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Independent Auditor's Report on the standalone financial results of Reliance Communications Limited pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

1. We have audited the accompanying standalone financial results of Reliance Communications Limited ('the Company') for the quarter ended 31 March 2016 and year to date results for the period 1 April 2015 to 31 March 2016 attached herewith, being submitted by the Company pursuant to the requirement of Regulations 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for quarter ended 31 March 2016 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 the published year-to-date figures up to the end of third quarter of the current and previous financial year respectively. Also figures up to 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 the Financial Results

2. These financial results have been prepared on the basis of the standalone annual financial statements and reviewed quarterly financial results up to the end of the third quarter, which is the responsibility of the Company's management. These financial results have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 issued thereunder and other accounting principles generally accepted in India and other recognised 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.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial results based on our audit of the standalone annual 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 results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as 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.



B S R & Co. (a partnership firm with registration no. BA61223)
converted into B S R & Co. LLP (a Limited Liability Partnership with
LLP Registration No. AAB-8181), with effect from October 14, 2013.



**Independent Auditor's Report on the standalone financial results of Reliance Communications Limited pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
(Continued)**

Reliance Communications Limited

Opinion

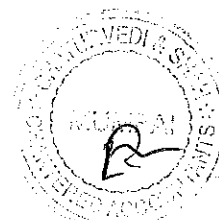
4. In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as the year to date results:
- (i) are presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and further read with Emphasis of Matter paragraph below; and
 - (ii) give a true and fair view of net loss and other financial information for the quarter ended 31 March 2016 as well as the year to date results for the period from 1 April 2015 to 31 March 2016.

Emphasis of Matter

5. We draw attention to Note 2 of the financial results regarding the Scheme of Arrangement ('the Scheme') sanctioned on 03 July 2009 by the Hon'ble High Court of Judicature at Mumbai. The Scheme permits the Company -
- (i) 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 2016, consistent with the practice followed in earlier periods, the Company has withdrawn ₹ 295crore (corresponding previous quarter ₹294crore) and ₹1,190crore (corresponding previous year ₹1,177crore) 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 Accounting Standard 5 (AS 5) 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies;
 - (ii) to adjust expenses and/or losses 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, which is considered to be an override to the relevant provisions of AS 5. During the quarter and year ended 31 March 2016, the Company has identified net foreign exchange variations (including amortisation of Foreign Currency Monetary Items Translation Account (FCMITDA) and depreciation on exchange losses capitalized) of ₹181crore (corresponding previous quarter ₹156crore) and ₹744crore (corresponding previous year ₹617crore) respectively, as in the opinion of the Board, such exchange variations are considered to be of an exceptional nature and accordingly, these expenses have been met by corresponding withdrawal from General Reserve.



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(Continued)**

Reliance Communications Limited

Had the effect of paragraphs 5 (i) and (ii) above, not been met from General Reserve, the Company would have reflected loss after tax for the quarter and the year ended 31 March 2016 of ₹75crore (corresponding previous quarter profit after tax of ₹1,088crore) and ₹3,558crore (corresponding previous year ₹1,948crore) respectively.

Our opinion 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

30 May 2016

Mumbai

For Chaturvedi & Shah

Chartered Accountants

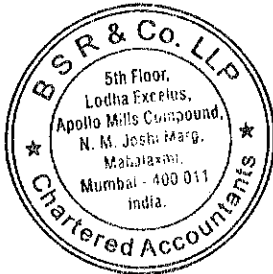
Firm's Registration No: 101720W



Lalit R Mhalsekar

Partner

Membership No: 103418



Reliance Communications Limited

website: www.rcom.co.in

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

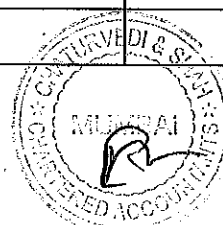
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Audited Financial Results (Standalone) for the year ended March 31, 2016

PART I						
(₹ in Crore)						
Sl. No.	Particulars	Quarter ended			For the year ended	
		31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
		Audited	Unaudited	Unaudited	Audited	Audited
1	Income from operations					
	(a) Net Income from Operations	2,599	2,447	2,667	9,974	10,801
	(b) Other Operating Income	-	-	-	-	-
	Total Income from Operations	2,599	2,447	2,667	9,974	10,801
2	Expenses					
	(a) Access Charges	917	740	810	3,041	3,038
	(b) License Fee	176	166	186	701	775
	(c) Employee Cost	50	47	56	191	269
	(d) Depreciation and Amortisation	529	518	492	2,019	1,940
	(e) Other Expenses	145	1,298	492	3,934	5,063
	Total Expenses	1,817	2,769	2,036	9,886	11,085
3	Profit/ (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1 - 2)	782	(322)	631	88	(284)
4	Other Income	88	79	(185)	321	335
5	Profit/ (Loss) from Ordinary activities before Finance Costs and Exceptional Items (3 + 4)	870	(243)	446	409	51
6	Finance Costs (net)	469	526	382	2,033	1,680
7	Profit/ (Loss) from Ordinary activities after Finance Costs but before Exceptional Items (5 - 6)	401	(769)	64	(1,624)	(1,629)
8	Exceptional Items	-	-	2,969	-	2,969
9	Profit/ (Loss) from Ordinary activities before Tax (7 + 8)	401	(769)	3,033	(1,624)	1,340
10	Tax Expenses	-	-	1,495	-	1,494
11	Net Profit/ (Loss) from Ordinary Activities after Tax (9- 10)	401	(769)	1,538	(1,624)	(154)
12	Extraordinary Items	-	-	-	-	-
13	Net Profit/ (Loss) for the period (11 - 12)	401	(769)	1,538	(1,624)	(154)
14	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	1,244	1,244	1,244	1,244	1,244
15	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	34,037
16	Earnings per Share (EPS) before and after Extraordinary Items (of Rs.5 each) (not annualised)					
	- Basic (Rs.)	1.61	(3.09)	6.23	(6.52)	(0.66)
	- Diluted (Rs.)	1.61	(3.09)	6.23	(6.52)	(0.66)
17	Debt Equity Ratio (Refer Note 9)				1.08	0.89
18	Debt Service Coverage Ratio (Refer Note 9)				0.40	0.35
19	Interest Service Coverage Ratio (Refer Note 9)				1.35	1.19

SIGNED FOR IDENTIFICATION BY

Vijay Kumar
For B S R & Co. LLP



Standalone Statement of Assets and Liabilities		(₹ in Crore)	
		As at	
	Particulars	31-Mar-16 Audited	31-Mar-15 Audited
A	Equity and Liabilities		
1	Shareholder's Fund		
	(a) Share Capital	1,244	1,244
	(b) Reserves and Surplus	31,054	34,627
	Sub-total - Shareholders' Fund	32,298	35,871
2	Non Current Liabilities		
	(a) Long Term Borrowings	24,482	25,977
	(b) Deferred Tax Liabilities (net)	-	-
	(c) Deferred Payment Liabilities	1,374	-
	(d) Other Long Term Liabilities	3,040	43
	(e) Long Term Provisions	23	43
	Sub-total - Non Current Liabilities	28,919	26,063
3	Current Liabilities		
	(a) Short Term Borrowings	3,669	1,189
	(b) Trade Payables	3,877	4,385
	(c) Other Current Liabilities	8,954	6,596
	(d) Short Term Provisions	1,234	1,248
	Sub-total - Current Liabilities	17,734	13,418
	Total Equity and Liabilities	78,951	75,352
B	Assets		
1	Non Current Assets		
	(a) Fixed Assets	39,513	32,963
	(b) Non Current Investments	21,802	21,784
	(c) Deferred Tax Assets (net)	-	-
	(d) Long Term Loans and Advances	8,332	3,442
	(e) Other Non Current Assets	188	198
	Sub-total - Non Current Assets	69,835	58,387
2	Current Assets		
	(a) Current Investment	-	638
	(b) Inventories	119	201
	(c) Trade Receivables	1,573	1,334
	(d) Cash and Cash Equivalents	820	572
	(e) Short Term Loans and Advances	4,140	10,803
	(f) Other Current Assets	2,464	3,417
	Sub-total - Current Assets	9,116	16,965
	Total Assets	78,951	75,352

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BY

Vijay Patel
For BSR & Co. Ltd

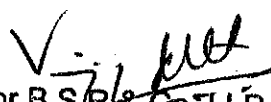


Notes

- Figures of the previous period have been regrouped and reclassified, wherever required.
- 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 ₹ 181 crore and ₹ 744 crore during the quarter and year ended March 31, 2016 respectively, have been met by withdrawal from General Reserves, leaving no impact on profit / (loss) for the year ended March 31, 2016. The Company has, as permitted under the said Schemes, adjusted additional depreciation and amortisation of ₹ 295 crore and ₹ 1,190 crore, arising on fair value of the assets, for the quarter and year ended March 31, 2016 respectively, by withdrawing an equivalent amount from General Reserve.
- The listed Redeemable Non Convertible Debentures (NCDs) of the Company aggregating to ₹ 4,625 crore as on March 31, 2016 are secured by way of first pari passu charge on the movable plant and machinery, 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, NCDs of ₹ 2,000 crore have also been secured by way assignment of 20 Telecom Licenses by execution of Tripartite Agreements with Department of Telecommunications (DoT). Further, NCDs of ₹ 500 crore have been secured by pledge of equity shares of RCIL held by the Company and of RTL held by the Company and Reliance Infocomm Infrastructure Limited (RIIL) by execution of the Share Pledge Agreement. 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	11.60% NCDs	11.25% NCDs
Amount outstanding (₹. in crore)	3,000	500	1,125
Previous due date for Payment of Interest	02.05.2016	07.02.2016	07.05.2016
Whether Interest was paid on the due date	Yes	Yes	Yes
Next due date for Payment of Interest	02.06.2016	07.02.2017	07.06.2016
Credit Rating	ICRA BBB+	CARE A –	CARE A –
Due Date for Principal Repayment	01.03.2019	07.02.2017	₹ 375 crore on each dates 07.02.2017 07.02.2018 and 07.02.2019

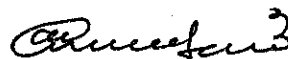
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BY


For B S R & Co. LLP



5. Debenture Redemption Reserve (DRR) : ₹ 590 crore as on March 31, 2016.
6. Net Worth: ₹ 32,298 crore, as on March 31, 2016 :
- Includes ₹14,098 crore created pursuant to the Scheme of Amalgamation approved by High Court which shall for all regulatory purposes be considered to be part of owned funds / net worth of the Company.
7. 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 Accounting Standard (AS) 17 "Segment Reporting" is required.
8. In terms of SEBI circular CIR/CFD/CMD/56/2016 dated May 27, 2016, the Company hereby declare that the auditors have issued audit reports with unmodified opinion on the annual audited standalone financial results for the year ended March 31, 2016.
9. Formula used for the computation of ratios:
i) Debt Equity Ratio = Debt/ Equity;
ii) Debt Service Coverage Ratio (DSCR) = Earnings before depreciation, interest, tax/ (Interest + Principal repayment);
iii) Interest Service Coverage Ratio (ISCR) = Earnings before depreciation, interest, tax/ Interest expense.
10. Figures for the quarter ended March 31, 2016 and March 31, 2015 are balancing figures between audited figures in respect of the full financial year and published year to date figures up to the third quarter of the relevant financial year.
11. 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, 2016.

For Reliance Communications Limited



Anil D. Ambani
Chairman

Place: Mumbai
Date : May 30, 2016

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For B S R & Co. LLP



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Independent Auditor's Report on the Consolidated Financial Results of Reliance Communications Limited pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

1. We have audited the accompanying consolidated financial results of Reliance Communications Limited ('the Company') and its subsidiaries (the Company and its subsidiaries together referred to as the 'Group') and its associates for the quarter ended 31 March 2016 and the year to date results for the period from 1 April 2015 to 31 March 2016 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended 31 March 2016 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 the third quarter for the current financial year had only been reviewed and not subjected to audit.

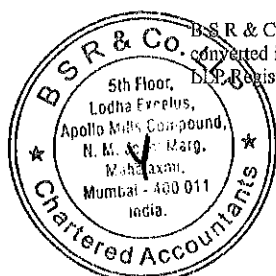
Management's Responsibility for the Consolidated Financial Results

2. These financial results have been prepared on the basis of the consolidated annual financial statements and reviewed quarterly financial results up to the end of third quarter, which is the responsibility of the Company's management. These financial results have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 issued thereunder and other accounting principles generally accepted in India and other recognised accounting practices and policies and in compliance with Regulation 33 and Regulations 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated annual 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 results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results.



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Independent Auditor's Report on the Consolidated Financial Results of Reliance Communications Limited pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Reliance Communications Limited

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.

4. We did not audit the financial results of certain subsidiaries whose financial results reflect total assets of ₹12,319crore as at 31 March 2016 and total revenues of ₹1,098crore and ₹4,618crore for the quarter and year ended on that date, respectively, as considered in the preparation of the consolidated financial results. The financial results of these subsidiaries have been audited by other auditors whose reports have been furnished to us by 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 report of such other auditors.
5. The consolidated financial results include financial results of certain subsidiaries which reflect total assets of ₹20,197crore as at 31 March 2016 and total revenues of ₹984 crore and ₹6,276crore for the quarter and year ended on that date, respectively. The financial results of these subsidiaries, have been audited by M/s Chaturvedi & Shah, Chartered Accountants, one of the joint auditors of the Company.
6. We did not audit the financial results of certain subsidiaries considered in the preparation of the consolidated financial results, whose financial results reflect total assets of ₹1,482crore as at 31 March 2016 and total revenues of ₹42crore and ₹133crore for the quarter and year ended on that date respectively. We also did not audit the financial results of two associates considered in the consolidated financial results, whose financial results reflect Group's share of net profit of ₹2crore for the year ended 31 March 2016. 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 consolidated financial results 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.

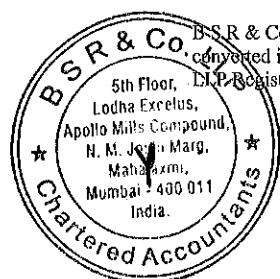
Opinion

7. 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 4 above, the consolidated financial results:

- (i) include the consolidated financial results for the quarter and year ended 31 March 2016 of the following entities:

List of Subsidiaries:

1. Reliance WiMax Limited;
2. Reliance Bhutan Limited;
3. Reliance Webstore Limited;



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Reliance Communications Limited pursuant to the Securities and Exchange
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Regulations, 2015 (Continued)**

Reliance Communications Limited

4. Reliance Infocomm Infrastructure Private Limited;
5. Campion Properties Limited;
6. Reliance Big TV Limited;
7. Reliance Tech Services Limited;
8. Reliance Telecom Limited;
9. Reliance Communications Infrastructure Limited;
10. Reliance IDC Limited;
11. Reliance Infratel Limited;
12. 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;
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;



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Regulations, 2015 (Continued)**

Reliance Communications Limited

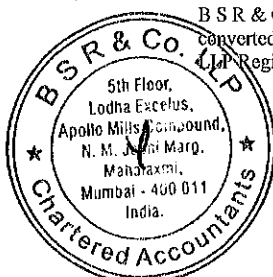
50. FLAG Telecom Espana Network SAU;
51. Reliance Vanco Group Limited;
52. Euronet Spain SA;
53. Net Direct SA (Proprietary) Ltd. (Under liquidation);
54. Vanco (Shanghai) Co Ltd.;
55. Vanco (Asia Pacific) Pte. Limited;
56. Vanco Australasia Pty. Ltd.;
57. Vanco Sp Zoo;
58. Vanco Gmbh;
59. Vanco Japan KK;
60. Vanco NV;
61. Vanco SAS;
62. Vanco South America Ltd.;
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 Private Limited;
79. Global Cloud Xchange Limited;
80. GCX Limited;
81. Reliance Infra Realty Limited;
82. Reliance Infra Projects Limited;
83. Worldtel Tamilnadu Private Limited;
84. Realsoft Cyber Sytems Private Limited;
85. Internet Exchangenext.com Limited;
86. Lagerwood Investments Limited; and
87. Reliance Telecom Infrastructure (Cyprus) Holding Limited

List of Associates:

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

- (ii) have been 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 and further read with Emphasis of Matter paragraph below; and

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Reliance Communications Limited

- (iii) gives a true and fair view of the consolidated net profit and other financial information for the quarter and year ended 31 March 2016.

Emphasis of Matter

8. (i) We draw attention to Note 2 of the consolidated financial results regarding the Scheme of Arrangement ('the Scheme') sanctioned on 3 July 2009 by the Hon'ble High Court of Judicature at Mumbai, 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 2016, the Company has withdrawn ₹295crore (corresponding previous quarter ₹294crore) and ₹1,190crore (corresponding previous year ₹1,177crore) 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 Accounting Standard 5 (AS 5) 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies'.
- (ii) We draw your attention to Note 2 of the consolidated financial results regarding the Schemes of Arrangement ('the Schemes') sanctioned by the Hon'ble High Court of Judicature at Mumbai, which permit the Company and two of its subsidiaries, namely, Reliance Communications Infrastructure Limited and Reliance Infratel Limited to adjust expenses and/or losses identified by the respective Boards of the Company and its two subsidiaries, which are required to be debited/credited to the Statement of Profit and Loss by a corresponding withdrawal or credit from/to General Reserve, which is considered to be an override to the relevant provisions of AS 5. During the quarter and year ended 31 March 2016, the Company and its two subsidiaries have identified net foreign exchange variations (including amortisation of Foreign Currency Monetary Items Translation Account (FCMITDA) and depreciation on exchange losses capitalized) of ₹231crore (corresponding previous quarter ₹253crore) and ₹971crore (previous year ₹965crore) respectively, as in the opinion of respective Board, such exchange variations are considered to be of an exceptional nature and accordingly, these expenses have been met by corresponding withdrawal from General Reserve.

Had the effect of paragraphs 5 (i) and (ii) above, not been met from General Reserve, the Group and its associates would have reflected loss after tax for the quarter and the year ended 31 March 2016 of ₹349crore (corresponding previous quarter ₹319crore) and ₹1,480crore (corresponding previous year ₹1,428crore) respectively.

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

B S R & Co. (a partnership firm with registration no. BA61223)
converted into B S R & Co. LLP (a Limited Liability Partnership with
LLP Registration No. AAB-8181), with effect from October 14, 2013.



**Independent Auditor's Report on the Consolidated Financial Results of
Reliance Communications Limited pursuant to the Securities and Exchange
Board of India (Listing Obligations and Disclosure Requirements)
Regulations, 2015 (Continued)**

Reliance Communications Limited

Other Matters

9. The Company has computed goodwill on consolidation by comparing the cost of investments with the equity of subsidiaries as on date on which investments were made by Reliance Industries Limited ('the transferor company') prior to demerger instead of considering the date of demerger as the date of investment.
10. We have not audited the consolidated financial results for the corresponding quarter ended 31 March, 2015 and preceding quarter ended 31 December, 2015 included in the accompanying consolidated financial results.

For B S R & Co. LLP

Chartered Accountants

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


Vijay Bhatt
Partner

Membership No: 036647

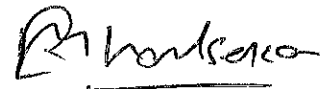
30 May 2016

Mumbai

For Chaturvedi & Shah

Chartered Accountants

Firm's Registration No: 101720W


Lalit R Mhalsekar
Partner

Membership No: 103418



Reliance Communications Limited

website: www.rcom.co.in

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

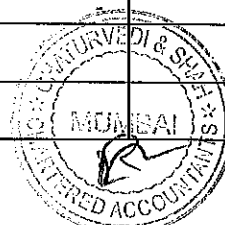
CIN - L45309MH2004 PLC147531

Audited Financial Results (Consolidated) for the year ended March 31, 2016

PART I		(₹ in Crore)				
Sl. No.	Particulars	Quarter ended			Year ended	
		31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
		Audited	Unaudited	Unaudited	Audited	Audited
1	Income from operations					
	(a) Net Income from Operations	5,579	5,232	5,683	21,500	21,423
	(b) Other Operating Income	38	45	11	211	347
	Total Income from Operations	5,617	5,277	5,694	21,711	21,770
2	Expenses					
	(a) Access Charges	917	662	693	2,831	2,793
	(b) License Fee	212	229	266	948	1,094
	(c) Employee Cost	301	289	239	1,121	998
	(d) Depreciation and Amortisation	1,259	890	995	4,046	3,817
	(e) Other Expenses	2,530	2,315	2,529	9,794	9,695
	Total Expenses	5,219	4,385	4,722	18,740	18,397
3	Profit from ordinary activities before Other Income, Finance Costs and Exceptional Items (1 - 2)	398	892	972	2,971	3,373
4	Other Income	302	21	9	402	328
5	Profit from ordinary activities before Finance Costs and Exceptional Items (3 + 4)	700	913	981	3,373	3,701
6	Finance Costs	773	681	666	2,869	2,755
7	Profit / (Loss) from ordinary activities after Finance Costs but before Exceptional Items (5 - 6)	(73)	232	315	504	946
8	Exceptional Items	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before Tax (7 - 8)	(73)	232	315	504	946
10	Tax Expenses (net)	(227)	34	306	(199)	326
11	Net Profit from Ordinary Activities after Tax (9 - 10)	154	198	9	703	620
12	Extraordinary Items	-	-	-	-	-
13	Net Profit for the period (11 - 12)	154	198	9	703	620
14	Share of Loss/ (Profit) of Associates	-	-	-	(2)	(3)
15	Minority Interest	(23)	27	(219)	24	(91)
16	Net Profit after Taxes, Minority Interest and share of profit / (loss) of Associates (13 - 14 - 15)	177	171	228	681	714
17	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	1,244	1,244	1,244	1,244	1,244
18	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	36,102
19	Earnings per Share (EPS) before and after Extraordinary Items (not annualised)					
	- Basic (Rs.)	0.71	0.69	0.89	2.74	3.05
	- Diluted (Rs.)	0.71	0.69	0.89	2.74	3.05
20	Debt Equity Ratio (Refer Note 8)	-	-	-	1.19	1.04
21	Debt Service Coverage Ratio (DSCR) (Refer Note 8)	-	-	-	0.95	0.96
22	Interest Service Coverage Ratio (ISCR) (Refer Note 8)	-	-	-	3.20	3.05

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For BSR & Co. LLP



Segment wise Revenue, Results and Capital Employed						(₹ in Crore)
Sl. No.	Particulars	Quarter ended			Year ended	
		31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
		Audited	Unaudited	Unaudited	Audited	Audited
1	Segment Revenue					
	(a) India Operation	5,227	4,651	4,907	19,370	19,103
	(b) Global Operation	1,242	1,106	1,294	4,527	4,610
	Total	6,469	5,757	6,201	23,897	23,713
	Less: Inter segment revenue	(550)	(459)	(498)	(1,784)	(1,615)
	Income from Operations	5,919	5,298	5,703	22,113	22,098
2	Segment Results					
	Profit before Tax and Finance Cost from each segment					
	(a) India Operation	604	805	716	3,026	3,325
	(b) Global Operation	96	108	265	347	376
	Total	700	913	981	3,373	3,701
	Less : (i) Interest	773	681	666	2,869	2,755
	(ii) Other unallocable expenditure net off	-	-	-	-	-
	(iii) Other unallocable Income	-	-	-	-	-
	Total Profit / (Loss) before Tax	(73)	232	315	504	946
3	Capital Employed					
	(Segment assets - Segment liabilities)					
	(a) India Operation	70,514	69,955	67,276	70,514	67,276
	(b) Global Operation	7,696	8,519	7,871	7,696	7,871
	(c) Others / Unallocable	3,212	2,702	3,129	3,212	3,129
	Total	81,422	81,176	78,276	81,422	78,276

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For B S R & Co. LLP



Consolidated Statement of Assets and Liabilities		(₹ in Crore)	
	Particulars	As at 31-Mar-16 Audited	As at 31-Mar-15 Audited
A	Equity and Liabilities		
1	Shareholder's Funds		
	(a) Share Capital	1,244	1,244
	(b) Reserves and Surplus	35,622	36,692
	Sub-total - Shareholders' Fund	36,866	37,936
2	Minority Interest	520	512
3	Non Current Liabilities		
	(a) Long Term Borrowings	29,500	30,356
	(b) Deferred Tax Liabilities (Net)	677	529
	(c) Deferred Payment Liabilities	3,295	-
	(d) Other Long Term Liabilities	4,782	736
	(e) Long Term Provisions	238	292
	Sub-total - Non Current Liabilities	38,492	31,913
4	Current Liabilities		
	(a) Short Term Borrowings	4,386	1,587
	(b) Trade Payables	5,764	6,088
	(c) Other Current Liabilities	14,758	11,978
	(d) Short Term Provisions	1,280	1,270
	Sub-total - Current Liabilities	26,188	20,923
	Total Equity and Liabilities	102,066	91,284
B	Assets		
1	Non Current Assets		
	(a) Fixed Assets	71,230	62,302
	(b) Goodwill on Consolidation	5,604	5,423
	(c) Non Current Investments	134	125
	(d) Deferred Tax Assets (net)	311	-
	(e) Long Term Loans and Advances	9,837	4,369
	(f) Other Non Current Assets	482	275
	Sub-total - Non Current Assets	87,598	72,494
2	Current Assets		
	(a) Current Investment	670	1,270
	(b) Inventories	208	401
	(c) Trade Receivables	3,844	4,916
	(d) Cash and Cash Balances	1,524	1,408
	(e) Short Term Loans and Advances	6,016	8,602
	(f) Other Current Assets	2,206	2,193
	Sub-total - Current Assets	14,468	18,790
	Total Assets	102,066	91,284

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Vijay Kulkarni
FOR S.D. & Co. LLP



Notes

- Figures of the previous period have been regrouped and reclassified, wherever required.
- 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 ₹ 231 crore and ₹ 971 crore during the quarter and year ended March 31, 2016 respectively, have been withdrawn from General Reserve. The Company has, as permitted under the said Schemes, adjusted additional depreciation and amortization of ₹ 295 crore and ₹ 1,190 crore, arising on fair value of the assets, for the quarter and year ended March 31, 2016 respectively, by withdrawing an equivalent amount from General Reserve.
- The listed Redeemable Non Convertible Debentures (NCDs) of the Company aggregating to ₹ 4,625 crore as on March 31, 2016 are secured by way of first pari passu charge on the movable plant and machinery, 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, NCDs of ₹ 2,000 crore have also been secured by way assignment of 20 Telecom Licenses by execution of Tripartite Agreements with Department of Telecommunications (DoT). Further, NCDs of ₹ 500 crore have been secured by pledge of equity shares of RCIL held by the Company and of RTL held by the Company and Reliance Infocomm Infrastructure Limited (RIIL) by execution of the Share Pledge Agreement. 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):

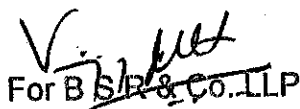
Nature of Instruments	11.20% NCDs	11.60% NCDs	11.25% NCDs
Amount outstanding (Rs. in crore)	3,000	500	1,125
Previous due date for payment of Interest	02.05.2016	07.02.2016	07.05.2016
Whether Interest was paid on the due date	Yes	Yes	Yes
Next due date for payment of interest	02.06.2016	07.02.2017	07.06.2016
Credit Rating	ICRA BBB+	CARE A –	CARE A –
Due Date for Principal Repayment	01.03.2019	07.02.2017	Rs. 375 crore on each dates 07.02.2017 07.02.2018 and 07.02.2019
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Vijit
For BSR & Co. LLP



5. Debenture Redemption Reserve (DRR) : Rs. 590 crore as on March 31, 2016.
6. Net Worth : Rs 35,368 crore, as on March 31, 2016.
- Includes ₹ 1,469 crore created pursuant to the Scheme of Amalgamation approved by High court which shall for all regulatory purposes be considered to be part of owned funds/ Network of the Company.
7. 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 AS 17 "Segment Reporting".
8. Formula used for the computation of ratios:
- i) Debt Equity Ratio = Debt/ Equity;
 - ii) Debt Service Coverage Ratio (DSCR) = Earnings before depreciation, interest, tax/ (Interest + Principal repayment);
 - iii) Interest Service Coverage Ratio (ISCR) = Earnings before depreciation, interest, tax/ Interest expense
9. In term of SEBI circular CIR/CFD/CMD/56/2016 dated May 27, 2016, the Parent company hereby declares that the auditors have issued audit reports with unmodified opinion on the annual audited consolidated financial result for the year ended March 31, 2016.
10. Figures for the quarter ended March 31, 2016 and March 31, 2015 are balancing figures between the audited figures in respect of the full financial year and published year to date figures up to the third quarter of the relevant financial years.
11. The Company has opted to publish consolidated financial results for the year 2015 - 16. Standalone financial results, for the quarter and year ended March 31, 2016 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.

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12. Additional information on standalone basis is as follows:

(₹ in crore)

Particulars	Quarter ended			Year ended	
	31-Mar-2016	31-Dec-2015	31-Mar-2015	31-Mar-2016	31-Mar-2015
	Audited	Unaudited	Unaudited	Audited	Audited
Total Income	2,687	2,526	2,482	10,295	11,136
Profit /(Loss) before tax	401	(769)	3,033	(1,624)	1,340
Profit /(Loss) after tax	401	(769)	1,538	(1,624)	(154)

13. 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, 2016.

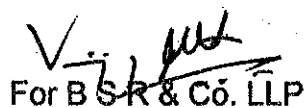
For Reliance Communications Limited



Anil D. Ambani
Chairman

Place: Mumbai
Date : May 30, 2016

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For B S R & Co. LLP

