

September 14, 2016

The General Manager  
Corporate Relationship Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort,  
Mumbai 400 001  
Fax No.: 2272 2037/39/41/61/3121/3719

The Manager  
National Stock Exchange of India Ltd.  
Exchange Plaza, C/1, Block G  
Bandra - Kurla Complex,  
Bandra (East)  
Mumbai 400 051  
Fax No.: 2659 8237 / 38/ 8347/8348/  
66418124/ 25/ 26

**BSE Scrip Code: 532712**

**NSE Symbol: RCOM**

Dear Sir,

**Sub: Statement of unaudited Financial Results (Stand alone) for the quarter ended June 30, 2016 alongwith Limited Review Report.**

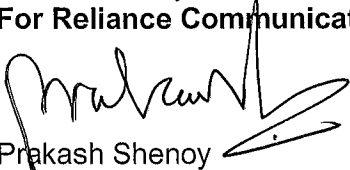
Further to our letter dated September 14, 2016, we enclose herewith Statement of unaudited Financial Results (Stand alone) for the quarter ended June 30, 2016 alongwith Limited Review Report submitted by the Statutory Auditors of the Company.

The above financial results were also approved by the Board of Directors at its meeting held on September 14, 2016. The meeting of the Board of Directors of the Company commenced at 3.00 p.m. and concluded at 7.20 p.m.

We request you to kindly inform your members accordingly.

Thanking you.

Yours faithfully,  
**For Reliance Communications Limited**

  
Prakash Shenoy  
Company Secretary

Encl: As above.

**BSR & Co. LLP**  
Chartered Accountants  
Lodha Excelus  
5<sup>th</sup> Floor, Apollo Mills Compound  
N. M. Joshi Marg, Mahalakshmi  
Mumbai 400 011.  
Telephone +91(22) 4345 5300  
Fax + 91(22) 4345 5399

**Chaturvedi & Shah**  
Chartered Accountants  
714-715, Tulsiani Chambers,  
212, Nariman Point,  
Mumbai 400 021  
Telephone +91(22) 3021 8500  
Fax +91(22) 3021 8595

**Limited Review Report On Quarterly Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To the Board of Directors of  
Reliance Communications Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results ('the Statement') of Reliance Communications Limited ('the Company') for the quarter ended 30 June 2016 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016 issued by SEBI. Attention is drawn to the fact that the figures for the corresponding quarter ended 30 June 2015 including the reconciliation of loss under Ind AS of the corresponding quarter with loss reported under previous GAAP, as reported in these financial results have been approved by Company's Board of Directors but have not been subjected to review.
2. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 14 September 2016. Our responsibility is to issue a report on these financial results based on our review.
3. We conducted our review 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 financial results are free of material misstatement. A review is limited primarily to inquiries of 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of un-audited standalone financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and other recognised accounting practices and policies, except to the extent as modified by the Court Order dated 03 July, 2009 as stated in paragraph 5 below and the choice exercised by the Company in accordance with the said Court Order, which may be considered to override the relevant provisions of Indian Accounting Standard 8 (Ind AS 8) 'Accounting Policies, Changes in Accounting Estimates and Errors', has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.



**Limited Review Report On Quarterly Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)**

**Reliance Communications Limited**

5. We draw attention to Note 2 of the Statement regarding the Scheme of Arrangement ('the Scheme') sanctioned on 03 July 2009 by the Hon'ble High Court of Judicature at Mumbai, the Company is permitted to adjust additional depreciation and amortisation, expenses and/or losses, which have been or are required to be debited to the statement of profit and loss by a corresponding withdrawal or credit from/to General Reserve, as determined by the Board of Directors. During the quarter ended 30 June 2016, consistent with the practice followed in earlier periods, the Company has withdrawn ₹ 257 crore to offset additional depreciation and amortisation on account of fair valuation of certain assets. Had such withdrawal not been made, the reported loss for the quarter ended 30 June 2016 would have been ₹ 816 crore.

Further, the Company has identified net exchange variations of ₹ 207 crore, which are in the opinion of the board, considered to be of exceptional nature and are withdrawable from General Reserve as per the Scheme mentioned above and have not been charged as expenses. Accordingly, consistent with the practice followed in the earlier periods, the withdrawal from General Reserve for net exchange variations, if any, would be done at the year end. Above treatment has no impact on the reported loss for quarter ended 30 June 2016.

Our review report is not modified in respect of the above matters.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W /W-100022

  
Vijay Bhatt

*Partner*

Membership No: 036647

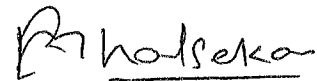
14 September 2016

Mumbai

For **Chaturvedi & Shah**

*Chartered Accountants*

Firm's Registration No: 101720W

  
Lalit R Mhalsekar

*Partner*

Membership No: 103418

14 September 2016

Mumbai



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

(₹ in Crore)			
Sr. No.	Particulars	Quarter ended	
		30-Jun-16	30-Jun-15
		Unaudited	Unaudited
<b>1</b>	<b>Income from Operations</b>		
	a) Net Income from Operations	2,482	2,502
	b) Other Operating Income	-	-
	<b>Total Income from Operations</b>	<b>2,482</b>	<b>2,502</b>
<b>2</b>	<b>Expenses</b>		
	a) Access Charges	804	698
	b) License Fee	168	196
	c) Employee Cost	50	42
	d) Depreciation and Amortisation	337	478
	e) Other Expenses	1,457	1,243
	<b>Total Expenses</b>	<b>2,816</b>	<b>2,657</b>
<b>3</b>	<b>Profit/ (Loss) from Operations before Other Income, Finance Costs, Exceptional Items and Tax (1 - 2)</b>	<b>(334)</b>	<b>(155)</b>
<b>4</b>	<b>Other Income</b>	<b>110</b>	<b>83</b>
<b>5</b>	<b>Profit/ (Loss) before Finance Costs and Exceptional Items and Tax (3 + 4)</b>	<b>(224)</b>	<b>(72)</b>
<b>6</b>	<b>Finance Costs (net)</b>	<b>630</b>	<b>478</b>
<b>7</b>	<b>Profit / (Loss) after Finance Costs but before Exceptional Items and Tax (5 - 6)</b>	<b>(854)</b>	<b>(550)</b>
<b>8</b>	<b>Exceptional Items</b>	<b>-</b>	<b>-</b>
<b>9</b>	<b>Profit / (Loss) from ordinary activities before Tax (7+8)</b>	<b>(854)</b>	<b>(550)</b>
<b>10</b>	<b>Tax Expenses (net)</b>	<b>(295)</b>	<b>(319)</b>
<b>11</b>	<b>Net Profit / (Loss) from Ordinary Activities after Tax (9 - 10)</b>	<b>(559)</b>	<b>(231)</b>
<b>12</b>	<b>Other comprehensive income (net of tax)</b>	<b>-</b>	<b>-</b>
<b>13</b>	<b>Total Comprehensive Income (11 + 12)</b>	<b>(559)</b>	<b>(231)</b>
<b>14</b>	<b>Paid-up Equity Share Capital (Face Value of Rs. 5 each)</b>	<b>1,244</b>	<b>1,244</b>
<b>15</b>	<b>Earning per Share (EPS) (not annualised)</b>		
	- Basic (Rs.)	(2.25)	(0.93)
	- Diluted (Rs.)	(2.25)	(0.93)



SIGNED FOR IDENTIFICATION  
BY

*V. S. R.*  
For B S R & Co. LLP

## Notes

1. Figures of the previous period have been regrouped and reclassified, wherever required.
2. Pursuant to the Scheme of Arrangement ("the Scheme") sanctioned by the Hon'ble High Court of Judicature at Bombay, variation on account of changes in exchange rates including amortisation of the balance in "Foreign Currency Monetary Item Translation Difference Account (FCMITDA)" and depreciation consequent to addition of exchange differences to the cost of capitalised assets aggregating to ₹ 207 crore during the quarter ended June 30, 2016, are withdrawable from General Reserve. These withdrawable items are not considered in the accounts for the quarter ended on June 30, 2016 and consequently no withdrawal has been made. The necessary effects, if any, will be carried out at the year end. The Company has, as permitted under the said Schemes, adjusted additional depreciation of ₹ 257 crore, arising on fair value of certain assets, for the quarter by withdrawing an equivalent amount from General Reserve. The matter has been referred to by the Auditors, without qualifying in their Limited Review Report.
3. The Company has adopted Indian Accounting Standard (Ind AS) from April 1, 2016 with a transition date of April 1, 2015. The figures for the quarter ended June 30, 2015 have also been converted as per Ind AS, which have not been subject to limited review or audit. However, the management has exercised necessary due diligence to ensure that the comparable financial results are correctly stated.
  - a. Reconciliation and explanatory notes for the effects of the transition on Statement of Profit and Loss for the quarter ended June 30, 2015 as previously reported and as per Ind AS are as follows:

Sr.	Adjustments to Increase/ (Decrease) in Net Profit / (Loss)	Amount (₹ in crore)	Refer Note below
1	Net Profit / (Loss) as previously reported as per Indian GAAP	(551)	
2	Restatement of Revenue	7	b
3	Impact on Depreciation	3	c
4	Fair Valuation impact of Financial Instruments	(6)	d
5	Deferred Tax Credit	319	e
6	Others	(3)	
7	Net Profit before Other Comprehensive Income as per Ind AS	(231)	

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



SIGNED FOR IDENTIFICATION  
BY

*V. J. Kulkarni*  
For BSR & Co. LLP

- c. Depreciation impact consists of ₹ 3 crore on account of change in useful life and write off of certain assets.
  - d. Fair valuation impact of borrowings, deposits/ advances etc. has been accounted considering net present value on transition date and consequent impact on profitability.
  - e. Deferred tax is charged due to following the Balance Sheet approach; and impact arising on account of such changes on transition date.
4. The listed Redeemable Non Convertible Debentures (NCDs) of the Company aggregating to ₹ 4,625 crore as on June 30, 2016 are secured by way of first pari passu charge on the whole of the movable properties, insurance contracts of the Company and its three subsidiaries and the asset cover thereof exceeds 100% of the principal amount of the said Debentures. Out of the above, in case of NCDs of ₹ 2,000 crore, the Company has also assigned Telecom Licences, by execution of Tripartite Agreements with Department of Telecommunications (DoT).
  5. Provision for Income Tax for the quarter ended June 30, 2016 is based on the estimate for the full financial year.
  6. The Company has identified geographic segment as primary segments. As a result, the Company has single geographical segment as "India Operations". Hence, no separate disclosure of segment information in line with Ind AS 108 "Operating Segments" is required.
  7. After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on September 14, 2016 and the same is subjected to limited review.

For **Reliance Communications Limited**



**Anil D. Ambani**  
Chairman

Place: Mumbai  
Date : September 14, 2016



SIGNED FOR IDENTIFICATION  
BY



For **B S/R & Co. LLP**