsibility of the Parent Company's Management and approved by the Parent's Board of Directors and taken on record by RP in their meeting held on November 28, 2020, has been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
4. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended to the extent applicable.

5. The Statement includes the results of the following entities:

A. Subsidiaries (Including step-down subsidiaries)

Sr. No.	Name of the Company
1.	Reliance WiMax Limited
2.	Reliance Bhutan Limited



3.	Reliance Webstore Limited
4.	Campion Properties Limited
5.	Reliance Tech Services Limited
6.	Reliance Telecom Limited
7.	Reliance Communication Infrastructure Limited
8.	Globalcom IDC Limited
9.	Reliance Infratel Limited
10.	Globalcom Mobile Commerce Limited
11.	Reliance BPO Private Limited
12.	Reliance Realty Limited
13.	Reliance Globalcom B.V.
14.	Reliance Communications (UK) Limited
15.	Reliance Communications (Hong Kong) Limited
16.	Reliance Communications (Singapore) Pte. Limited
17.	Reliance Communications (New Zealand) Pte. Limited
18.	Reliance Communications (Australia) Pty Limited
19.	Anupam Global Soft (U) Limited
20.	Gateway Net Trading Pte Limited
21.	Reliance FLAG Pacific Holdings Limited
22.	Reliance Infocom Inc
23.	Reliance Communications Inc.
24.	Reliance Communications International Inc.
25.	Reliance Communications Canada Inc.
26.	Bonn Investment Inc.
27.	Reliance Communications Tamilnadu Limited
28.	Globalcom Realty Limited
29.	Worldtel Tamilnadu Private Limited
30.	Realsoft Cyber Systems Private Limited
31.	Internet Exchangenext.com Limited
32.	Largewood Investments Limited
33.	Reliance Telecom Infrastructure (Cyprus) Holding Limited
34.	Aircom Holdco B.V.
35.	Towercom Infrastructure Private Limited
36.	Reliance Infra Projects Limited

B. Associates

Sr. No.	Name of the Company
1.	Wharf Telecom International Private Limited
2.	Mumbai Metro Transport Private Limited

6. We draw attention to Note no. 3 & 5 of the Statement regarding "Assets Held for Sale (AHS)" including Wireless Spectrum, Towers, Fiber and Media Convergence Nodes (MCNs) continue to be classified as held for sale at the value ascertained at the end of March 31, 2018 alongwith liabilities, for the reasons referred to in the aforesaid note and impact of the non payment of spectrum instalments due to Department of Telecommunication (DOT). Non determination of fair value as 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 carrying amount of Assets Held for Sale and on the reported losses for the quarter and half year ended September 30, 2020.

7. We draw attention to Note no. 4 of the Statement regarding admission of the Parent Company and its three subsidiaries into Corporate Insolvency Resolution Process ("CIRP") and pending determination of obligations and liabilities including various claims submitted by the Operational / financial / other creditors and employees including interest payable on loans during CIRP. We are unable to comment the accounting impact and disclosure thereof pending reconciliation and determination of final obligation.

The Parent Company and some of its subsidiaries accordingly have not provided interest on borrowings amounting to Rs. 1,045 crore and Rs. 2,162 crore for the quarter and half year ended September 30, 2020 respectively and Rs. 12,746 crore up to the previous financial year as per the terms of the borrowings. The Parent Company and some of its subsidiaries further has not credited / provided for foreign exchange variance gain amounting to Rs. 429 crore and Rs. 468 crore for the quarter and half year ended September 30, 2020 respectively and Rs. 2,593 crore foreign exchange losses up to the previous financial year. Had such interest and foreign exchange variation (gain)/ loss as mentioned above been provided, the reported loss for the quarter and half year ended September 30, 2020 would have been higher by Rs. 616 crore and Rs. 1,694 crore respectively and Net worth of the Group as on September 30, 2020 and March 31, 2020 would have been lower by Rs. 17,033 crore and Rs. 15,339 crore respectively. Non provision of interest and non recognition of foreign exchange variation (gain)/loss is not in compliance with Ind AS 23 "Borrowing Costs" and Ind AS 21 "The Effects of Changes in Foreign Exchange Rates" respectively.

8. We draw attention to Note no. 3 of the Statement, regarding the pending comprehensive review of carrying amount of all other assets including investments & liabilities, impairment of goodwill on consolidation for the reason stated in the said note and accordingly non provision for impairment of carrying value of assets and write back of liabilities if any, by the Group. Further Goods & Service Tax (GST) and Tax Deducted at source (TDS) are pending reconciliation. In the absence of Comprehensive review as mentioned above for the carrying amount of all other assets and liabilities and pending reconciliation of GST and TDS, we are unable to comment that whether any adjustment is required in the carrying amount of such assets and liabilities and consequential impact, if any, on the reported losses for the quarter and half year ended September 30, 2020. Non determination of fair value of financial assets & liabilities are not in compliance with Ind AS 109 "Financial Instruments" & non determination of carrying amount of non-financial assets & liabilities are not in compliance, Ind AS 36 "Impairment of Assets" and Ind AS 37 "Provisions, Contingent Liabilities & Contingent Assets".
9. We draw attention to Note no. 14 of the Statement, regarding non adoption of Ind AS 116 "Leases" effective from April 01, 2019 and the impact thereof. The Parent Company and some of its subsidiaries have not applied Ind AS 116. The aforesaid accounting treatment is not in accordance with the relevant Ind AS 116.
10. We draw attention to Note no. 3, 6 & 7 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 the ongoing CIRP, the outcome of which cannot be presently ascertained. Parent Company subsidiary namely Reliance Communications Infrastructure Limited (RCIL) has also been admitted under the Code with effect from September 25, 2019. Further one of the Company's foreign step-down subsidiaries namely GCX Limited has ceased to be the subsidiary on initiation of a voluntary



application under Chapter 11 of US States Bankruptcy Code on account of default in payment to 7% Senior Secured Notes amounting to USD 350 million due for payment on August 01, 2019 which has been confirmed by the Delaware Court order as explained in Note No 6 of the Statement. The group has continued to incur losses, its current liabilities exceed current assets and defaulted in repayment of its borrowings and payment of statutory dues. Further, auditors of material subsidiaries of the Company have qualified their reports with respect to Going Concern on account of reasons mentioned above.

This situation indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. The accounts, however, has been prepared by the management on a going concern basis for the reason stated in the aforesaid note. However we are unable to obtain sufficient and appropriate audit evidence regarding management's use of the going concern basis of accounting in the preparation of the financial results, in view of ongoing Corporate Insolvency Resolution Process, the outcome of which cannot be presently ascertained.

11. We draw attention to Note no. 15 of the Statement, regarding unbilled revenue recognized by one of the Parent Company's subsidiary amounting to Rs.917 crore with respect to services provided, which has not been billed by the subsidiary for the reasons mentioned in the aforesaid note. We are unable to comment on the ultimate outcome of reconciliation and its impact on the revenue recognized during the period and in earlier periods and its realisation.
12. We draw attention to Note no. 19 of the Statement regarding non receipt of balance confirmation from balance with Industrial and Commercial bank of China in Fixed Deposit (FD) account amounting to Rs. 31.62 crore as at September 30, 2020 in respect of one of the Company's Subsidiary. Pending receipt of balance confirmation as on reporting date, we are unable to comment on the consequential impact if any, on the unaudited consolidated financial results of the Group.
13. Based on our review conducted and procedures as stated in paragraph 4 above and based on the consideration of the review reports of other auditors referred to in paragraph 16 below, except for the possible effects of the matters stated in paragraphs 6 to 12 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standards i.e. Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.
14. We draw attention to Note no. 8 of the Statement, regarding provision of license fee and spectrum usage charges by the Company and one of its subsidiary, based on management estimates pending special audit from Department of Telecommunications, pursuant to the judgment of Hon'ble Supreme Court of India, vide its order dated October 24, 2019 and status of payment thereof. Our conclusion is not modified in respect of this matter.
15. We draw attention to Note no. 23 of the Statement, as regards to the management evaluation of COVID - 19 impact on the future performance of the Group. The actual outcome of the assumptions and estimates may vary in future due to impact of pandemic. Our conclusion on the Statement is not modified in respect of this matter.



16. We did not review the financial information of 12 subsidiaries included in the consolidated unaudited financial results, whose financial information reflect total assets of Rs. 2,776 crore as at September 30, 2020, total revenues of Rs. 15 crore and Rs. 29 crore, total net loss after tax of Rs. 3 crore and Rs. 8 crore and total comprehensive loss of Rs. 3 crore and Rs. 8 crore for the quarter and half year ended September 30, 2020 respectively and net cash inflows/(outflows) of Rs. (2) crore for the half year ended September 30, 2020, as considered in the consolidated unaudited financial results whose financial information has not been reviewed by us. The consolidated unaudited financial results also include the Group's share of net loss after tax of Rs. 1 crore and Rs. 1 crore and total comprehensive loss of Rs. 1 crore and Rs. 1 crore for the quarter and half year ended September 30, 2020 as considered in the consolidated unaudited financial results, in respect of 2 associates, whose financial information have not been reviewed by us. These financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far it relates to amounts and disclosures included in respect of these subsidiaries and associates, is solely based on the reports of the other auditors and the procedures performed by us as stated in paragraph 4 above. Our conclusion on the Statement is not modified in respect of this matter.
17. We did not review the financial information of 20 subsidiaries included in the consolidated unaudited financial results, whose financial information reflect total assets of Rs. 3,350 crore as at September 30, 2020, total revenues of Rs. 27 crore and Rs. 55 crore, total net loss after tax of Rs. 2 crore and Rs. 3 crore and total comprehensive loss of Rs. 2 crore and Rs. 3 crore for the quarter and half year ended September 30, 2020 respectively and net cash inflows / (outflows) of Rs. (3) crore for the half year ended September 30, 2020, as considered in the consolidated unaudited financial results whose financial information has not been reviewed by their auditors. These unaudited financial statements / financial information have been furnished to us by the Directors and our opinion on the consolidated unaudited financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Directors, these financial statements / financial information are not material to the Group.
18. The entire review process was carried from remote locations i.e. other than the office of the Parent Company where books of account and other records are kept, based on the data/details or financial information provided to us through digital medium, owing to lockdown imposed by the Central Government to restrict the spread of COVID19. Being constrained, we resorted to and relied upon the results of the alternative review procedures to obtain sufficient and appropriate audit evidence for significant matters in course of our audit. Our conclusion on the Statement is not modified in respect of this matter.
19. Pursuant to applications filed by Ericsson India Pvt. Ltd. before the NCLT, Mumbai Bench in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the applications and ordered the commencement of Corporate Insolvency Resolution Process ("CIRP") of the Company and two of its subsidiaries namely Reliance Infratel Limited (RITL) and Reliance Telecom Limited (RTL) (collectively, the "Corporate Debtors") vide its orders dated May 15, 2018. The committee of creditors ("CoC") of the Corporate Debtors, at the meetings of the CoC held on May 30, 2019, in terms of Section 22 (2) of the Code, resolved with the requisite voting share, to replace the Interim Resolution Professionals with the Resolution Professional ("RP") for the Corporate Debtors, which has been confirmed by the NCLT in its orders dated June 21, 2019 (published on the website of the NCLT on June 28, 2019).



Further, Pursuant to an application filed by State Bank of India before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 7 of the Code, the NCLT had admitted the application and ordered the commencement of CIRP of its subsidiary namely Reliance Communications Infrastructure Limited (RCIL) ("the Company") ("Corporate Debtor") vide its order dated September 25, 2019 which has been received by the IRP (as defined hereinafter) on September 28, 2019 ("CIRP Order"). The NCLT has appointed Mr. Anish Niranjana Nanavaty as the Interim Resolution Professional for the Company ("IRP") vide the CIRP Order who has been confirmed as the Resolution Professional of the Company ("RP") by the committee of creditors.

Further, Pursuant to the application filed by Mr. Ajit Kumar Yadav and seven other Operational Creditors before the NCLT, Mumbai in terms of Section 7 of the Code, the NCLT had admitted the application and ordered the commencement of CIRP of its subsidiary namely Reliance Tech Services Limited (RTSL) vide its Order dated August 4, 2020. The NCLT has appointed Mr. Anjan Bhattacharya as the IRP.

20. As per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the consolidated unaudited financial results of the Group 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 Parent Company who is duly authorized by the Board of Directors to sign the consolidated unaudited financial results. As mentioned in Note no. 1 of the statement, in view of the on going Corporate Insolvency Resolution Process, the powers of the board of directors stand suspended and are exercised by the Resolution Professional.

For **Pathak H. D. & Associates LLP**
Chartered Accountants
Firm's Registration No:107783W/W100593

Vishal D. Shah
Partner
Membership No. : 119303
UDIN No. : 20119303AAAALN3854



Date: November 28, 2020
Place: Mumbai

Reliance Communications Limited
website: www.rcom.co.in

Regd. Office : H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710
CIN - L45309MH2004 PLC147531

Consolidated Unaudited Financial Results for the quarter and half year ended September 30, 2020

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
		(' in Crore)					
1	Income						
	(a) Revenue from Operations	197	212	302	409	1,167	1,685
	(b) Other Income	2	3	3	5	4	49
	(c) Total Income [(a) + (b)]	199	215	305	414	1,171	1,734
2	Expenses						
	(a) Access Charges, Licence Fees and Network Expenses	169	175	224	344	742	1,102
	(b) Employee Benefits Expenses	30	23	39	53	183	210
	(c) Finance Costs	11	12	1	23	48	62
	(d) Depreciation, Amortisation and Provision for Impairment	39	36	59	75	273	354
	(e) Sales and General Administration Expenses	16	45	105	61	249	589
	(f) Total Expenses [(a) to (e)]	265	291	428	556	1,495	2,317
3	Profit/ (Loss) before Share of Profit/ (Loss) of Associates, Exceptional Items and Tax [1 (c) - 2 (f)]	(66)	(76)	(123)	(142)	(324)	(583)
4	Share of Profit / (Loss) of Associates	(1)	-	1	(1)	1	4
5	Profit/ (Loss) before Exceptional Items and Tax [3 + 4]	(67)	(76)	(122)	(143)	(323)	(579)
6	Exceptional Items (Refer Note 6)	-	-	(1,250)	-	(1,250)	(10,214)
7	Profit/ (Loss) before Tax [5 + 6]	(67)	(76)	(1,372)	(143)	(1,573)	(10,793)
8	Tax Expenses						
	(a) Current Tax	4	5	2	9	7	14
	(b) Deferred Tax Charge/ (Credit) (net) (including MAT Credit)	-	-	-	-	-	-
	(c) Tax Expenses (net) [(a) + (b)]	4	5	2	9	7	14
9	Profit/ (Loss) after Tax [7 - 8]	(71)	(81)	(1,374)	(152)	(1,580)	(10,807)
10	Profit/ (Loss) before Tax and Exceptional Items from Discontinued Operations	(215)	(227)	(475)	(442)	(635)	(1,142)
11	Exceptional Items relating to Discontinued Operations						
	Provision of liability on account of License and Spectrum Fee (Refer Note 8)	(1,156)	(1,116)	(28,314)	(2,272)	(28,314)	(30,837)
12	Profit/ (Loss) before Tax from Discontinued Operations [10-11]	(1,371)	(1,343)	(28,789)	(2,714)	(28,949)	(31,979)
13	Tax Expenses of Discontinued Operations	(16)	(15)	-	(31)	-	(109)
14	Profit/ (Loss) after Tax from Discontinued Operations [12-13]	(1,355)	(1,328)	(28,789)	(2,683)	(28,949)	(31,870)
15	Other Comprehensive Income/ (Loss) for the period / year	27	5	16	32	24	(25)
16	Total Comprehensive Income/ (Loss) for the period/ year [9 + 14 + 15]	(1,399)	(1,404)	(30,147)	(2,803)	(30,505)	(42,702)
17	Profit/ (Loss) for the period attributable to						
	(a) Equity holders of the company	(1,420)	(1,407)	(30,158)	(2,826)	(30,524)	(42,671)
	(b) Non Controlling Interest	(6)	(3)	(5)	(9)	(5)	(6)
18	Total Comprehensive Income/ (Loss) attributable to						
	(a) Equity holders of the company	(1,393)	(1,401)	(30,142)	(2,794)	(30,500)	(42,696)
	(b) Non Controlling Interest	(6)	(3)	(5)	(9)	(5)	(6)
19	Earnings per Share (EPS) (Basic and Diluted) (Rs.)						
	(before exceptional items) (Not annualised for the quarter and half year ended)						
	(a) Continuing Operations	(0.26)	(0.30)	(0.45)	(0.55)	(1.20)	(2.16)
	(b) Discontinued Operations	(0.70)	(0.76)	(1.72)	(1.47)	(2.30)	(3.74)
	(c) Continuing and Discontinued Operations	(0.96)	(1.06)	(2.17)	(2.02)	(3.50)	(5.90)
	(after exceptional items) (Not annualised for the quarter and half year ended)						
	(a) Continuing Operations	(0.26)	(0.30)	(5.01)	(0.55)	(5.76)	(39.38)
	(b) Discontinued Operations	(4.92)	(4.83)	(104.89)	(9.74)	(105.47)	(116.11)
	(c) Continuing and Discontinued Operations	(5.17)	(5.12)	(109.90)	(10.29)	(111.23)	(155.49)
20	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	1,383	1,383	1,383	1,383	1,383	1,383
21	Debt Equity Ratio (Refer Note 13)				-	-	-
22	Debt Service Coverage Ratio (DSCR) (Refer Note 13)				-	-	-
23	Interest Service Coverage Ratio (ISCR) (Refer Note 13)				-	-	-

Segment wise Revenue, Results , Segment Assets and Segment Liabilities							(` in Crore)
Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	(a) India Operation	192	208	273	400	590	1,075
	(b) Global Operation	13	12	40	25	637	726
	(c) Total [(a) + (b)]	205	220	313	425	1,227	1,801
	(d) Less: Inter segment revenue	(6)	(5)	(8)	(11)	(56)	(67)
	(e) Income from Operations [(c) - (d)]	199	215	305	414	1,171	1,734
2	Segment Results						
	Profit / (Loss) before Tax and Finance Cost from each segment						
	(a) India Operation	(51)	(61)	(112)	(112)	(208)	(477)
	(b) Global Operation	(4)	(3)	(10)	(7)	(68)	(44)
	(c) Total [(a) + (b)]	(55)	(64)	(122)	(119)	(276)	(521)
	(d) Less : Finance Costs (net)	11	12	1	23	48	62
	(e) Add : Exceptional Items	-	-	(1,250)	-	(1,250)	(10,214)
	Total Profit/ (Loss) before Tax and share in Profit / (Loss) of Associates	(66)	(76)	(1,373)	(142)	(1,574)	(10,797)
	Total Profit/ (Loss) before Tax from Discontinued Operations	(1,371)	(1,343)	(28,789)	(2,714)	(28,949)	(31,979)
3	Segment Assets						
	(a) India Operation	47,754	47,852	46,398	47,754	46,398	47,884
	(b) Global Operation	841	863	499	841	499	860
	(c) Others/ Unallocable	1,286	1,285	13,230	1,286	13,230	1,271
	(d) Inter segment Eliminations	(2,130)	(2,011)	(1,583)	(2,130)	(1,583)	(2,015)
	(e) Total [(a) to (d)]	47,751	47,989	58,544	47,751	58,544	48,000
4	Segment Liabilities						
	(a) India Operation	97,449	96,110	92,884	97,449	92,884	94,710
	(b) Global Operation	1,567	1,605	1,608	1,567	1,608	1,605
	(c) Others/ Unallocable	1,226	1,242	1,276	1,226	1,276	1,257
	(d) Inter segment Eliminations	(1,847)	(1,728)	(1,585)	(1,847)	(1,585)	(1,732)
	(e) Total [(a) to (d)]	98,395	97,229	94,183	98,395	94,183	95,840

Consolidated Statement of Assets and Liabilities		(` in Crore)	
		As at	
	Particulars	30-Sep-20 Unaudited	31-Mar-20 Audited
A	ASSETS		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	2,152	2,222
	(b) Capital Work in Progress	197	193
	(c) Goodwill	1,471	1,472
	(d) Other Intangible Assets	15	19
	(e) Investment in Associates	31	32
	(f) Financial Assets		
	(i) Investments	27	23
	(ii) Other Financial Assets	2	2
	(g) Deferred Tax Asset (net)	8	8
	(h) Income Tax Asset (net)	478	653
	(i) Other Non Current Assets	1,026	1,025
	Sub-total Non-Current Assets	5,407	5,649
2	Current Assets		
	(a) Inventories	30	32
	(b) Financial Assets		
	(i) Investments	-	-
	(ii) Trade Receivables	358	490
	(iii) Cash and Cash Equivalents	622	442
	(iv) Bank Balances other than (iii) above	122	113
	(v) Other Financial Assets	372	386
	(c) Other Current Assets	5,519	5,567
	(d) Asset held for sale	35,321	35,321
	Sub-total - Current Assets	42,344	42,351
	Total Assets	47,751	48,000
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share Capital	1,383	1,383
	(b) Other Equity	(52,333)	(49,539)
	Equity Attributable to Shareholders	(50,950)	(48,156)
	Non-Controlling Interest	307	316
	Total Equity	(50,643)	(47,840)
	LIABILITIES		
2	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	468	468
	(b) Other Non-Current Liabilities	139	156
	(c) Deferred Tax Liabilities (net)	1,226	1,257
	(d) Provisions	12	12
	Sub-total Non-Current Liabilities	1,845	1,893
3	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	30,269	30,269
	(ii) Trade Payables		
	Due to Micro Enterprises and Small Enterprises	80	80
	Due to Others	3,959	4,103
	(iii) Other Financial Liabilities	50,376	47,914
	(b) Deferred Revenue	1,947	1,930
	(c) Other Current Liabilities	954	1,036
	(d) Provisions	1,470	1,467
	(e) Liabilities directly related to Assets held for Sale	7,494	7,148
	Sub-total - Current Liabilities	96,549	93,947
	Total Equity and Liabilities	47,751	48,000

Statement of Consolidated Cash Flow for the half year ended

(` in Crore)

Sr	Particulars	Half year ended	
		30-Sep-20	30-Sep-19
		Unaudited	Unaudited
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit / (Loss) before tax from Continuing Operations	(143)	(1,576)
	Profit / (Loss) before tax from Discontinued Operations	(2,714)	(28,948)
	Profit before tax -Continuing and Discontinuing Operation	(2,857)	(30,524)
	Adjusted for:		
	Provision for Doubtful Debts, Loans and Advances	12	19
	Depreciation, Impairment and Amortisation	75	273
	Impact of deconsolidation of subsidiaries	-	1,250
	Finance Costs	385	373
	Share of Profit/ (Loss) on investment in associates	1	(1)
	Effect of change in Foreign Exchange Rate (Net)	(22)	-
	Interest Income	(3)	(10)
		448	1,904
	Operating Profit before Working Capital Changes	(2,409)	(28,620)
	Adjusted for:		
	Receivables and Other Advances	219	(107)
	Inventories	2	1
	Trade Payables and Other Liabilities	2,235	28,966
		2,456	28,860
	Cash Generated from Operations	47	240
	Income Tax Refund	192	38
	Income Tax Paid	(47)	(82)
	Net Cash from Operating Activities	192	196
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Additions of Property, Plant and Equipments, Intangible Assets and Capital Work in Progress/ Intangible	(3)	(4)
	Investment in Bank deposits (having original maturity for more than 3 months)	(8)	-
	Interest Income	1	1
	Net Cash from / (Used in) Investing Activities	(10)	(3)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Net Proceeds from / (Repayment) of Borrowings Current (net)	(2)	(8)
	Finance Cost	-	(101)
	Net Cash from / (used in) Financing Activities	(2)	(109)
	Net Increase/ (Decrease) in Cash and Cash Equivalents	180	84
	Opening Balance of Cash and Cash Equivalents	442	832
	Decrease on account of deconsolidation of Subsidiaries	-	(360)
	Closing Balance of Cash and Cash Equivalents	622	556



Notes:

1. Pursuant to an application filed by Ericsson India Pvt. Ltd before the National Company Law Tribunal, Mumbai Bench ("**NCLT**") in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("**Code**"), the NCLT had admitted the application and ordered the commencement of corporate insolvency resolution process ("**CIRP**") of Reliance Communications Limited ("**Corporate Debtor**") vide its order dated May 15, 2018. The NCLT had appointed Mr. Pardeep Kumar Sethi as the interim resolution professional for the Corporate Debtor vide its order dated May 18, 2018. However, the Hon'ble NCLAT by an order dated May 30, 2018 had stayed the order passed by the Hon'ble NCLT for initiating the CIRP of the Corporate Debtor and allowed the management of the Corporate Debtor to function. In accordance with the order of the Hon'ble NCLAT, Mr. Pardeep Kumar Sethi handed over the control and management of the Corporate Debtor back to the erstwhile management of the Corporate Debtor on May 30, 2018. Subsequently, by order dated April 30, 2019, the Hon'ble NCLAT allowed stay on CIRP to be vacated. On the basis of the orders of the Hon'ble NCLAT, Mr. Pardeep Kumar Sethi, wrote to the management of the Corporate Debtor on May 02, 2019 requesting the charge, operations and management of the Corporate Debtor to be handed over back to IRP. Therefore, Mr. Pardeep Kumar Sethi had in his capacity as IRP taken control and custody of the management and operations of the Corporate Debtor from May 02, 2019. Subsequently, the committee of creditors of the Corporate Debtor pursuant to its meeting held on May 30, 2019 resolved, with requisite voting share, to replace the existing interim resolution professional, i.e. Mr. Pardeep Kumar Sethi with Mr. Anish Niranjana Nanavaty as the resolution professional for the Corporate Debtor in accordance with Section 22(2) of the Code. Subsequently, upon application by the CoC in terms of Section 22(3) of the Code, the NCLT appointed Mr. Anish Niranjana Nanavaty as the resolution professional for the Corporate Debtor ("**RP**") vide its order dated June 21, 2019, which was published on June 28, 2019 on the website of the NCLT. Accordingly, the IRP handed over the matters pertaining to the affairs of the Corporate Debtor to the RP as on June 28, 2019 who assumed the powers of the board of directors of the Corporate Debtor and the responsibility of conducting the CIRP of the Corporate Debtor.

Further, pursuant to the meeting of the committee of creditors of the Corporate Debtor dated March 2, 2020, a resolution plan, submitted by a resolution applicant in respect of the Corporate Debtor, has been approved by the committee of creditors. The application under Section 31 of the Code filed by the RP for approval of resolution plan is currently pending adjudication before the NCLT.

With respect to the financial results for the quarter and half year ended September 30, 2020, the RP has signed the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable laws, and subject to the following disclaimers:

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- (i) The RP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of the Code;
- (ii) No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorized representatives and advisors;
- (iii) The RP, in review of the financial results and while signing this statement of financial results, has relied upon the assistance provided by the directors of the Corporate Debtor, and certifications, representations and statements made by the directors of the Corporate Debtor, in relation to these financial results. The statement of financial results of the Corporate Debtor for the quarter and half year ended September 30, 2020 have been taken on record by the RP solely on the basis of and on relying the aforesaid certifications, representations and statements of the aforesaid directors and the management of the Corporate Debtor. For all such information and data, the RP 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 results and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial results.
- (iv) In terms of the provisions of the Code, the RP is required to undertake a review of certain transactions. Such review has been completed and the RP has filed the necessary applications with the adjudicating authority.

During the quarter ended September 30, 2019, Reliance Communications Infrastructure Limited (RCIL), a wholly owned subsidiary of the Corporate Debtor, had been admitted by NCLT for resolution process under the Code.

- 2. Figures of the previous period / year have been regrouped and reclassified, wherever required.
- 3. During the quarter ended June 30, 2019, the CIRP in respect of the Corporate Debtor and its subsidiaries; Reliance Telecom Limited (RTL) and Reliance Infratel Limited (RITL) has been re-commenced, and interim resolution professionals had been appointed in respect of the aforesaid companies. Subsequently, appointment of Mr. Anish Niranjana Nanavaty as the Resolution Professional (RP) of the Corporate Debtor and its subsidiaries has been confirmed by the NCLT vide its order dated June 21, 2019 which was published on June 28, 2019 on the NCLT's website.

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Pursuant to strategic transformation programme, as a part of asset monetization and resolution plan of the Corporate Debtor, the Corporate Debtor and its subsidiary companies; RTL and RITL, with the permission of and on the basis of suggestions of the lenders, had entered into definitive binding agreements with Reliance Jio Infocomm Limited (RJio) for monetisation of certain specified assets on December 28, 2017 for sale of Wireless Spectrum, Towers, Fiber and Media Convergence Nodes (MCNs). During the previous financial year, the said asset sale agreements were terminated by mutual consent on account of various factors and developments including inter alia non receipt of consents from lenders and permission/ approvals from Department of Telecommunication.

On completion of the corporate insolvency resolution process, the Corporate Debtor will carry out a comprehensive review of all the assets including investments, liabilities and Impairment of goodwill on Consolidation and accordingly provide for impairment of assets and write back of liabilities, if any. Further, the Corporate Debtor and some of its subsidiaries are in the process of reconciling Goods & Service Tax (GST) and Tax Deducted at source. The Auditors have drawn qualification in this regard in their Limited Review Report for the quarter and half year ended September 30, 2020.

Considering these developments including, in particular, the RP having taken over the management and control of the Corporate Debtor and its three subsidiaries (Group) 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 Group continues to incur loss, current liabilities exceed current assets and Group 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 Group's ability to continue as a going concern. The Auditors have drawn qualification in their Limited Review Report for the quarter and half year ended September 30, 2020.

4. Considering various factors including admission of the Corporate Debtor and its three subsidiaries; RTL RITL and RCIL to CIRP under the Code, 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 CIRP and accounting impact if any will be given on completion of CIRP.

Further, prior to May 15, 2018, the Corporate Debtor and its said subsidiaries were under Strategic Debt Restructuring (SDR) and asset monetization and debt resolution plan was being worked out. The Corporate Debtor and some of its subsidiaries have not provided Interest of Rs. 1,045 crore and Rs 2,162 crore calculated based on basic rate of interest as per terms of loan for the quarter and half year ended September 30, 2020 respectively and foreign exchange Gain aggregating to Rs 429 crore and Rs 468 crore for the quarter and half year ended September 30, 2020 respectively. Had the Corporate Debtor provided Interest and foreign exchange variation, the Loss would have been higher by Rs. 616 crore and Rs 1,694 crore for the quarter and half year ended September 30,

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2020 respectively. The Net Worth of the Group as on September 30, 2020, and March 31, 2020 would have been lower by Rs. 17,033 crore and Rs. 15,339 crore respectively. The Auditors have drawn qualification for non provision of interest and foreign exchange variations in their Limited Review Report for the quarter and half year ended September 30, 2020. During the previous years, Interest of Rs 12,746 crore and foreign exchange loss (net) aggregating to Rs 2,593 crore were not provided and the Auditors had drawn qualification in their audit report for the financial year ended March 31, 2018, March 31, 2019 and March 31,2020.

- Assets held for sale including Wireless Spectrum, Towers, Fiber and Media Convergence Nodes (MCNs) continue to be classified as held for sale at the value ascertained at the end of March 31, 2018, along with liabilities, for the reasons referred in Note 3 above and disclosed separately as discontinued operations in line with Ind AS 105 “Non-current Assets Held for Sale and Discontinued Operations”.

In this regard it is pertinent to note that the due pertaining to the spectrum (including entire deferred payments) have been claimed by DoT and the same have been admitted by the RP, and accordingly, the dues shall be dealt with in accordance with provisions of the IBC. In accordance with the aforesaid and admission of deferred spectrum installments as claims, the Corporate Debtor and its subsidiary RTL have not paid the installments.

The financial result of discontinued operations is as under:

(Rs in crore)

Particulars	Quarter ended			Half year ended		Year ended
	30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total Income	314	263	278	577	575	1,109
Total Expenses	528	490	753	1,018	(1,210)	2,251
Profit/ (Loss) before Exceptional Item tax	(214)	(227)	(475)	(441)	(635)	(1,142)
Exceptional Item	(1,156)	(1,116)	(28,314)	(2,272)	(28314)	(30,837)
Tax	(16)	(15)	-	(31)	-	(109)
Profit/ (Loss) after tax	(1,354)	(1,328)	(28,789)	(2,682)	(28949)	(31,870)
Cash Flow from				30-Sep-20	31-Mar-20	
- Operating activities				120	237	
- Investing Activities				-	13	
- Financing Activities				(2)	(54)	

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6. During the previous year, GCX Limited, a step down subsidiary of RCOM, along with its subsidiaries/affiliates (collectively, "GCX") had filed for voluntary pre-packaged restructuring under Chapter 11 of the US Bankruptcy Code before Delaware court, USA. Objections were filed on behalf of the Corporate Debtor which were not accepted by the court. The plan filed by GCX had been confirmed by the court on December 4, 2020.

The Plan, as confirmed, provides that the old equity interests in the Debtors would be extinguished and the new ownership would pass to the participating Note holders on the "Effective Date" of the Plan. It provided that certain transactions needed to occur and various regulatory approvals needed to be obtained before the Debtors would file a Notice of Effective Date (i.e., a notice declaring that, as of the stated date, the Plan had become effective). As of the present date, certain Debtors have not filed any such Notice of Effective Date, and the Plan has not become "effective." As a result, although the Debtors and the Noteholders continue to work towards satisfying the various Plan requirements, technically, RCom has not yet been divested of its indirect equity interest in GCX and the other Debtors. Impact on profitability was Rs 1,250 crore for the period ended September 30, 2019 and year ended March 31, 2020 and has been represented as part of Exceptional Items.

Pursuant to the order dated February 25, 2020, the court has granted a motion filed by GCX Limited along with the other debtors aimed at addressing the issues they have been having in completing the steps to make their plan effective *inter alia* seeking approval for process whereby a bifurcation has been created wherein debtors not requiring regulatory approvals could complete their processes and arrive at effective date, while others may wait for occurrence of their effective date upon fulfillment of regulatory approvals. Accordingly, on April 14, 2020, a notice has been issued intimating occurrence of "Effective Date" of certain "non-regulated debtors" while the "*Effective Date of the Plan with respect to Debtors GCX Limited, FLAG Telecom Network USA Limited, Reliance Globalcom Limited, and Vanco US, LLC (collectively, the "Regulated Debtors") is expected to occur at a later date*". The court confirmed the aforesaid and entered order on April 21, 2020.

A notice by GCX entities (Debtors) has been filed on June 30, 2020 to further extend the plan effectiveness deadlines to December 31, 2020 with respect to the Regulated Debtors. A motion has been filed on July 2, 2020 seeking further extension for (a) the Plan Period through and including December 31, 2020 and (b) the Solicitation Period through and including February 8, 2021. The Debtors have further requested that entry of the Proposed Order be without prejudice to the Debtors' rights to seek additional extensions of the Exclusive Periods.

7. In Four overseas subsidiaries and two domestic subsidiaries, it indicates the existence of material uncertainty due to loss during quarter and half year ended September 30, 2020, total liabilities exceeding total assets and holding company Reliance Communications Limited is undergoing insolvency proceeding. The above has been qualified by respective Auditors in their Limited Review Reports of these subsidiaries. Further, Auditors of two

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other overseas subsidiaries and three domestic subsidiaries have given Emphasis of Matter for Material Uncertainty on Going Concern. The matter has been referred by the auditors in their Limited Review Report.

8. The Hon'ble Supreme Court of India, vide its order dated October 24, 2019 had dismissed the petition filed by the telecom operators and agreed with the interpretation of the Department of Telecommunications (DoT) to the definition of Adjusted Gross Revenue (AGR) under the license. Vide order dated March 18, 2020, the Supreme Court has directed that self-assessment/re-assessment of AGR dues by telecom companies will not be permitted and the dues are to be paid along with interest and penalty as per the AGR judgment dated October 24, 2019. The DoT had filed an application on March 16, 2020, wherein it has sought permission from the Supreme Court to recover the AGR dues from the telecom companies in a staggered manner over a period of 20 years. Vide order dated July 20, 2020, the Supreme Court observed that it would examine the bona fide of the telecom operators that have gone into insolvency. The hearing on the matter continued over several weeks wherein various arguments had been placed by the counsel representing the RP (as well as counsel for COC).

On September 01, 2020, the Supreme Court pronounced the judgment in the AGR matter. It has framed various questions in respect of companies under insolvency and in respect of such questions, the Court has held that the same should be decided first by the NCLT by a reasoned order within 2 months, and that it has not gone into the merits in this decision, and has held the following:

"We consider it appropriate that the aforesaid various questions should first be considered by the NCLT. Let the NCLT consider the aforesaid aspects and pass a reasoned order after hearing all the parties. We make it clear that it being a jurisdictional question, it requires to be gone into at this stage itself. Let the question be decided within the outer limits of two months. We also make it clear that we have not observed on the merits of the case, and we have kept all the questions open to be examined by the NCLT."

The Corporate Debtor and Reliance Telecom Limited have filed intervention applications before the NCLAT in the appeal filed by the Department of Telecommunications against the resolution plan approval orders of the Aircel companies (wherein the NCLAT is adjudicating on the questions framed by the Hon'ble Supreme Court in the AGR matter in its judgement dated September 1, 2020). The matter currently remains sub-judice.

Further, in its judgement dated September 1, 2020, reiterating that AGR dues as per original decision should be paid, the Hon'ble Supreme Court directed that DoT should complete the assessment in cases where demand had not been raised and raise demand if it has not been raised, to examine the correctness of self-assessment and raise demand, if necessary, after due verification. In case demand notice has not been issued, DoT should raise the demand within six weeks from date of judgement. The Corporate Debtor has not received any such demand in this regard till date.

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The DoT had during the pendency of the various proceedings simultaneously directed Special Audit in relation to the computation of License fee, Spectrum fee, applicable interest and penalties thereon, which is under progress for the financial year 2015-16 onwards. In this regard, the Corporate Debtor had provided for estimated liability aggregating to Rs. 30,837 crore upto the previous year ended March 31, 2020 and has provided additional charge of Rs. 1,156 crore and Rs 2,272 crore during the quarter and half year ended September 30, 2020 respectively and represented as exceptional items relating to discontinued operations which may undergo revision based on demands from DoT and/ or any developments in this matter.

Considering various factors including admission of the Corporate Debtor and its subsidiary RTL to resolution process under the Code and the moratorium applicable under Code, discharge of the aforesaid liability will be dealt with in accordance with the Code (subject to orders in the relevant judicial proceedings). This matter has been referred to by the Auditors in their Limited Review report for the quarter and half year ended September 30, 2020.

9. The listed Redeemable Non Convertible Debentures (NCDs) of the Corporate Debtor aggregating to Rs 3,750 crore as on September 30, 2020 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 Corporate Debtor 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 Rs 750 crore, the Corporate Debtor has also assigned Telecom Licenses, 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.

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

Nature of Instruments	11.20% NCDs	11.25% NCDs
Amount outstanding (Rs in crore)	3,000	750
Previous due date for Principal Repayment and whether paid	01.03.2019 unpaid	07.02.2019 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	Rs3,000 crore on 01.03.2019 (Unpaid)	Rs 375 crore each on 07.02.2018 and 07.02.2019 (Unpaid)
Interest Unpaid up to September 30, 2020 (Rs in crore)	1,176	294

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11. Debenture Redemption Reserve (DRR) : Rs 590 crore as on September 30, 2020

12. Networth: Rs. (52,112) crore, as on September 30, 2020 excluding Capital Reserve, Treasury Equity and Exchange Fluctuation Reserve amounting to Rs. 1,162 crore.

The above networth is without considering the impact of the above qualification given by the auditors in their review report. (Refer note 4 above)

13. 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).

14. The Corporate Debtor and some of its subsidiaries where assets are held for sale as per Ind AS 105 accordingly lease agreements are considered to be short term in nature and Ind AS 116 has not been applied. The Auditors have drawn qualification in their Limited Review Report for the quarter and half year ended September 30, 2020.

15. A Subsidiary of the Corporate Debtor is in the process of reconciliation of unbilled revenue with customers on account of various business parameters and any GST applicable thereon shall be paid upon completion of pending reconciliation and billing thereof. The Auditors have drawn qualification in their Limited Review Report for the quarter and half year ended September 30, 2020.

16. The Corporate Debtor 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".

17. The Corporate Debtor has opted to publish consolidated financial results for the financial year 2020-21. Standalone financial results, for the quarter and half year ended September 30, 2020 can be viewed on the website of the Corporate Debtor, National Stock Exchange of India Limited and BSE Limited at www.rcom.co.in, www.nseindia.com and www.bseindia.com respectively.

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18. Additional information on standalone basis is as follows:

(Rs in crore)

Particulars	Quarter ended			Half year ended		Year ended
	30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total Income	128	141	225	269	461	818
Profit/ (Loss) before tax	(75)	(90)	(2,733)	(165)	(2,840)	(16,863)
Profit/ (Loss) before tax from Discontinued Operations	(1,129)	(1,111)	(25,948)	(2,240)	(26,040)	(28,475)
Total Comprehensive Income./ (Loss)	(1,204)	(1,201)	(28,681)	(2,405)	(28,880)	(45,333)

19. During the previous year, Reliance Communications Infrastructure Limited (RCIL), a wholly owned subsidiary of the Corporate Debtor had written to Industrial and Commercial Bank of China, Mumbai branch ("ICBC") requesting for balance confirmation of Rs. 31.62 crore and transfer of the entire amount lying in fixed deposit account including all interest monies accruing thereon up to the date of remittance to the designated TRA account of RCIL. The Auditors and RCIL have not received confirmation from ICBC and hence, the auditors have drawn qualification in this regard in their Limited Review Report for the quarter and half year ended September 30, 2020.

20. During the quarter, Reliance Tech Services Limited (RTSL), a wholly owned subsidiary of the Corporate Debtor, has been admitted by NCLT on August 04, 2020 for corporate insolvency resolution process under the Code and Mr. Anjan Bhattacharya has been appointed as the Interim Resolution Professional by the Hon'ble NCLT.

21. The managerial remuneration paid to the Executive Director and CFO of the Corporate Debtor amounting to Rs. 0.49 crore for the financial year ended March 31, 2020 exceeded the prescribed limits under Section 197 read with Schedule V to the Companies Act, 2013 by Rs. 0.27 crore for which the required approval of the Shareholders was obtained at the Annual General Meeting held on September 26, 2020.

22. Provision for Income Tax for the quarter and half year ended September 30, 2020 is based on the estimate for the full financial year.

23. While the Corporate Debtor is sensitive about the impact of the pandemic (COVID-19), not only on the human life but on businesses and industrial activity across the globe, however, its effect will only be realized and ascertained over the next few months.

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The Corporate Debtor has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by Government of India, various state governments and local bodies to ensure safety of workforce across all its offices.

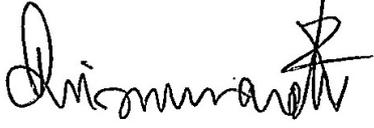
Vide notification dated March 24, 2020 issued by Ministry of Home Affairs, a nation-wide lockdown was announced to contain COVID-19 outbreak. Further various states governments have issued orders from time to time in relation to easing of restrictions and protocols to be followed. However, Telecommunication services, being essential services, had been exempted and permitted to continue operation during the period of lockdown. The Corporate Debtor has continued to provide services to its Enterprise customers without any interruptions and honour commitments, despite facing all odds during lockdown.

The extent to which the COVID-19 pandemic will impact the Corporate Debtor's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and the action to mitigate its spread as advised by local authorities. As the Corporate Debtor is undergoing CIRP, it is relevant to note that the period of lockdown is notified to be exempt under the Code for the purpose of timeline to complete the CIRP. This matter has been referred to by the Auditors in their Audit report for the quarter and half year ended September 30, 2020.

24. The above consolidated financial results for the quarter and half year ended September 30, 2020 are prepared in accordance with the recognition and measurement principles of Ind AS 34 "Interim Financial Reporting" prescribed under the Act, read with relevant rules made there under.
25. After review by the Audit Committee, the Directors of the Corporate Debtor have approved the above results at their meeting held on which was chaired by Mr. Anish Niranjana Nanavaty, Resolution Professional ('RP') of the Corporate Debtor and RP took the same on record basis recommendation from the directors. The Financial Results for the quarter and half year ended September 30, 2020 are Limited Reviewed by the Statutory Auditors of the Company.

For Reliance Communications Limited


Anish Niranjana Nanavaty
(Resolution Professional)


Viswanath Devaraja Rao
(Executive Director and Chief Financial Officer)

Place: Mumbai
Date: November 28, 2020

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