

July 04, 2017

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 / 38/8347/48 /
66418124/25/26

BSE Scrip Code: 532712

NSE Symbol: RCOM

Dear Sir,

Sub. : Intimation under Regulation 30, 51, 56, 57 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We submit that the telecom sector is passing through a challenging phase. A combination of intense competition, price war and the bidding race for radio waves has resulted in rapid deterioration in the finances of telecom operators. Major listed telecom operators have reported net loss in the financial year 2016-17. The telecom industry is capital intensive, as a result of this debt of telecom companies have been ever rising. For the first time in history, the listed telecom operators' debt has exceeded their market capitalization. As a result of increase in debt and decline in revenues, the debt servicing capabilities of telecom companies have been adversely impacted. The telecom industry's current financial problem to some extent can be attributed to entry of a new telecom operator and its strategy of freebies to gain customer and market share.

Given the current environment of stagnant revenues with rising capex and operating cost, the domestic banks are very pessimistic and averse to lend to telecom companies. The 'go-slow' approach by domestic banks is not only adversely impacting the Corporate in making investment decisions but also important refinancing programs, which is not only creating a mismatch in cash flows of Corporate but also impacting the bank's financials due to increased provisioning.

We further wish to inform you that considering the financial constraints, the Company has already announced and signed the definitive docs for combination of the Wireless Business of the Company with Aircel Group and sale of Tower Business with Brookfield Infrastructure Group, which is expected to reduce the existing debt by upto. Rs.25,000 crore from both these monetization projects. The Company is working expeditiously to complete the process of closure of both these monetization projects.

We further wish to inform you that a meeting of all the Secured Lenders (including NCD holder) were held on 2nd June, 2017 and June 23, 2017 in Mumbai and based on applicable guidelines; the lenders have invoked Strategic Debt Restructuring Scheme and constituted a Joint Lenders' Forum (JLF) to consider and approve the Company's Strategic plans. The Company has been engaged in discussions with its lenders to finalise an overall debt resolution plan, with the objective of expeditiously closing the already announced major strategic transactions with Aircel Limited and Brookfield and to reduce debt by Rs.25,000 crore. The lenders have taken note of the advanced stage of implementation of our strategic transformation programme involving inter alia the transactions for the Wireless and Towers Business. The lenders have given time of 7



Registered Office :

Reliance Communications Limited, H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400 710

CIN No. : L45309MH2004PLC147531

RELIANCE

months till December 2017 to complete the above transactions, and reduce debt. Thus, there will be a Standstill period on the Company's debt servicing obligations for next 7 months till end December, 2017.

We refer to Para A (9) of Part B of Schedule III under Regulation 51(2) to SEBI LODR regulations, which is reproduced below:

"A. The listed entity shall promptly inform to the stock exchange(s) of all information which shall have bearing on performance/operation of the listed entity or is price sensitive or shall affect payment of interest or dividend of non-convertible preference shares or redemption of non convertible debt securities or redeemable preference shares including

*....
(9) delay/ default in payment of interest or dividend / principal amount/ redemption for a period of more than three months from the due date;"*

As may kindly be noted that the intimation to the Stock Exchanges is required to be given only for the delay/ default in payment of interest / principal amount for a period of more than three months from the due date. As the aforesaid reportable event did not take place, no intimation to Stock Exchange was required or sent. We are making the below mentioned disclosure for NCD's under Listing Regulations as abundant caution.

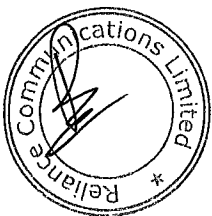
We refer to our letter/s intimating the Record Date/s for payment of Interest and Redemption amount on NCD's issued by the Company and wish to inform you that the Company has paid Interest and Redemption amount to NCD holder even in these difficult period of operation as follows:

The monthly interest due on 07.02.2017, 02.03.2017, 7.03.2017, 02.04.2017 and 07.04.2017 and 07.04.2017 was discharged on 10.04.2017. The Second Installment of Redemption amount of Rs.25 lac per NCD due on 07.02.2017 was also discharged on 10.04.2017.

Further, interest due on the NCDs on 02.05.2017, 06.05.17, 02.06.17, 07.06.17 and 01.07.2017 is now covered by the stand still agreed by the Lenders including LIC, the holder of NCDs. Consequently, the interest due on the said dates Rs.27.61 crore, Rs.6.93 crore, 28.53 crore, Rs.7.16 crore and Rs.27.62 crore has not been paid. In no case, the delay has exceeded three months.

We wish to inform you that all above NCDs were privately placed and held by single holder and we have been discussing the above issues faced by telecom sector with the holder of debentures.


We submit that Lenders has granted Standstill period on the Company's debt including NCD's servicing obligations for next 7 months from June, 2017 till December, 2017 hence, we are not fixing Record date for payment of Interest on above NCD's.



RELIANCE

Kindly inform your members accordingly.

Yours faithfully
For **Reliance Communications Limited**


Prakash Shenoy
Company Secretary



Copy to :

Debenture Trustees

Axis Trustee Services Limited,

Registered office:-Maker Towers F Wing,13th Floor, Cuffe Parade, Colaba,
Mumbai – 400005.