

May 30, 2018

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 Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2018 and Audit Reports.

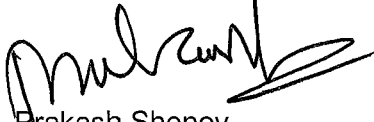
Further to our letter dated May 17, 2018, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Statement of Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2018, Audit Report submitted by the Statutory Auditors of the Company and statement showing impact of audit qualifications in specified format.

The above financial results were approved by the Board of Directors at their meeting held on May 30, 2018. The meeting of the Board of Directors of the Company commenced at 5.30 p.m. and concluded at 9.10 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.

To the Board of Directors of
Reliance Communications Limited

Independent Auditor's Report on the Standalone Financial results

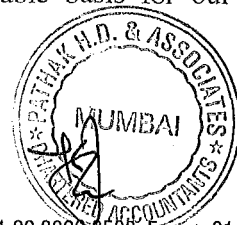
1. We have audited the financial results of Reliance Communications Limited ('the Company') for the year ended March 31, 2018 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirement of Regulations 33 and regulations 52 read with regulations 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI. Attention is drawn to the fact that the figures for quarter ended 31 March 2018 and corresponding quarter ended in previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and published year- to- date figures up to the end of the third quarter of the current and previous financial year respectively. Also the figures up to the end of the third quarter for the current and previous financial year had only been reviewed and not subject to audit.

Management's Responsibility for the Standalone Financial Statement

2. The Statement has been prepared on the basis of the Standalone annual Ind AS financial statements which is the responsibility of Company's management and has been approved by the Board of Directors in their meeting held on 30 May 2018. The Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India and other recognized accounting practices and policies and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Statement based on our audit of the Standalone annual Ind AS financial statements. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides reasonable basis for our opinion.



**Independent Auditor's Report on the Standalone Financial results
(Continue)**

Basis for Qualified Opinion

4. We draw attention to note 9 of the Statement regarding non provision of interest on borrowings amounting to Rs. 829 crore & Rs. 3,055 crore for the quarter and year ended 31 March 2018 for the reasons provided by the management therein. Had such interest been provided, the reported loss for the quarter & year ended 31st March, 2018 would have been Rs. 7,715 crore & Rs. 12,925 crore respectively and net worth of the Company as on 31st March, 2018 would have been Rs. 6,261 crore .

Qualified Opinion

5. In our opinion and to the best of our information and according to the explanations given to us , except for the effects of the matters described in paragraph 4 above, the Statement:
- (i) is presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI and further read with Emphasis of Matter paragraph below ; and
- (ii) gives a true and fair view in conformity with the aforesaid Ind AS and other accounting principles generally accepted in India of the net loss, total comprehensive income and other financial information for the quarter and year ended 31 March 2018.

Emphasis of Matter

6. (a) We draw attention to note 2 of The financial results regarding the Scheme of Arrangements ('Scheme') sanctioned by the Hon'ble High Courts of Judicature at Mumbai & Gujarat. These Schemes permit the Company –
- 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 and year ended 31 March 2018, consistent with the practice followed in earlier periods, the Company has withdrawn Rs. Nil crore (corresponding previous quarter Rs.570 crore) and Rs.280 crore (corresponding previous year Rs.1,205 crore) respectively to offset additional depreciation and amortisation on account of fair valuation of certain assets which may be considered to override the relevant provisions of Schedule II of the Act and Ind AS 8 'Accounting Policies , Changes in Accounting Estimates and Errors ';
 - to adjust expenses and/or losses, impairment, identified by the Board of Directors, which are required to be debited to the Statement of profit and loss by a corresponding withdrawal from General Reserve and Reserve for Business



**Independent Auditor's Report on the Standalone Financial results
(Continue)**

Restructuring, which is considered to be an override to the relevant provisions of Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' During the quarter and year ended 31 March 2018, the Company has identified net foreign exchange variations (including amortisation of Foreign Currency Monetary Items Translation Account (FCMITDA), depreciation on exchange losses capitalized of Rs.61 crore (corresponding previous quarter Rs.51 crore) and Rs. 448 crore (previous year Rs. 679 crore) and impairment charge arising on account of asset held for sale Rs.5,948 crore (corresponding previous quarter Rs.Nil crore) & Rs.5,948 crore (corresponding previous year Rs. Nil crore), respectively, as in the opinion of the Board, such exchange variations and impairment are considered to be of an exceptional nature and accordingly, these expenses have been met by corresponding withdrawal from General Reserve & Reserve for Business restructuring.

Had the effect of paragraph 6 (a) above, not been met from General Reserve & Reserve for Business Restructuring, the Company would have reflected loss after tax for the quarter and the year ended 31 March 2018 of Rs. 12,895 crore (corresponding previous quarter loss after tax of Rs. 715 crore) and Rs. 16,546 crore (corresponding previous year Rs. 3,680 crore) respectively.

(b) We draw attention to Note 7 of the standalone Ind AS financial results, regarding the Definitive Binding Agreement for monetization of assets of the company & its two subsidiaries and National Company Law Appellate Tribunal (NCLAT) order dated 30 May 2018 staying the NCLT order dated 15 May 2018 admitting the Company under Insolvency and Bankruptcy Code (IBC), 2016. The Company is confident that a suitable resolution plan would be formulated by lenders in view of order admitting the Company under IBC proceedings is vacated/stayed, accordingly financial results of the Company have been prepared on going concern basis.

Our opinion is not modified in respect of the above matters.

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

Parimal Kumar Jha

Parimal Kumar Jha
Partner
Membership No:124262

30 May 2018
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

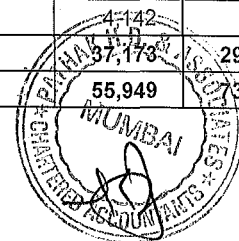
Audited Financial Results (Standalone) for the quarter and year ended March 31, 2018

(₹ in Crore)

Sr. No.	Particulars	Quarter ended			Year ended	
		31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
		Audited	Unaudited	Audited	Audited	Audited
1	Income					
	(a) Revenue from Operations	407	497	852	2,231	3,537
	(b) Other Income	-	-	-	-	-
	(c) Total Income [(a) + (b)]	407	497	852	2,231	3,537
2	Expenses					
	(a) Access Charges, Licence Fees and Network Expenses	278	319	737	1,631	2,906
	(b) Employee Benefits Expenses	8	7	9	28	37
	(c) Finance Costs	-	-	-	-	-
	(d) Depreciation, Amortisation and Provision for Impairment	51	46	55	200	216
	(e) Sales and General Administration Expenses	95	76	41	308	247
	(f) Total Expenses [(a) to (e)]	432	448	842	2,167	3,406
3	Profit/ (Loss) before Exceptional Items and Tax [1 (c) - 2 (f)]	(25)	49	10	64	131
4	Exceptional Items	-	-	-	-	-
5	Profit / (Loss) before Tax [3 - 4]	(25)	49	10	64	131
6	Tax Expenses					
	(a) Current Tax	-	-	-	-	-
	(b) Short/(Excess) provision of earlier years	0	1	-	1	-
	(c) Deferred Tax Charge/ (Credit)	30	-	(23)	-	(94)
	(d) Tax Expenses (net) [(a) to (c)]	30	1	(23)	1	(94)
7	Profit/ (Loss) after Tax [5 - 6]	(55)	48	33	63	225
8	Profit/ (Loss) before Tax and Exceptional Item from Discontinued Operations	704	(192)	(942)	(2,978)	(3,986)
9	Exceptional Items					
	Provision for Impairment of Assets / Diminution in the value of Investments	6,955	-	-	6,955	-
10	Profit/ (Loss) before Tax from Discontinued Operations [8-9]	(6,251)	(192)	(942)	(9,933)	(3,986)
11	Tax Expenses of Discontinued Operations	580	-	(815)	-	(1,965)
12	Profit/ (Loss) after Tax from Discontinued Operations [10-11]	(6,831)	(192)	(127)	(9,933)	(2,021)
13	Other Comprehensive Income/ (Expense) for the period	3	-	-	3	(1)
14	Total Comprehensive Income / (loss) for the period [7+ 12 + 13]	(6,883)	(144)	(94)	(9,867)	(1,797)
15	Earnings per Share (EPS) (before and after exceptional items) Basic and Diluted (Rs.)					
	(a) Continuing Operations	(0.20)	0.18	0.13	0.24	0.91
	(b) Discontinued Operations	(24.89)	(0.73)	(0.51)	(38.46)	(8.19)
16	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	1,383	1,383	1,244	1,383	1,244
17	Debt Equity Ratio (Refer Note 11)				3.85	1.53
18	Debt Service Coverage Ratio (DSCR) (Refer Note 11)				-	0.07
19	Interest Service Coverage Ratio (ISCR) (Refer Note 11)				-	0.25



Standalone Statement of Assets and Liabilities		(₹ in Crore)	
	Particulars	As at	As at
		31-Mar-18	31-Mar-17
		Audited	Audited
A	ASSETS		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	2,126	14,751
	(b) Capital Work in Progress	160	1,130
	(c) Intangible Assets	104	13,797
	(d) Intangible Assets under development	-	66
	(e) Investment in Subsidiaries and Associates	13,559	17,090
	(f) Financial Assets		
	(i) Other Financial Assets	11	72
	(g) Income Tax Asset (net)	197	227
	(h) Deferred Tax Asset (net)	3,558	3,558
	(i) Other Non Current Assets	956	5,167
	Sub-total Non-Current Assets	20,671	55,858
2	Current Assets		
	(a) Inventories	64	108
	(b) Financial Assets		
	(i) Investments	4,225	4,599
	(ii) Trade Receivables	1,672	1,636
	(iii) Cash and Cash Equivalents	147	455
	(iv) Bank Balances other than (iii) above	54	188
	(v) Loans	3,640	6,215
	(vi) Other Financial Assets	126	385
	(c) Other Current Assets	4,162	4,445
	(d) Assets Held for Sale	21,188	-
	Sub-total - Current Assets	35,278	18,031
	Total Assets	55,949	73,889
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share Capital	1,383	1,244
	(b) Other Equity	7,933	22,840
	Total Equity	9,316	24,084
	LIABILITIES		
2	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	9,359	18,629
	(ii) Deferred Payment Liabilities	-	1,407
	(iii) Other Financial Liabilities	-	269
	(b) Other Non-Current Liabilities	83	87
	(c) Provisions	18	31
	Sub-total Non-Current Liabilities	9,460	20,423
3	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	18,595	7,928
	(ii) Trade Payables	3,110	2,435
	(iii) Other Financial Liabilities	9,257	17,131
	(b) Other Current Liabilities	850	666
	(c) Provisions	1,219	1,222
	(d) Liabilities directly related to Assets held for Sale	4,142	-
	Sub-total - Current Liabilities	37,173	29,382
	Total Equity and Liabilities	55,949	73,889



Notes:

- Figures of the previous period have been regrouped and reclassified, wherever required.
- Pursuant to the Schemes of Arrangement ("the Schemes") sanctioned by the Hon'ble High Court of Judicature at Bombay / Gujarat, 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 ₹ 61 crore and ₹ 448 crore during the quarter and year ended March 31, 2018 respectively, have been withdrawn from General Reserve. The Company has, in accordance with the said Schemes, adjusted additional depreciation and amortization of ₹ Nil and ₹ 280 crore, arising on fair value of the assets, for the quarter and year ended March 31, 2018 respectively by withdrawing an equivalent amount from General Reserve. Impairment charge to the extent of ₹ 5,948 crore, arising on account of strategic transformation programme as a part of debt resolution plan consequent to the process of monetisation of the assets of the Company, as permitted under the said Schemes, has been adjusted by withdrawing an equivalent amount from the balance available in General Reserve and Reserve for Business Restructuring. The charge disclosed in the Financial Results is net of such withdrawal. These matters have been referred to by the Auditors in their Audit Report.
- The listed Redeemable Non Convertible Debentures (NCDs) of the Company aggregating to ₹ 3,750 crore as on March 31, 2018 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 Company 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 ₹ 750 crore, the Company 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.
- Additional details as required in relation to Non Convertible Debentures (NCDs):

Nature of Instruments	11.20% NCDs	11.25% NCDs
Amount outstanding (₹ in crore)	3,000	750
Previous due date for Principal Repayment and whether paid	Not Applicable	07.02.2018 unpaid
Previous due date for payment of Interest	02.03.2018	07.03.2018
Whether Interest was paid on the due date	No	No
Next due date for payment of interest	02.04.2018	07.04.2018
Credit Rating and change in credit rating, if any	ICRA D earlier ICRA BB	CARE D earlier CARE BB
Due Date for Principal Repayment	01.03.2019	Rs 375 crore on each dates 07.02.2018 (Unpaid) and 07.02.2019

- Debenture Redemption Reserve (DRR) : ₹ 590 crore as on March 31, 2018



6. Net Worth : ₹ 7,919 crore, as on March 31, 2018
Includes ₹ 5,538 crore created pursuant to the Scheme of Amalgamation approved by High courts which shall for all regulatory purposes be considered to be part of owned funds of the Company.
7. The Company was engaged with Joint Lenders' Forum (JLF), constituted on June 2, 2017 and under standstill period till December 2017 pursuant to the strategic Debt Restructuring Scheme (SDR Scheme) of Reserve Bank of India (RBI). Consequent to circular of 12th February, 2018 of RBI, the Company continued to work closely with the Lenders to finalise an overall debt resolution plan. Pursuant to strategic transformation programme, as a part of debt resolution plan of the Company under consideration, inter alia of the Lenders, the Company and its subsidiaries; Reliance Telecom Limited (RTL) and Reliance Infratel Limited (RITL), with the permission of and on the basis of suggestions of the Lenders, had for monetization of some specified Assets, entered into definitive binding agreements with Reliance Jio Infocomm Limited (RJio) on December 28, 2017 for sale of Wireless Spectrum, Towers, Fiber and Media Convergence Nodes (MCNs). Further, the Company has also entered into a definitive binding agreement with Pantel Technologies Private Limited and Veecon Media and Television Limited for sale of its subsidiary company having DTH Business. The Company and its said subsidiaries expected to close these transactions in a phased manner. In the meanwhile, Hon'ble National Company Law Tribunal (NCLT), Mumbai has, overruling the objections of the Company as also its lenders represented by State Bank of India, the lead member, vide its order dated May 15, 2018 admitted applications filed by an operational creditor for its claims against the Company and its subsidiaries; RTL and RITL and thereby admitted the companies to debt resolution process under the Insolvency and Bankruptcy Code, 2016 (IBC). As a consequence, Interim Resolution Professionals (IRPs) were appointed vide NCLT's order dated May 18, 2018. The Company along with the support of the lenders filed an appeal with Hon'ble National Company Law Appellate Tribunal (NCLAT) challenging the order of NCLT admitting the Company to IBC proceedings. The Hon'ble NCLAT, vide its order dated May 30, 2018, stayed the order passed by NCLT and consequently, the Board stands reinstated. Further, Minority Shareholders holding 4.26% stake in RITL had accused the management of RITL of "Oppression of minority shareholders and mismanagement" and filed a petition in NCLT. Based on an amendment to the Petition, the NCLT stayed RITL's proposed asset sale (Tower and Fibre). The parties have subsequently settled the dispute and the restriction on sale stands vacated pursuant to order admitting RITL to the IBC proceeding is vacated. The Company is confident that a suitable debt resolution plan would be formulated along with its lenders as per the strategic transformation programme. Considering these developments, the financial results continue to be prepared on going concern basis. This matter has been referred to by the Auditors in their Audit Report.
8. The aforesaid assets along with liabilities have been classified as assets held for sale and disclosed separately as discontinued operations in line with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations". Assets held for sale are recorded at lower of carrying amount and fair value less cost as per Ind AS 105 and ₹ 6,955 crore has been accounted as impairment.



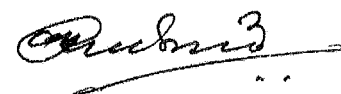
The financial result of discontinued operations is as under:

(₹ in Crore)

Particulars	Quarter ended			Year ended	
	31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
	Audited	Unaudited	Audited	Audited	
Total Income	29	237	1,166	2,045	5,617
Profit/ (Loss) before tax	(6,251)	(192)	(942)	(9,933)	(3,986)
Profit/ (Loss) after tax	(6,831)	(192)	(127)	(9,933)	(2,021)

9. Considering all factors including admitting the companies to debt resolution process under the IBC the Company, with a view to reflecting fairly the position for the purpose of presentation in respect of the Company's obligation for interest and without implying in any way that the terms of lending by the banks and other lenders are altered, has not provided interest of ₹ 829 crore during the quarter under review and ₹ 811 crore for the previous quarter and reversed interest of ₹ 1,415 crore provided during the earlier quarters of the year. Had the Company provided Interest, the Loss would have been higher by ₹ 829 crore and ₹3,055 crore for the quarter and year ended March 31, 2018 respectively. The Auditors have drawn qualification in this regards in their Audit Report.
10. 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 provisions of Ind AS.
11. Formula used for the computation of ratios:
- Debt Equity Ratio = Debt/ Equity;
 - Debt Service Coverage Ratio (DSCR) = Earnings before depreciation, Impairment, interest and tax/ (Interest + Principal repayment);
 - Interest Service Coverage Ratio (ISCR) = Earnings before depreciation, Impairment, interest and tax/ (Interest expense).
12. Figures for the quarter ended March 31, 2018 and March 31, 2017 are balancing figures between the audited figures in respect of the full financial year and published year to date figures upto the third quarter of the relevant financial years.
13. It is hereby declared that the Auditors have issued audit reports with qualification on the annual audited financial result for the year ended March 31, 2018. Impact of the qualification is given in Annexure 1.
14. After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on May 30, 2018.

For Reliance Communications Limited



Anil D. Ambani
Chairman

Place : Mumbai

Date : May 30, 2018

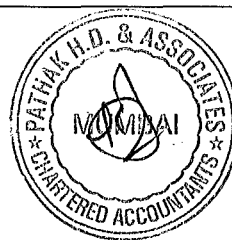
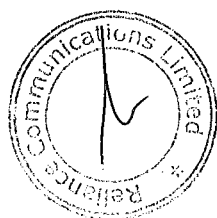



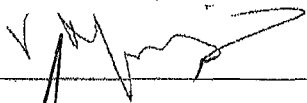
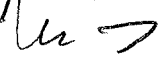
ANNEXURE I

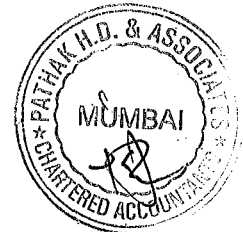
Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with
Annual Audited Financial Results - Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (audited figures after adjusting for qualifications)
			Rs. in crore	
	1	Turnover / Total income	2,231	2,231
	2	Total Expenditure	2,167	2,167
	3	Net Profit/(Loss)	63	63
	4	Net Profit / (Loss) from Discontinued Operations	(9,933)	(12,988)
	5	Earnings Per Share (Rs.)	(38.22)	(50.04)
	6	Total Assets	55,949	55,949
	7	Total Liabilities	46,633	49,688
	8	Net worth	9,316	6,261
	9	Any other financial item(s) (as felt appropriate by the management)		
II	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification:	Not Providing Interest	
	b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion	
	c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	First Time	
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Impact is likely to be nil, if request for waiver is accepted by Lenders	
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	Not Applicable	
		(i) Management's estimation on the impact of audit qualification:	-	



		(ii) If management is unable to estimate the impact, reasons for the same:	-
		(iii) Auditors' Comments on (i) or (ii) above:	-
III	Signatories:		
		Executive Director	
		Director and Chief Financial Officer	
		Audit Committee Chairman	
		Statutory Auditor	Parzenal Kumar Jha
	Place	Mumbai	
	Date	May 30, 2018	



To the Board of Directors of
Reliance Communications Limited

Independent Auditor's Report on the Statement of Consolidated Financial results

1. We have audited the accompanying consolidated financial results of Reliance Communications Limited (the "Company") and its subsidiaries (hereinafter referred to as "Group") and its associates for the quarter and year ended March 31, 2018 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulations 33 and Regulations 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI. Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the end of the third quarter of current and previous financial year respectively. Also the figures upto the end of third quarter for the current and previous financial year had only been reviewed and not subjected to audit.

Management's Responsibility for Statement

2. The Statement has been prepared on the basis of the Consolidated Annual Ind AS financial statements which is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 30 May, 2018. The Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Company's Act ('the Act') read with relevant rules issued there under and other accounting principles generally accepted in India and other recognized accounting practices and policies and in compliance with Regulations 33 and Regulations 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Statement based on our audit of the consolidated annual Ind AS financial statements. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



**Independent Auditor's Report on the Statement of Consolidated Financial results
(Continued)**

Basis for Qualified Opinion

4. We draw attention to Note 9 of the Statement regarding non providing interest amounting to Rs. 989 crore & Rs. 3,609 crore for the quarter and year ended 31 March 2018 on borrowings taken by the Company and by its subsidiary Companies during the year . Had such interest has been provided then the reported loss for the quarter and year ended 31st March , 2018 would have been Rs. 20,864 crore & Rs. 27,516 crore respectively and net worth of the Company as on 31st March, 2018 would have been negative of Rs. 826 crore .

Qualified Opinion

5. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in Paragraph 7 below, except for the effects of the matters described in paragraph 4 above, the Statement:

- (i) include the consolidated financial results for the quarter and year ended 31 March 2018 of following entities:

List of Subsidiaries:

1. Reliance WiMax Limited;
2. Reliance Bhutan Limited;
3. Reliance Webstore Limited;
4. Reliance Realty Limited (Formerly known as Reliance Infocomm Infrastructure Limited);
5. Champion Properties Limited;
6. Independent TV Limited (Formerly known as Reliance Big TV Limited);
7. Reliance Tech Services Limited;
8. Reliance Telecom Limited;
9. Reliance Communications Infrastructure Limited;
10. Globalcom IDC Limited (Formerly known as Reliance IDC Limited);
11. Reliance Infratel Limited;
12. Globalcom Mobile Commerce Limited (Formerly known as Reliance Mobile Commerce Limited);
13. Reliance BPO Private Limited;
14. Reliance Globalcom Limited;
15. Reliance Globalcom B.V.;
16. Reliance Communications (UK) Limited;
17. Reliance Communications (Hong Kong) Limited;
18. Reliance Communications (Singapore) Pte. Limited;



**Independent Auditor's Report on the Statement of Consolidated Financial results
(Continued)**

19. Reliance Communications (New Zealand) Pte Limited;
20. Reliance Communications (Australia) Pty Limited;
21. Anupam Global Soft (U) Limited;
22. Gateway Net Trading Pte Limited;
23. Reliance Globalcom Limited;
24. FLAG Telecom Singapore Pte. Limited;
25. FLAG Atlantic UK Limited;
26. Reliance FLAG Atlantic France SAS;
27. FLAG Telecom Taiwan Limited;
28. Reliance FLAG Pacific Holdings Limited;
29. FLAG Telecom Group Services Limited;
30. FLAG Telecom Deutschland GmbH;
31. FLAG Telecom Hellas AE;
32. FLAG Telecom Asia Limited;
33. FLAG Telecom Nederland B.V.;
34. Reliance Globalcom (UK) Limited;
35. Yipes Holdings Inc.;
36. Reliance Globalcom Services Inc.;
37. YTV Inc.;
38. Reliance Infocom Inc.;
39. Reliance Communications Inc.;
40. Reliance Communications International Inc.;
41. Reliance Communications Canada Inc.;
42. Bonn Investment Inc.;
43. FLAG Telecom Development Limited;
44. FLAG Telecom Development Services Company LLC;
45. FLAG Telecom Network Services Limited;
46. Reliance FLAG Telecom Ireland Limited;
47. FLAG Telecom Japan Limited;
48. FLAG Telecom Ireland Network Limited;
49. FLAG Telecom Network USA Limited;
50. FLAG Telecom Espana Network SAU;
51. Reliance Vanco Group Limited;
52. Euronet Spain SA;
53. Net Direct SA (Proprietary) Ltd. (Under liquidation);
54. Vanco (Shanghai) Co Ltd.;
55. Vanco (Asia Pacific) Pte. Limited;
56. Vanco Australasia Pty. Ltd.;
57. Vanco Sp Zoo;
58. Vanco GmbH;
59. Vanco Japan KK;



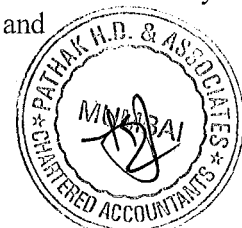
**Independent Auditor's Report on the Statement of Consolidated Financial results
(Continued)**

60. Vanco NV;
61. Vanco SAS;
62. Vanco South America Ltda.;
63. Vanco Srl;
64. Vanco Sweden AB;
65. Vanco Switzerland AG;
66. Vanco Deutschland GmbH;
67. Vanco BV;
68. Vanco Benelux BV;
69. Vanco UK Ltd;
70. Vanco International Ltd;
71. Vanco Row Limited;
72. Vanco Global Ltd;
73. VNO Direct Ltd;
74. Vanco US LLC;
75. Vanco Solutions Inc;
76. Seoul Telenet Inc.;
77. FLAG Holdings (Taiwan) Limited;
78. Reliance Communications Tamilnadu Limited;
79. Global Cloud Xchange Limited;
80. GCX Limited;
81. Globalcom Realty Limited (Formerly known as Reliance Infra Realty Limited);
82. Reliance Infra Projects Limited;
83. Worldtel Tamilnadu Private Limited;
84. Realsoft Cyber Systems Private Limited;
85. Internet Exchangenext.com Limited;
86. Lagerwood Investments Limited;
87. Reliance Telecom Infrastructure (Cyprus) Holding Limited;
88. Aircom Holdco B.V. and
89. Towercom Infrastructure Private Limited

List of Associates:

1. Warf Telecom International Private Limited and
2. Mumbai Metro Transport Private Limited.

(ii) is presented in accordance with the requirements of Regulations 33 and Regulations 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI and further read with Emphasis of Matter paragraph below, and



**Independent Auditor's Report on the Statement of Consolidated Financial results
(Continued)**

- (iii) gives a true and fair view in conformity with the aforementioned Ind AS and other accounting principles generally accepted in India of net loss, total comprehensive income and other financial information for the quarter and the year ended 31 March 2018.

Emphasis of Matter

6. (i) We draw attention to Note 2 of the consolidated financial results regarding the Scheme of Arrangements ('Scheme') sanctioned by the Hon'ble High Courts of Judicature at Mumbai & Gujarat, the Company is permitted to adjust additional depreciation/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 and year ended 31 March 2018, the Company has withdrawn Rs. Nil crore (corresponding previous quarter Rs. 570 crore) and Rs. 280 crore (corresponding previous year Rs. 1,205 crore) respectively, to offset additional depreciation and amortisation on account of fair valuation of certain assets, which may be considered to override the relevant provisions of Schedule II of the Act and Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.
- (ii) We draw your attention to Note 2 of the consolidated financial results regarding the Schemes of Arrangement ('Scheme') sanctioned by the Hon'ble High Court of Judicature at Mumbai & Gujarat, which permit the Company and its subsidiary namely Reliance Infratel Limited to adjust expenses, impairment and/or losses identified by the respective Board of the Company and its subsidiary, which are required to be debited/credited to the Statement Profit and Loss by a corresponding withdrawal or credit from/to General Reserve and Reserve for Business Restructuring, which is considered to be an override to the relevant provisions of Ind AS 8. During the quarter and year ended 31 March 2018, the Company and its subsidiary have identified net foreign exchange variations (including amortisation of Foreign Currency Monetary Items Translation Account (FCMITDA) and depreciation on exchange losses capitalized) of Rs.47 crore (corresponding previous quarter Rs. Nil crore) and Rs. 448 crore (previous year Rs. 714 crore) and impairment charge arising on account of asset held for sale Rs..2,948 crore (corresponding previous quarter Rs. Nil crore) & Rs..2,948 crore (corresponding previous year Rs. Nil crore) respectively, as in the opinion of respective Board, such exchange variations and impairment are considered to be of an exceptional nature and accordingly, these expenses have been met by corresponding withdrawal from General Reserve and Reserve for Business Restructuring.



**Independent Auditor's Report on the Statement of Consolidated Financial results
(Continued)**

Had the effect of paragraphs 6 (i) and (ii) above, not been met from General Reserve and Reserve for Business Restructuring, the Group and its associates would have reflected loss after tax for the quarter and the year ended 31 March 2018 of Rs.22,870 crore (corresponding previous quarter Rs.1,578 crore) and Rs.27,583 crore (corresponding previous year Rs.3,202 crore) respectively.

(iii) We draw attention to Note 7 of the consolidated Ind AS financial results, regarding the Definitive Binding Agreement for monetization of assets of the Company & its two subsidiaries Reliance Infratel Limited & Reliance Telecom Limited and National Company Law Appellate Tribunal (NCLAT) order dated 30 May 2018 staying the National Company Law Tribunal (NCLT) order dated 15 May 2018 admitting the Company under Insolvency Bankruptcy Code (IBC), 2016. The Company is confident that a suitable resolution plan would be formulated by lenders in view of order admitting the Company to IBC proceedings is vacated/stayed, accordingly financial results of the Company have been prepared on going concern basis.

Similar Emphasis of Matter paragraphs are referred to in the Auditor's reports of the above two subsidiary companies

Our opinion is not modified in respect of the matters mentioned in Paragraph 6 (i) (ii) & (iii) above.

Other Matter

7. We did not audit the financial results of twenty three subsidiaries considered in the preparation of the Statement (including Five subsidiaries classified as discontinued operations), whose financial results reflect total assets of Rs. 22,093 crore, total revenues from continuing operations of Rs. 732 crore & Rs.3,165 crore and total revenues from discontinued operations of Rs 44 crore & Rs 293 crore for the quarter and year ended 31 March 2018 respectively and total profit after tax from continuing operations of Rs. 42 crore and Rs.54 crore and total loss after tax from discontinued operations of Rs 191 crore and Rs 248 crore for the quarter and year ended 31 March 2018 respectively. These financial results have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on consolidated financial results in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of such auditors.



**Independent Auditor's Report on the Statement of Consolidated Financial results
(Continued)**

8. We did not audit the financial results of Eleven subsidiaries considered in the preparation of the consolidated financial results, whose financial results reflect total assets of Rs.5,270 Crore as at 31 March 2018, total revenues of Rs. 28 Crore and Rs 146 Crore for the quarter and year ended on that date respectively. We also did not audit the financial results of two associates considered in the Statement, whose financial results reflect Group's share of net profit of Rs. 5 crore for the year ended 31 March 2018. These financial results as approved by the respective Board of Directors of these subsidiaries and associates have been furnished to us by the management, and our report on the Statement in so far as it relates to the amounts included in respect of these subsidiaries and associates is based solely on such board approved unaudited financial results.

Our Opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and financial results certified by the respective management.

For Pathak H.D. & Associates

Chartered Accountants

Firm's Registration No:107783W

Parimal Kumar Jha

Parimal Kumar Jha

Partner

Membership No:124262



30 May, 2018

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

Audited Financial Results (Consolidated) for the quarter and year ended March 31, 2018

(₹ in Crore)

Sr. No.	Particulars	Quarter ended			Year ended	
		31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
		Audited	Unaudited	Audited	Audited	Audited
1	Income					
	(a) Revenue from Operations	949	1,144	1,578	4,593	6,554
	(b) Other Income	27	32	47	91	83
	(c) Total Income [(a) + (b)]	976	1,176	1,625	4,684	6,637
2	Expenses					
	(a) Access Charges, Licence Fees and Network Expenses	565	665	1,047	2,822	4,326
	(b) Employee Benefits Expenses	108	110	107	427	442
	(c) Finance Costs	32	52	50	186	255
	(d) Depreciation, Amortisation and Provision for Impairment	174	172	225	721	821
	(e) Sales and General Administration Expenses	144	149	178	536	641
	(f) Total Expenses [(a) to (e)]	1,023	1,148	1,607	4,692	6,485
3	Profit/ (Loss) before Share of Profit/ (Loss) of Associates, Exceptional Items and Tax [1 (c) - 2 (f)]	(47)	28	18	(8)	152
4	Share of Profit / (Loss) of Associates	1	3	0	5	3
5	Profit/ (Loss) before Exceptional Items and Tax [3 + 4]	(46)	31	18	(3)	155
6	Exceptional Items	-	-	-	-	-
7	Profit/ (Loss) before Tax [5 - 6]	(46)	31	18	(3)	155
8	Tax Expenses					
	(a) Current Tax	3	(2)	5	4	24
	(b) Short/(Excess) provision of earlier years	-	-	(22)	-	(22)
	(c) Deferred Tax Charge/ (Credit) (net) (including MAT Credit)	30	6	27	12	(92)
	(d) Tax Expenses (net) [(a) to (c)]	33	4	10	16	(90)
9	Profit/ (Loss) after Tax [7 - 8]	(79)	27	8	(19)	245
10	Profit/ (Loss) before Tax and Exceptional Items from Discontinued Operations	45	(130)	(1,310)	(4,556)	(2,542)
11	Exceptional Items					
	Provision for Impairment of Assets	(21,255)	-	-	(21,255)	-
12	Profit/ (Loss) before Tax from Discontinued Operations [10-11]	(21,210)	(130)	(1,310)	(25,811)	(2,542)
13	Tax Expenses of Discontinued Operations	(1,414)	10	(354)	(1,923)	(1,014)
14	Profit/ (Loss) after Tax from Discontinued Operations [12-13]	(19,796)	(140)	(956)	(23,888)	(1,528)
15	Other Comprehensive Income for the period	48	(76)	(164)	(43)	(37)
16	Total Comprehensive Income for the period [9 + 14 + 15]	(19,827)	(189)	(1,112)	(23,950)	(1,320)
17	Profit/ (Loss) for the period attributable to					
	(a) Equity holders of the company	(19,776)	(130)	(966)	(23,839)	(1,403)
	(b) Non Controlling Interest	(99)	17	18	(68)	120
18	Total Comprehensive Income/ (Loss) attributable to					
	(a) Equity holders of the company	(19,728)	(206)	(1,130)	(23,882)	(1,440)
	(b) Non Controlling Interest	(99)	17	18	(68)	120
19	Earnings per Share (EPS) (before and after exceptional items) (Basic and Diluted) (Rs.)					
	(a) Continuing Operations	(0.29)	0.10	0.03	(0.07)	0.99
	(b) Discontinued Operations	(71.22)	(0.59)	(3.94)	(92.22)	(6.68)
20	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	1,383	1,383	1,244	1,383	1,244
21	Debt Equity Ratio (Refer Note 11)				16.97	1.61
22	Debt Service Coverage Ratio (DSCR) (Refer Note 11)				-	0.54
23	Interest Service Coverage Ratio (ISCR) (Refer Note 11)				-	1.84



Segment wise Revenue, Results , Segment Assets and Segment Liabilities					(₹ in Crore)	
Sr. No.	Particulars	Quarter ended			Year ended	
		31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
		Audited	Unaudited	Audited	Audited	Audited
1	Segment Revenue					
	(a) India Operation	456	596	1,017	2,534	4,052
	(b) Global Operation	703	709	988	2,933	4,394
	(c) Total [(a) + (b)]	1,159	1,305	2,005	5,467	8,446
	(d) Less: Inter segment revenue	(183)	(129)	(380)	(783)	(1,809)
	(e) Income from Operations [(c) - (d)]	976	1,176	1,625	4,684	6,637
2	Segment Results					
	Profit / (Loss) before Tax and Finance Cost from each segment					
	(a) India Operation	(22)	60	78	220	224
	(b) Global Operation	7	20	(10)	(42)	183
	(c) Total [(a) + (b)]	(15)	80	68	178	407
	(d) Add : Unallocable Revenue	-	-	-	-	-
	(e) Less : Finance Costs (net)	32	52	50	186	255
	(f) Less : Exceptional Items	-	-	-	-	-
	Total Profit before Tax and share in Profit / (Loss) of Associate	(47)	28	18	(8)	152
	Total Profit/ (Loss) before Tax from Discontinued Operations	(21,210)	(130)	(1,310)	(25,811)	(2,542)
3	Segment Assets					
	(a) India Operation	60,827	86,136	83,947	60,827	83,947
	(b) Global Operation	11,645	11,759	12,139	11,645	12,139
	(c) Others/ Unallocable (net of Eliminations)	2,106	2,935	3,645	2,106	3,645
	(d) Total [(a) to (c)]	74,578	1,00,830	99,731	74,578	99,731
4	Segment Liabilities					
	a) India Operation	17,734	20,025	16,017	17,734	16,017
	b) Global Operation	6,291	6,240	6,465	6,291	6,465
	c) Others/ Unallocable (net of Eliminations)	203	2,363	2,547	203	2,547
	(d) Total [(a) to (c)]	24,228	28,628	25,029	24,228	25,029



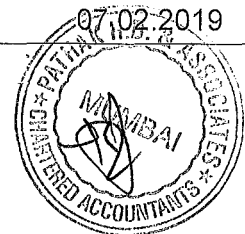
Consolidated Statement of Assets and Liabilities		(₹ in Crore)	
	Particulars	As at	As at
		31-Mar-18	31-Mar-17
		Audited	Audited
A	ASSETS		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	16,501	49,801
	(b) Capital Work in Progress	265	1,909
	(c) Goodwill	3,549	3,548
	(d) Other Intangible Assets	789	17,494
	(e) Intangible Assets under Development	-	981
	(f) Investment in Associates	21	21
	(g) Financial Assets		
	(i) Investments	11	11
	(ii) Other Financial Assets	173	246
	(h) Deferred Tax Asset (net)	3,574	3,670
	(i) Income Tax Asset (net)	579	964
	(j) Other Non Current Assets	3,657	8,079
	Sub-total Non-Current Assets	29,119	86,724
2	Current Assets		
	(a) Inventories	79	235
	(b) Financial Assets		
	(i) Investments	-	-
	(ii) Trade Receivables	2,133	3,251
	(iii) Cash and Cash Equivalents	611	1,024
	(iv) Bank Balances other than (iii) above	129	295
	(v) Other Financial Assets	156	715
	(c) Other Current Assets	5,517	7,487
	(d) Asset held for sale	36,834	-
	Sub-total - Current Assets	45,459	13,007
	Total Assets	74,578	99,731
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share Capital	1,383	1,244
	(b) Other Equity	1,400	27,325
	Equity Attributable to Shareholders	2,783	28,569
	Non-Controlling Interest	332	400
	Total Equity	3,115	28,969
	LIABILITIES		
2	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	13,021	22,550
	(ii) Deferred Payment Liabilities	-	3,328
	(iii) Other Financial Liabilities	-	459
	(b) Deferred Revenue	2,926	3,303
	(c) Other Non-Current Liabilities	83	87
	(d) Deferred Tax Liabilities (net)	2,517	4,550
	(e) Provisions	438	451
	Sub-total Non-Current Liabilities	18,985	34,728
3	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	23,242	9,499
	(ii) Trade Payables	4,868	4,746
	(iii) Other Financial Liabilities	12,773	17,391
	(b) Deferred Revenue	2,353	1,377
	(c) Other Current Liabilities	1,293	1,764
	(d) Income Tax Liabilities (net)	13	12
	(e) Provisions	1,237	1,245
	(f) Liabilities directly related to Assets held for Sale	6,699	-
	Sub-total - Current Liabilities	52,478	36,034
	Total Equity and Liabilities	74,578	99,731



Notes:

1. Figures of the previous period have been regrouped and reclassified, wherever required.
2. Pursuant to the Schemes of Arrangement ("the Schemes") sanctioned by the Hon'ble High Court of Judicature at Bombay, exchange 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 ₹ 47 crore and ₹ 448 crore during the quarter and year ended March 31, 2018 respectively, have been withdrawn from General Reserve. The Company has, in accordance with the said Schemes, adjusted additional depreciation and amortization of ₹ Nil and ₹ 280 crore, arising on fair value of the assets, for the quarter and year ended March 31, 2018 respectively by withdrawing an equivalent amount from General Reserve. Impairment charge to the extent of ₹ 2,948 crore, arising on account of strategic transformation programme as a part of debt resolution plan consequent to the process of monetisation of the assets of the Company, as permitted under the said Schemes, has been adjusted by withdrawing an equivalent amount from the balance available in General Reserve and Reserve for Business Restructuring. The charge disclosed in the Financial Results is net of such withdrawal. These matters have been referred to by the Auditors in their Audit Report.
3. The listed Redeemable Non Convertible Debentures (NCDs) of the Company aggregating to ₹ 3,750 crore as on March 31, 2018 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 Company 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 ₹ 750 crore, the Company has also assigned Telecom Licences, 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.
4. Additional details as required in relation to Non Convertible Debentures (NCDs):

Nature of Instruments	11.20% NCDs	11.25% NCDs
Amount outstanding (₹ in crore)	3,000	750
Previous due date for Principal Repayment and whether paid	Not Applicable	07.02.2018 unpaid
Previous due date for payment of Interest	02.03.2018	07.03.2018
Whether Interest was paid on the due date	No	No
Next due date for payment of interest	02.04.2018	07.04.2018
Credit Rating and change in credit rating, if any	ICRA D earlier ICRA BB	CARE D earlier CARE BB
Due Date for Principal Repayment	01.03.2019	₹ 375 crore on each dates 07.02.2018 (Unpaid) and 07.02.2019



5. Debenture Redemption Reserve (DRR) : ₹ 590 crore as on March 31, 2018.
6. Net Worth : ₹ 345 crore, as on March 31, 2018.
7. The Company was engaged with Joint Lenders' Forum (JLF), constituted on June 2, 2017 and under standstill period till December 2017 pursuant to the strategic Debt Restructuring Scheme (SDR Scheme) of Reserve Bank of India (RBI). Consequent to circular of 12th February, 2018 of RBI, the Company continued to work closely with the Lenders to finalise an overall debt resolution plan. Pursuant to strategic transformation programme, as a part of debt resolution plan of the Company under consideration, inter alia of the Lenders, the Company and its subsidiaries; Reliance Telecom Limited (RTL) and Reliance Infratel Limited (RITL), with the permission of and on the basis of suggestions of the Lenders, had for monetization of some specified Assets, entered into definitive binding agreements with Reliance Jio Infocomm Limited (RJio) on December 28, 2017 for sale of Wireless Spectrum, Towers, Fiber and Media Convergence Nodes (MCNs). Further, the Company has also entered into a definitive binding agreement with Pantel Technologies Private Limited and Veecon Media and Television Limited for sale of its subsidiary company having DTH Business. The Company and its said subsidiaries expected to close these transactions in a phased manner. In the meanwhile, Hon'ble National Company Law Tribunal (NCLT), Mumbai has, overruling the objections of the Company as also its lenders represented by State Bank of India, the lead member, vide its order dated May 15, 2018 admitted applications filed by an operational creditor for its claims against the Company and its subsidiaries; RTL and RITL and thereby admitted the companies to debt resolution process under the Insolvency and Bankruptcy Code, 2016 (IBC). As a consequence, Interim Resolution Professionals (IRPs) were appointed vide NCLT's order dated May 18, 2018. The Company along with the support of the lenders filed an appeal with Hon'ble National Company Law Appellate Tribunal (NCLAT) challenging the order of NCLT admitting the Company to IBC proceedings. The Hon'ble NCLAT, vide its order dated May 30, 2018, stayed the order passed by NCLT and consequently, the Board stands reinstated. Further, Minority Shareholders holding 4.26% stake in RITL had accused the management of RITL of "Oppression of minority shareholders and mismanagement" and filed a petition in NCLT. Based on an amendment to the Petition, the NCLT stayed RITL's proposed asset sale (Tower and Fibre). The parties have subsequently settled the dispute and the restriction on sale stands vacated pursuant to order admitting RITL to the IBC proceeding is vacated. The Company is confident that a suitable debt resolution plan would be formulated along with its lenders as per the strategic transformation programme. Considering these developments, the financial results continue to be prepared on going concern basis. This matter has been referred to by the Auditors in their Audit Report.
8. The aforesaid assets along with liabilities have been classified as assets held for sale and disclosed separately as discontinued operations in line with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations". Assets held for sale are recorded at lower of carrying amount and fair value less cost as per Ind AS 105 and ₹ 21,255 crore has been accounted as impairment. This matter has been referred to by the Auditors in their Audit Report.



The financial result of discontinued operations is as under:

(₹ in Crore)

Particulars	Quarter ended			Year ended	
	31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
	Audited	Unaudited	Audited	Audited	
Total Income	183	890	2,899	4,799	13,312
Profit/ (Loss) before tax	(21,210)	(130)	(1,310)	(25,811)	(2,542)
Profit/ (Loss) after tax	(19,796)	(140)	(956)	(23,888)	(1,528)

9. Considering all factors including admitting the companies to debt resolution process under the IBC, the Company, with a view to reflecting fairly the position for the purpose of presentation in respect of the Company's obligation for interest and without implying in any way that the terms of lending by the banks and other lenders are altered, has not provided interest of ₹ 989 crore during the quarter under review and ₹ 943 crore for the previous quarter and reversed interest of ₹ 1,678 crore provided during the earlier quarters of the year. Had the Company provided Interest, the Loss would have been higher by ₹ 989 crore and ₹ 3,609 crore for the quarter and year ended March 31,2018 respectively. The Auditors have drawn qualification in this regards in their Audit Report.
10. The Company is operating with India Operations, Global Operations and Others/ Unallocated segments. Accordingly, segment-wise information has been given. This is in line with the requirement of Ind AS 108 "Operating Segments".
11. Formula used for the computation of ratios:
- Debt Equity Ratio = Debt/ Equity;
 - Debt Service Coverage Ratio (DSCR) = Earnings before depreciation, interest and tax/ (Interest + Principal repayment);
 - Interest Service Coverage Ratio (ISCR) = Earnings before depreciation, interest and tax/ (Interest expense).
12. The Company has opted to publish consolidated financial results for the financial year 2017-18. Standalone financial results, for the quarter and year ended March 31, 2018 can be viewed on the website of the Company, National Stock Exchange of India Limited and BSE Limited at www.rcom.co.in, www.nseindia.com and www.bseindia.com respectively.
13. Figures for the quarter ended March 31, 2018 and March 31, 2017 are balancing figures between the audited figures in respect of the full financial year and published year to date figures upto the third quarter of the relevant financial years.
14. It is hereby declared that the Auditors have issued audit reports with qualification on the annual audited consolidated financial result for the year ended March 31, 2018. Impact of the qualification is given in Annexure 1.



15. Additional information on standalone basis is as follows:

(₹ in Crore)

Particulars	Quarter ended			Year ended	
	31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
	Audited	Unaudited	Audited	Audited	
Total Income	407	497	852	2,231	3,537
Profit/ (Loss) before tax	(25)	49	10	64	131
Total Comprehensive Income	(6,883)	(144)	(94)	(9,867)	(1,797)

16. After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on May 30, 2018.

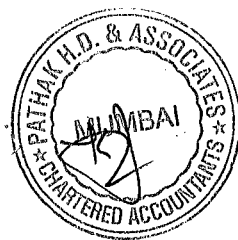
For Reliance Communications Limited



Anil D. Ambani
Chairman

Place : Mumbai

Date : May 30, 2018

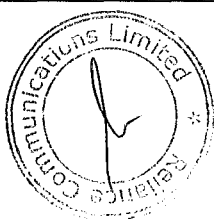



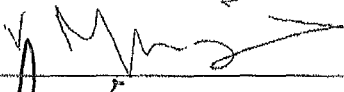
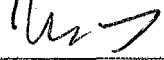
ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with
Annual Audited Financial Results - Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (audited figures after adjusting for qualifications)
			Rs. in crore	
	1	Turnover / Total income	4,684	4,684
	2	Total Expenditure	4,703	4,703
	3	Net Profit/(Loss)	(19)	(19)
	4	Net Profit / (Loss) from Discontinued Operations	(23,888)	(27,497)
	5	Earnings Per Share (Rs.)	(92.29)	(106.20)
	6	Total Assets	74,578	74,578
	7	Total Liabilities	71,795	75,404
	8	Net worth	2,783	(826)
	9	Any other financial item(s) (as felt appropriate by the management)		
II	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification:	Non Provision of Interest	
	b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion	
	c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	First Time	
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Impact is likely to be nil, if request for waiver is accepted by Lenders	
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	Not Applicable	
		(i) Management's estimation on the impact of audit qualification:	-	



		(ii) If management is unable to estimate the impact, reasons for the same:	-
		(iii) Auditors' Comments on (i) or (ii) above:	-
III	Signatories:		
		Executive Director	
		Director and Chief Financial Officer	
		Audit Committee Chairman	
		Statutory Auditor	Parvimal Kumar Jha
	Place	Mumbai	
	Date	May 30, 2018	

