



Reliance Communications Limited
Dhirubhai Ambani Knowledge City
Navi Mumbai - 400 710, India

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November 09, 2024

The General Manager
Corporate Relationship Department
BSE Limited
Phiroze Jeejeeboy Towers
Dalal Street,
Mumbai- 400 001
BSE Scrip Code: 532712

The Manager
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051
NSE Symbol: RCOM

Dear Sir/Madam,

Sub: Statement of Unaudited (Standalone and Consolidated) Financial Results for the quarter and half year ended on September 30, 2024 and limited review reports thereon.

In furtherance of the letter dated November 02, 2024 and pursuant to Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Statement of Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended on September 30, 2024, along with Limited Review Reports submitted by the Statutory Auditors of Reliance Communications Limited ("Company").

The above financial results were approved by the Directors of the Company at a meeting held on November 09, 2024. Given that the Company is under corporate insolvency resolution process pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016, and with effect from June 28, 2019, its affairs, business and assets are being managed by, and the powers of the board of directors are vested in, the resolution professional, Mr. Anish Niranjana Nanavaty ("RP"), the aforesaid meeting of the Directors was chaired by the RP of the Company who, relying on the certifications, representations and statements of the Directors and management of the Company and the consequent recommendation of the Directors, took on record the Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended on September 30, 2024.

The above mentioned meeting of the Directors of the Company commenced at 10.33 A.M. and concluded at 12.55 P.M.

This is for your information and records.

Yours faithfully,
For Reliance Communications Limited

Rakesh Gupta
Company Secretary

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

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CIN No.: L45309MH2004PLC147531

Limited Review Report on Standalone Unaudited Financial Results of Reliance Communications Limited for the quarter and half year ended September 30, 2024 pursuant to Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

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

1. The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by an operational creditor against Reliance Communications Limited ("the Company") and appointed Resolution Professional (RP) who has been vested with management of affairs and powers of the Board of Directors with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.
2. We have reviewed the accompanying statement of standalone unaudited financial results of the Company for the quarter and half year ended September 30, 2024 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").
3. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company and taken on record by the RP in their meeting held on November 09, 2024, has been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
4. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
5. We draw attention to Note no. 4 & 6 of the Statement, "Assets Held for Sale (AHS)" including Wireless Spectrum, Towers, Fibre and Media Convergence Nodes (MCNs) along with liabilities continues to be classified as held for sale at the value ascertained at the end of March 31, 2018, for the reasons referred to in the aforesaid note and impact of the non payment of spectrum installments due to Department of Telecommunication (DOT). Non determination of fair value of Asset Held for Sale as on the reporting date is not in compliance with Ind AS 105 "Non Current Assets Held for Sale and Discontinued Operations". Accordingly, we are unable to comment on the consequential impact, if any, on the carrying amount of Assets Held for Sale and on the reported losses for the quarter and half year ended September 30, 2024.
6. We draw attention to Note no. 5 of the Statement regarding admission of the Company and its two subsidiaries into Corporate Insolvency Resolution Process ("CIRP") and pending determination of obligations and liabilities with regard to various claims submitted by the Operational/financial/other creditors and employees including interest payable on loans during CIRP. We are unable to comment the accounting impact there of pending reconciliation and determination of final obligation. The Company accordingly has not provided interest on borrowings amounting to Rs. 1,145 crore and Rs. 2,248 crore for the quarter and half year ended September 30, 2024 respectively and Rs. 28,786 crore up to the previous financial year calculated based on basic rate of interest as per terms of loan. The Company further has not



provided for foreign exchange (gain) / loss amounting to Rs. 83 crore and Rs. 79 crore for the quarter and half year ended September 30, 2024 and Rs. 3,677 crore of foreign exchange loss up to the previous financial year. Had such interest and foreign exchange variation (gain)/ loss as mentioned above been provided, the reported loss for the quarter and half year ended September 30, 2024 would have been higher by Rs. 1,228 crore and Rs. 2,327 crore respectively and Networth as on September 30, 2024 and March 31, 2024 would have been lower by Rs. 34,790 crore and Rs. 32,463 crore respectively. Non provision of interest and non-recognition of foreign exchange variation (gain)/ loss is not in compliance with Ind AS 23 "Borrowing Costs" and Ind AS 21 "The Effects of Changes in Foreign Exchange Rates" respectively.

7. We draw attention to Note no. 4 & 18 of the Statement, regarding pending comprehensive review of carrying amount of all assets (including investments, receivables and balances lying under Goods and Service Tax) & liabilities and non-provision for impairment of carrying value of the assets and write back of liabilities if any, pending completion of the CIRP and various irregularities reported by the forensic auditor M/s BDO India LLP, appointed by one of the lenders, in their forensic audit report for the period from April 01, 2013 to March 31, 2017 as communicated by certain banks and communication received from certain banks with respect to willful defaulter. In the absence of comprehensive review as mentioned above for the carrying value of all the assets and liabilities and unable to determine of potential impact of communications from banks in respect of willful default / fraud, we are unable to comment that whether any adjustment is required in the carrying amount of such assets and liabilities and consequential impact, if any, on the reported losses for the quarter and half year ended September 30, 2024. Non determination of fair value of financial assets & liabilities and impairment of carrying amount for other assets and liabilities are not in compliance with Ind AS 109 "Financial Instruments", Ind AS 36 "Impairment of Assets" and Ind AS 37 "Provisions, Contingent Liabilities & Contingent Assets".
8. We draw attention to Note no. 21 of the Statement, wherein during the previous year ended March 31, 2024, Bonn Investment Inc. ("Bonn") had sold its property for an amount of USD 8.34 million (approx. Rs. 69.55 crore). Out of the sale proceeds, Bonn has invested amounting to USD 8.20 million (approx. Rs.68.38 crore) with AZCO Real Estate Brokers LLC ("AZCO") without the authorisation / permission of the Management and Resolution Professional of the Company. The Management and Resolution Professional, as stated in the aforesaid note, are in process of examining the legal remedies for the action taken by the director suo-moto, including recovery of the advance against the investment in AZCO. Further, Bonn has recognised tax liability (including interest and penalty) of USD 5,34,717 (Rs. 4.48 crore) on sale of such property and has defaulted in payment of the said tax liability. Further, the financial results of Bonn for the quarter ended June 30, 2024 and September 30, 2024, is certified by the management and the financial statements of Bonn for the year ended March 31, 2024 is not yet audited. Considering the above, we are unable to comment on the potential impact of matters stated in aforesaid note relating to Investment made in AZCO, non-payment of taxes and unaudited financial statement /results including the going concern assumption made by the management while preparing the standalone financial results for the quarter and half year ended September 30, 2024.
9. We draw attention to Note no. 12 of the Statement, regarding non adoption of Ind AS 116 "Leases" effective from April 01, 2019 and the consequent impact thereof. The aforesaid accounting treatment is not in accordance with the relevant Indian Accounting Standard Ind AS 116.
10. We draw attention to Note no. 4 of the Statement, regarding continuous losses incurred by the Company, current liabilities exceeding its current assets, default in repayment of borrowings and default in payment of regulatory and statutory dues and pending application of renewal of Telecom Licenses. These situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The accounts however have been prepared by the management on a going concern basis for the reason stated in the aforesaid note. We however are unable to obtain sufficient and



appropriate audit evidence regarding management's use of the going concern basis of accounting in the preparation of the standalone financial results, in view of ongoing CIRP and matters pending before regulatory authorities, the outcome of which cannot be presently ascertained.

11. Based on our review conducted as above, except for the matters described in paragraphs 5 to 10 above, nothing has come to our attention that causes us to believe that the accompanying Statement of standalone unaudited financial results prepared in accordance with applicable Accounting Standards i.e. Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.
12. We draw attention to Note no. 7 of the Statement, regarding provision of license fee and spectrum usage charges based on management estimates pending special audit from Department of Telecommunications, pursuant to the judgment of Hon'ble Supreme Court of India, vide its order dated October 24, 2019 and status of payment thereof which may undergo revision based on any development in the said matter. Our conclusion on the Statement is not modified in respect of this matter.
13. Pursuant to applications filed by Ericsson India Pvt. Ltd. before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the applications and ordered the commencement of corporate insolvency resolution process ("CIRP") of Reliance Communication Limited ("the Company") and two of its subsidiaries namely Reliance Infratel Limited (RITL, ceased w.e.f December 22, 2022) and Reliance Telecom Limited (RTL) (collectively, the "Corporate Debtors") vide its orders dated May 15, 2018. The committee of creditors ("CoC") of the Corporate Debtors, at the meetings of the CoC held on May 30, 2019, in terms of Section 22 (2) of the Code, resolved with the requisite voting share, to replace the Interim Resolution Professionals with the Resolution Professional ("RP") for the Corporate Debtors, which has been confirmed by the NCLT in its orders dated June 21, 2019 (published on the website of the NCLT on June 28, 2019).
14. As per Regulation 33 and 52 of the Listing Regulations, the standalone unaudited financial results of the Company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the standalone unaudited financial results. As mentioned in Note No 1 of the Statement, in view of the ongoing CIRP, the powers of the board of directors stand suspended and are exercised by the Resolution Professional.

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

JTshah

Jigar T. Shah
Partner
Membership No.: 161851
UDIN No.: 24161851BKBHQD9125



Date: November 09, 2024
Place: Mumbai

Standalone Statement of Assets and Liabilities		(₹ in Crore)	
		As at 30-Sep-24 Unaudited	As at 31-Mar-24 Audited
	Particulars		
A	ASSETS		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	998	1,052
	(b) Capital Work in Progress	55	55
	(c) Intangible Assets	2	2
	(d) Financial Assets		
	(i) Investments	6,811	6,811
	(ii) Other Financial Assets	2	2
	(e) Income Tax Asset (net)	-	-
	(f) Other Non Current Assets	699	699
	Sub-total Non-Current Assets	8,567	8,621
2	Current Assets		
	(a) Inventories	2	2
	(b) Financial Assets		
	(i) Investments	46	46
	(ii) Trade Receivables	78	100
	(iii) Cash and Cash Equivalents	183	185
	(iv) Bank Balances other than (iii) above	49	43
	(v) Loans	6,260	6,260
	(vi) Other Financial Assets	132	130
	(c) Other Current Assets	4,077	4,067
	(d) Assets Held for Sale	19,754	19,754
	Sub-total - Current Assets	30,581	30,587
	Total Assets	39,148	39,208
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share Capital	1,383	1,383
	(b) Other Equity	(66,407)	(62,463)
	Total Equity	(65,024)	(61,080)
	LIABILITIES		
2	Non-Current Liabilities		
	(a) Other Non-Current Liabilities	106	106
	(b) Provisions	2	2
	Sub-total Non-Current Liabilities	108	108
3	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	39,934	39,934
	(ii) Trade Payables		
	Due to Micro Enterprises & Small Enterprises	27	33
	Due to Creditors other than Micro Enterprises & Small Enterprises	3,041	3,058
	(iii) Other Financial Liabilities	53,026	49,417
	(b) Other Current Liabilities	193	198
	(c) Provisions	1,216	1,216
	(d) Liabilities directly related to Assets held for Sale	6,627	6,324
	Sub-total - Current Liabilities	1,04,064	1,00,180
	Total Equity and Liabilities	39,148	39,208

Cash Flow Statement for the Half year ended September 30, 2024

(₹ in Crore)

Sr. No.	Particulars	Half year ended	
		30-Sep-24 Unaudited	30-Sep-23 Unaudited
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit / (Loss) before tax from Continuing Operations	(66)	(1,075)
	Profit / (Loss) before tax from Discontinued Operations	(3,878)	(2,379)
	Profit before tax -Continuing and Discontinued Operations	(3,944)	(3,454)
	Adjusted for:		
	Provision for diminution in the value of Investments	-	991
	Depreciation and Amortisation Expenses	53	57
	Effect of change in Foreign Exchange Rate (net)	9	19
	Finance Costs (net)	304	263
	Interest Income	(8)	(4)
		358	1,326
	Operating Profit before Working Capital Changes	(3,586)	(2,128)
	Adjusted for:		
	Receivables, Advances, other Assets and inventories	16	35
	Trade Payables and Other Liabilities	3,574	2,125
		3,590	2,160
	Cash Generated from Operations	4	32
	Income Tax Refund	-	-
	Income Tax Paid	-	-
	Net Cash from Operating Activities	4	32
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Additions /(sale) of Property, Plant and Equipments, Intangible Assets, Capital Work in Progress and Intangible Assets under Developments including Capital Advance and Assets Held for Sale (Net)	-	-
	Investment in Bank deposits (having original maturity for more than 3 months)	(6)	-
	Interest Income	-	1
	Net Cash from / (Used in) Investing Activities	(6)	1
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Net Proceeds from/ (Repayment) of Borrowings - Current	-	-
	Net Cash from / (used in) Financing Activities	-	-
	Net Increase/ (Decrease) in Cash and Cash Equivalents	(2)	33
	Opening Balance of Cash and Cash Equivalents for the period	185	174
	Effect of Exchange Gain on Cash and Cash Equivalents	-	-
	Closing Balance of Cash and Cash Equivalents for the period	183	207



Notes:

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

Further, pursuant to the meeting of the CoC of the Corporate Debtor dated March 2, 2020, a resolution plan, submitted by a resolution applicant in respect of the Corporate Debtor, has been approved by the CoC. The application under Section 31 of the Code filed by the RP for approval of resolution plan was last heard on October 5, 2023, where the NCLT indicated that since the issues inter alia pertaining to spectrum has remained pending before the Supreme Court of India for a

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while now, it would adjourn the plan approval IA sine die with liberty to the applicant/ RP to mention the same.

An application (IA No. 383 of 2023) has been filed by a resolution applicant before NCLT for substitution of resolution applicant in the resolution plan submitted in respect of RCOM. On September 7, 2023, the matter was heard at length by the NCLT, and application has been allowed vide order dated December 12, 2023.

A similar application (IA No. 749 of 2023) has been filed in Reliance Telecom Limited ("RTL") as well, wherein NCLT vide order August 22, 2023 had directed the resolution professional of RTL to place on record necessary declaration(s) in relation to compliance with the provisions of Section 29A, after getting the confirmation of CoC of RTL in relation thereto. The RP is in the process of filing an affidavit and is liaising with the registry in respect of the same.

With respect to the stand alone financial results for the quarter and half year ended September 30, 2024, the RP has signed the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable laws, and subject to the following disclaimers:

- (i) The RP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of the Code;
- (ii) No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorized representatives and advisors;
- (iii) The RP, in review of the results and while signing these results, has relied upon the assistance provided by the directors of the Corporate Debtor, and certifications, representations and statements made by the directors of the Corporate Debtor, in relation to these results. The results of the Corporate Debtor for the quarter and half year ended September 30, 2024 have been taken on record by the RP solely on the basis of and relying on the aforesaid certifications, representations and statements of the aforesaid directors and the erstwhile management of the Corporate Debtor. For all such information and data, the RP has assumed that such information and data are in conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the results and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein. Accordingly, the RP is not making any

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representations regarding accuracy, veracity or completeness of the data or information in the results.

- (iv) In terms of the provisions of the Code, the RP is required to undertake a review to determine avoidance transactions. Such review has been completed and the RP has filed the necessary applications with the adjudicating authority, which are currently sub-judice.
2. Figures of the previous period / year have been regrouped and reclassified, wherever required.
3. During the quarter ended June 30, 2019, the CIRP in respect of the Corporate Debtor and its subsidiaries; Reliance Telecom Limited (RTL) and Reliance Infratel Limited (RITL ceased to be a subsidiary w.e.f December 22, 2022) was re-commenced, and interim resolution professionals had been appointed in respect of the aforesaid companies. Subsequently, appointment of Mr. Anish Niranjana Nanavaty as the Resolution Professional (RP) of the Corporate Debtor and its subsidiaries was confirmed by the NCLT vide its order dated June 21, 2019 which was published on June 28, 2019 on the NCLT's website.

Further, during the year ended March 31, 2020, Reliance Communications Infrastructure Limited (RCIL), a wholly owned subsidiary of the Corporate Debtor, had also been admitted by NCLT for resolution process under the Code and Mr. Anish Niranjana Nanavaty was appointed as the Resolution Professional of RCIL vide its order dated September 25, 2019. In the meeting held on August 05, 2021, the CoC with requisite majority approved the resolution plan submitted by Reliance Projects & Property Management Services Limited in respect of RCIL, and in accordance with the Sec 30(6) of the Insolvency and Bankruptcy Code, 2016, on August 31, 2021, the plan was submitted to Hon'ble NCLT for its due consideration and approval. The plan approval application was heard on October 17, 2023 and has been allowed by the Hon'ble NCLT Mumbai vide its order dated December 19, 2023, thereby approving the resolution plan submitted in respect of RCIL under Section 31 of the Code. The resolution plan of RCIL is currently under implementation and RCIL is under the management of the monitoring committee constituted in terms of the provisions of its resolution plan.

4. Pursuant to strategic transformation programme, as a part of asset monetization and resolution plan of the Corporate Debtor, the Corporate Debtor and its subsidiary companies; RTL and RITL (ceased to be a subsidiary w.e.f December 22, 2022), with the permission of and on the basis of suggestions of the lenders, had entered into definitive binding agreements with Reliance Jio Infocomm Limited (RJio) for monetization of certain specified assets on December 28, 2017 for sale of Wireless Spectrum, Towers, Fibre and Media Convergence Nodes (MCNs). During an earlier year, the said asset sale agreements were terminated by mutual consent on account of various

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factors and developments including *inter alia* non receipt of consents from lenders and permission/ approvals from Department of Telecommunication (DoT).

On completion of the corporate insolvency resolution process, the will carry out a comprehensive review of all the assets including investments, balances lying in Goods and Service Tax, liabilities and accordingly provide for impairment of assets and write back of liabilities, if any. The Auditors have drawn qualification in this regard in their Limited review report for the quarter and half year ended September 30, 2024.

The Corporate Debtor had filed applications with the DoT for migration of various telecom licenses [Universal Access Service License (UASL), National Long Distance (NLD) and International Long Distance (ILD) licenses] to the Unified License regime (UL) on October 25, 2020 (17 of which were supposed to expire on July 19, 2021). On June 15, 2021, the DoT has issued a letter to the Corporate Debtor requiring payments of various categories of certain amounts such as 10% of the AGR dues, deferred spectrum installments falling due within the CIRP period, etc. against the telecom licenses, stating such dues to be in the nature of "current dues" and prescribing such payment as a pre-condition to the consideration/processing of the migration applications ("DoT Letter"). On June 25, 2021, the Corporate Debtor has issued a letter to DoT clarifying that the various categories of dues stipulated by the DoT are not in the nature of the "current dues" and are to be resolved within the framework of the Code (being dues that pertain to the period prior to May 7, 2019) and/ or are not payable at present, and requesting that making payments against the said dues should not be mandated as a pre-condition for further processing of the migration applications filed by the Corporate Debtor.

In light of the urgency of the matter, the RP had filed an application before the NCLT in both RCOM and RTL praying that the DoT *inter alia* be restrained from taking any action which may interfere with the continued holding of the telecom spectrum of the Corporate Debtor. The NCLT had adjourned the matter following which the RP had thereafter filed a writ petition in the Delhi High Court seeking issuance of an appropriate writ, order or direction in the nature of mandamus directing the DoT to migrate the telecom licenses to UL without the insistence on the payment of the dues set out in DoT Letter. The Delhi High Court, on July 19, 2021, passed an interim order that *"till the next date, the respondent is directed to not take any coercive action against the petitioner for withdrawal of the telecom spectrum granted to the petitioner in respect of 18 service areas, as also to permit the petitioner to continue providing telecom services in the 18 service areas which are subject matters of the present petition."* On July 20, 2021, the writ petition hearing concluded and order was passed by the Delhi High Court permitting the withdrawal of the writ petition with direction that the issue on "current dues" should be decided by the NCLT and extending the protection under the July 19, 2021 order by further 10 days.

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In view of the aforesaid, the NCLT was apprised of the order of the Delhi High Court and the NCLT has, as an interim measure, extended the ad interim protection granted by the Delhi High Court until the next date of hearing. Further, on August 12, 2021, the NCLT has directed that the interim orders shall continue until the next date of hearing. The issue under consideration by the NCLT relates to whether the dues being claimed by DoT in its letter of June 15, 2021 for the purposes of processing the license renewal/ migration applications of the Corporate Debtor are in the nature of "current dues" (within the meaning of the Explanation to Section 14(1) of the Code) and therefore, payable during the CIRP period. The application was listed on various occasions before the NCLT; however effective hearing did not take place due to paucity of time. Matter was listed on August 08, 2023 and the matter was adjourned on next several dates and the next date of hearing is November 14, 2024.

Simultaneously, a petition has been filed before the Telecom Disputes Settlement and Appellate Tribunal ("TDSAT") bearing T.P. No. 31 of 2021 seeking directions for migration of the telecom licenses, in view of the Guidelines for Grant of Unified License dated March 28, 2016 issued by the DoT, not prescribing pre-condition for any payment to be made prior to the migration of the telecom licenses. The TDSAT, on September 23, 2021, has directed that "*The interim arrangement shall be considered further after receipt of the order of NCLT. However, till then let the status quo be maintained in terms of initial order of Delhi High Court passed on 19.7.2021 which has continued thereafter by further order of the High Court followed by orders of NCLT.*" On March 15, 2022, the TDSAT granted time for filing rejoinder and continued the interim order dated September 23, 2021. The matter was last listed on 29 July, 2024 where the counsels apprised the TDSAT that matter is still pending in NCLT and therefore the matter has been adjourned to February 17, 2025.

Further, an application for Jammu and Kashmir Circle for RCOM was filed with DOT for migration of UASL license to UL license on April 19, 2023, which expired on September 05, 2024. This license was not included in the above petition and accordingly, another petition bearing T.P. No. 44 of 2024 was filed before the Hon'ble TDSAT seeking similar directions for Jammu and Kashmir circle. An interim order dated September 10, 2024 has been issued in this matter in favour of RCOM directing DOT to not take any coercive action against RCOM, and continuing RCOM's United Access Service License till the next date of hearing. The matter is now listed on November 29, 2024.

Similarly, in the case of RTL, in one of the circles where the UASL license was due to expire on September 26, 2021, an application had been filed with DoT on July 16, 2021 for migration of UASL to UL wherein the DoT has sought for payment of certain dues as "current dues" (being

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dues that pertain to the period prior to May 7, 2019 and are not payable at present) as a pre-condition for consideration of the application. The RP has filed an application in the NCLT and a petition before the TDSAT bearing T.P. No. 39 of 2021 in this regard (which matters are heard together with the RCOM license migration matters). On September 23, 2021, the TDSAT has directed that *"Since the matters are similar in nature, in the interest of justice and uniformity the interim order of status quo as operating in TP No. 31 of 2021 shall operate in this matter also till the next date. It will be in the interest of petitioner to expedite the proceeding pending before the NCLT and try its best to produce the orders passed by that Tribunal by the next date."* On March 15, 2022, the DoT had been granted 6 weeks' time by TDSAT to file the reply, and rejoinder was to be filed before the next date of hearing. The TDSAT further directed that the interim order passed by the TDSAT vide order dated September 23, 2021 shall stand continuing to be operative during the pendency of the petitions. The matter was last listed on 29 July, 2024 where the counsels apprised the TDSAT that matter is still pending in NCLT and therefore the matter has been adjourned to February 17, 2025.

Further, Telecom Petition No. 9 and 10 of 2024 were filed on behalf of RCOM against the impugned demand notices for FY 2015-16 to FY 2023-24 seeking alleged shortfall of license fee paid by RCOM. On May 09, 2024, both the Telecom Petitions were listed before the TDSAT on which date, TDSAT was pleased to restrain the DoT from encashing the Bank Guarantees ("BGs") of the Corporate Debtor except to the extent of Rs. 49 crore, which was the amount under challenge in the Telecom Petitions. Aggrieved by the order dated May 09, 2024, the Corporate Debtor filed a Writ Petition under Article 227 of the Constitution of India before the Hon'ble Delhi High Court. Meanwhile BGs to the tune of Rs. 2 crores were encashed by DoT. On May 14, 2024 the Hon'ble Delhi High Court had directed the DoT to not encash the remaining BGs which had not been encashed till May 17, 2024. Further, on May 17, 2024, TDSAT has granted a stay on the encashment of BGs of RCOM by the DoT, until further orders in TDSAT Petitions and the stay continues till the pendency of the petitions and this matter is next listed on February 25, 2025. Pursuant to the order dated May 17, 2024, the Petitioner withdrew its Writ Petition before the Delhi High Court.

Additionally, the RP has also filed another telecom petition bearing T.P. No. 34 of 2024 before the TDSAT challenging the vires of (i) Office Memorandum dated 09.10.2019 and; (ii) Office Memorandum dated 18.10.2022 ("Impugned Office Memorandums") with respect to adjustment of surplus license fees, issued by the DoT to the extent that they:

- (a) Restrict companies undergoing insolvency from claiming surplus adjustment only after Financial Years 2021-22; and
- (b) Permit adjustment of surplus payments only after the assessment has been finalised by the DoT.

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This matter was last listed on August 21, 2024. On this date, DoT sought time to file their counter affidavit in the matter. The RP has been permitted to file a rejoinder to the counter affidavit. This matter is now listed on February 25, 2025

Considering these developments including, in particular, the RP having taken over the management and control of the Corporate Debtor and its subsidiaries, i.e. RTL and RCIL (with RCIL presently being under the management and control of the monitoring committee constituted in terms of its resolution plan which was approved by the NCLT on December 19, 2023 and the resolution plan implementation being still pending) ("**Group**") inter alia with the objective of running them as going concerns, the Standalone financial results continue to be prepared on going concern basis. Since the continues to incur losses, current liabilities exceed current assets and has defaulted in repayment of borrowings, payment of regulatory and statutory dues and pending renewal of telecom licenses, these events indicate that material uncertainty exists that may cast significant doubt on 's ability to continue as a going concern. The Auditors have drawn qualification in their Limited review report for the quarter and half year ended September 30, 2024.

5. Considering various factors including admission of the Corporate Debtor and its subsidiaries; RTL and RCIL to CIRP under the Code, there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors. The overall obligations and liabilities including obligation for interest on loans and the principal rupee amount in respect of loans including foreign currency denominated loans shall be determined during the CIRP and accounting impact, if any, will be given on completion of CIRP and implementation of the approved resolution plan.

Further, prior to May 15, 2018, the Corporate Debtor and its said subsidiaries were under Strategic Debt Restructuring (SDR) and asset monetization and debt resolution plan were being worked out. The Corporate Debtor have not provided Interest of Rs. 1,145 crore and Rs. 2,248 crore calculated based on basic rate of interest as per terms of loan for the quarter and half year ended September 30, 2024 respectively and foreign exchange (gain)/loss aggregating to Rs. 83 crore and Rs. 79 crore for the quarter and half year ended September 30, 2024 respectively. Had the Company provided Interest and foreign exchange variation, the Loss would have been higher by Rs. 1,228 crore and Rs. 2,327 crore for the quarter and half year ended September 30, 2024 respectively and Net Worth of the Company as on September 30, 2024 and March 31, 2024 would have been lower by Rs. 34,790 crore and Rs. 32,463 crore respectively. The Auditors have drawn qualification for non-provision of interest and foreign exchange variations in their Limited review report for the quarter and half year ended September 30, 2024. During the previous years, Interest of Rs. 28,786 crore and foreign exchange loss (net) aggregating to Rs. 3,677 crore were not

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provided and the Auditors had drawn qualification in their audit reports for the financial years ended March 31, 2018, March 31, 2019, March 31, 2020, March 31, 2021, March 31, 2022, March 31, 2023 and March 31, 2024.

6. Assets held for sale including Wireless Spectrum, Towers, Fibre and Media Convergence Nodes (MCNs) continue to be classified as held for sale at the value ascertained at the end of March 31, 2018, along with liabilities, for the reasons referred in Note 4 above and disclosed separately as discontinued operations in line with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations".

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

The financial result of discontinued operations is as under:

Particulars	(Rs in crore)					
	Quarter ended			Half year ended		Year Ended
	30-Sep-24	30-Jun-24	30-Sep-23	30-Sep-24	30-Sep-23	31-Mar-24
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total Income	4	3	3	7	6	15
Total Expenses	161	158	139	319	(277)	581
Profit/ (Loss) before Exceptional Item tax	(157)	(155)	(136)	(312)	(271)	(566)
Exceptional Item	(1,828)	(1,738)	(565)	(3,566)	(2,108)	(5,346)
Tax	-	-	-	-	-	-
Profit/ (Loss) after tax	(1,984)	(1,893)	(701)	(3,878)	(2,379)	(5,912)

Cash Flow from	30-Sep-24	30-Sep-23
Operating Activities	-	2
Investing Activities	(6)	-
Financing Activities	-	-

7. The Hon'ble Supreme Court of India, vide its order dated October 24, 2019 had dismissed the petition filed by the telecom operators and agreed with the interpretation of the Department of Telecommunications (DoT) to the definition of Adjusted Gross Revenue (AGR) under the license.

On September 01, 2020, the Supreme Court pronounced the judgement in the AGR matter ("**SC Judgement**"). It has framed various questions in respect of companies under insolvency and in

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respect of such questions, the Court has held that the same should be decided first by the NCLT by a reasoned order within 2 months, and that it has not gone into the merits in this decision.

The RP of the Corporate Debtor and Reliance Telecom Limited (RTL) had filed intervention applications before the NCLAT in the appeal filed by the DoT against the resolution plan approval orders of the Aircel companies (wherein the NCLAT was adjudicating on the questions framed by the Hon'ble Supreme Court in the SC Judgement). The RP had also filed written legal submissions in this regard with the NCLAT. The Hon'ble NCLAT has pronounced its judgement dated April 13, 2021 setting out its findings on the questions framed in the SC Judgement. The RP has filed appeals in respect of the Corporate Debtor and RTL against the judgement of the NCLAT before the Supreme Court. On August 2, 2021, the appeals were listed when the bench issued notice in the matter and tagged the same with Civil Appeal No 1810 of 2021 (being the appeal filed by the COC of Aircel companies) and also allowed the application seeking permission to file the civil appeal.

On February 22, 2022, the Supreme Court granted a period of six weeks to the DoT to file counter affidavit. The matter was listed on May 2, 2022 wherein the SC directed the matter to be tentatively listed in the third week of July 2022. The matter was mentioned on August 5, 2022, for early listing for arguments, but the Supreme Court directed the matter to be listed after eight weeks. The matter was thereafter listed on October 11, 2022, on which date, the Supreme Court directed that the matter be listed after six weeks. Further, the Supreme Court stated that the parties were to file a common compilation post discussion with each other, and file brief written submissions within a period of six weeks. Thereafter, Nazeer J retired and the matter came up for listing before a reconstituted bench comprising Justice V. Ramasubramaniam and Justice Pankaj Mittal on February 21, 2023. However, the matter was not taken up due to paucity of time and was tentatively listed on May 10, 2023. Since the matter was not reflected in the list for May10, 2023, it was mentioned by the counsel for RP and the Bench directed listing on July 18, 2023.

The matter was listed on July 18, 2023 before a bench comprising Justice Sanjiv Khanna and Justice Bela M Trivedi, and once again it was not taken up due to paucity of time. The matter was mentioned on August 4, 2023 for listing on the shortest possible date and the Bench directed listing on any Tuesday, but no specific date was allotted. The appeals were thereafter listed on September 12, 2023 but could not be heard due to paucity of time. Aircel Monitoring Committee has filed an application seeking sale of right to use spectrum subject to proceeds being kept in escrow account, which shall be subject to outcome of the Supreme Court matter. Rcom and RTL RP has also filed applications seeking similar dispensation for RCOM and RTL as well. Further, DoT was asked to file reply within two weeks to the application filed by Aircel Monitoring Committee

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(I.A. No. 186218/2023 in Civil Appeal No. 2263/2021) vide order dated September 18, 2023 and the DoT has accordingly filed its reply on October 9, 2023.

The appeals were mentioned before the Hon'ble Supreme Court, on July 10, 2024 and it was requested that the said appeals not be deleted from the cause list of August 02, 2024. Hon'ble Justice Khanna took note of the same and directed that the appeals may not be deleted from cause list dated August 02, 2024. However, on August 02, 2024, all matters listed were adjourned. Accordingly, the appeals were listed on August 20, 2024 before a bench comprising of comprising of J. Sanjiv Khanna and J. Sanjay Kumar. When the appeals were called out, the Bench notified the set of appeals to be listed in the week commencing from September 02, 2024 for further consideration. The Bench also remarked that the matter be listed before a Bench where one of the judges in the current bench (J. Sanjay Kumar) is not a member.

The appeals were thereafter listed before a bench comprising of Hon'ble Mr. Justice Pamidighantam Sri Narasimha and Hon'ble Mr. Justice Sandeep Mehta on September 03, 2024. On September 03, 2024, the bench was pleased to admit the captioned appeal alongside the connected appeals and list them for final hearing in the week commencing from October 14, 2024. However, the appeals did not appear in the list in the week commencing from October 14, 2024 and were thereafter listed on October 23, 2024. On October 23, 2024, the bench heard a background of the matter, and a description of key issues involved therein. The bench directed that the matter be listed before it in the week commencing from November 04, 2024. However, the appeals have not been listed yet and remain *sub judice*.

The DoT had during the pendency of the various proceedings simultaneously directed Special Audit in relation to the computation of License fee, Spectrum fee, applicable interest and penalties thereon, which is under progress for the financial year 2015-16 onwards. In this regard, the Corporate Debtor had provided for estimated liability aggregating to Rs. 53,420 crore up to the previous year ended March 31, 2024 and has provided additional charge of Rs.1,828 crore and Rs.3,566 crore during the quarter and half year ended September 30, 2024 respectively and shown as exceptional items relating to discontinued operations which may undergo revision based on demands from DoT and/ or any developments in this matter.

Considering various factors including admission of the Corporate Debtor and its subsidiary RTL to resolution process under the Code and the moratorium applicable under Code, discharge of the aforesaid liability will be dealt with in accordance with the Code (subject to orders in the relevant judicial proceedings). This matter has been referred to by the Auditors in their Limited review report for the quarter and half year ended September 30, 2024.

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8. The listed Redeemable Non-Convertible Debentures (NCDs) of the Corporate Debtor aggregating to Rs.3,750 crore as on September 30, 2024 are secured by way of first pari-passu charge on the whole of the movable properties, plant and equipment and Capital Work in Progress, both present and future, including all insurance contracts relating thereto of the Borrower Group; comprising of the Corporate Debtor and its subsidiary companies namely; Reliance Telecom Limited (RTL), Reliance Infratel Limited (RITL) and Reliance Communications Infrastructure Limited (RCIL). RITL's implementation of resolution plan has been completed and RITL has ceased to be a subsidiary of the w.e.f December 22, 2022. RCIL's resolution plan has been approved by the NCLT Mumbai vide order dated December 19, 2023 and is currently under implementation. Out of the above, in case of NCDs of Rs. 750 crore, the Corporate Debtor has also assigned Telecom Licenses, by execution of Tripartite Agreement with Department of Telecommunications (DoT). The asset cover in case of these NCDs exceeds 100% of the principal amount of the said NCDs.

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

Nature of Instruments	11.20% NCDs	11.25% NCDs
Amount outstanding (Rs in crore)	3,000	750
Previous due date for Principal Repayment and whether paid	01.03.2019 Unpaid	07.02.2019 Unpaid
Previous due date for payment of Interest	01.03.2019	07.02.2019
Whether Interest was paid on the due date	No	No
Next due date for payment of interest	Not Applicable	Not Applicable
Credit Rating and change in credit rating, if any	ICRA D (earlier ICRA BB)	CARE D(earlier CARE BB)
Due Date for Principal Repayment	Rs. 3,000 crore on 01.03.2019 (Unpaid)	Rs.375 crore each on 07.02.2018 and 07.02.2019 (Unpaid)
Interest Unpaid up to September 30, 2024 (Rs in crore)	2,520	632

10. Debenture Redemption Reserve (DRR) is Rs.590 crore as on September 30, 2024.

11. The disclosure required as per the provisions of Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

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	30-Sep-24	30-Jun-24	30-Sep-23	30-Sep-24	30-Sep-23	31-Mar-24
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Debt Equity ratio	-	-	-	-	-	-
Debt Service Coverage Ratio	-	-	-	-	-	-
Interest Service Coverage Ratio	-	-	-	-	-	-
Current Ratio	0.11	0.11	0.12	0.11	0.12	0.12
Long term debt to working capital	-	-	-	-	-	-
Bad debts to Accounts receivable ratio	-	-	-	-	-	-
Current Liability ratio	0.94	0.94	0.94	0.94	0.94	0.94
Total Debts to Total Assets	1.02	1.02	1.02	1.02	1.02	1.02
Debtors turnover (Days)	122	118	74	122	95	115
Networth	(66,421)	(64,395)	(58,862)	(66,421)	(58,862)	(62,477)
Operating margin %(Continuing operations)	(61.09)	(36.24)	(78.80)	(48.49)	(58.79)	(401.82)
Net Profit margin %(Continuing operations)	(59.58)	(33.99)	(76.07)	(46.37)	(56.11)	(398.52)

Note: wherever the ratios are negative, the same is shown as Nil (-)

Formula used for computation of Ratios:

- (i) Debt Equity Ratio = Debt / Equity;
- (ii) Debt Service Coverage Ratio (DSCR) = Earnings before depreciation, interest and tax/ (Interest + Principal repayment);
- (iii) Interest Service Coverage Ratio (ISCR) = Earnings before depreciation, interest and tax/ (Interest expense).
- (iv) Current Ratio = Current Assets / Current Liabilities
- (v) Long term debt to working capital = Non Current Borrowings (including Current Maturities of Non-Current Borrowings) / Current Assets less Current Liabilities (excluding Current Maturities of Non Current Borrowings)
- (vi) Bad debts to Accounts receivable ratio = Bad debts / Average trade receivables
- (vii) Current Liability ratio = Total Current Liabilities / Total Liabilities
- (viii) Total Debts to Total Assets = Total Debts / Total Assets
- (ix) Debtors turnover = Average Trade receivables / (Value of Sales and Services / no of days for the period)
- (x) Net Worth includes Rs.5,538 crore created pursuant to the Scheme of Amalgamation approved by Hon'ble High courts which shall for all regulatory purposes be considered to be part of owned funds of the Company but excludes Capital Reserve. The above net worth is without considering the impact of the qualifications given by the auditors in their limited review report.

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- (xi) Operating margin (%) (Continuing operations) = EBIT - Other Income / Value of Sale and Services
 - (xii) Net Profit margin (%) (Continuing operations) = Profit /(Loss)after tax / Value of Sales and Service.
12. The Corporate Debtor and some of its subsidiaries where assets are held for sale as per Ind AS 105 accordingly lease agreements are considered to be short term in nature and Ind AS 116 has not been applied. The Auditors have drawn qualification in their Limited review report for the quarter and half year ended September 30, 2024.
13. The Disclosure as per Ind AS 108 "Operating Segments is reported in standalone financial results of the Company. Therefore the same has not been separately disclosed in line with the provisions of Ind AS".
14. During the previous year, pursuant to a letter retrieved by the Corporate Debtor on August 17, 2023, as part of a routine compliance check, from the official website of Netherlands Chamber of Commerce KVK, it has come to its attention that Reliance Globalcom B.V, The Netherlands. (RGBV), a subsidiary of RCOM, has been de-registered from the Trade Register of the Netherlands Chamber of Commerce KVK, with effect from June 01, 2023. Loss on desubsidiarisation of Rs. 991 crore during the previous year ended March 31, 2024 has been shown as Exceptional Items in the standalone financial results.
15. During the earlier year, the Company received a notice from Axis Trustee Services Limited ("Axis Trustee" / "Security Trustee") on November 9, 2022 regarding invocation cum sale of pledged shares Globalcom IDC Limited ("GIDC"). Thereafter, the Company received a notice of invocation of pledge over such shares from Axis Trustee on December 14, 2022.

As a matter of background, it may be noted that Reliance Webstore Limited ("RWSL", "Parent Company") is a wholly owned subsidiary of RCOM, holding 100% of equity shares in GIDC. Accordingly, GIDC was a wholly owned step-down subsidiary of RCOM. Vide facilities agreement dated August 29, 2016, RCOM and RITL had availed a loan facility of Rs. 565 Crore and Rs. 635 Crore respectively from State Bank of India ("Lender"). Vide share pledge agreement dated September 23, 2016, RWSL had pledged 100% of its shareholding in GIDC comprising 20,99,994 equity shares to Axis Trustee (in its capacity as a security trustee for the Lender) for above loan facility.

Owing to defaults in the repayment of the facilities availed by RCOM and RITL, Axis Trustee first proceeded to issue a notice for the invocation cum sale of pledged shares on November 9, 2022, and thereafter, invoked the pledge on December 12, 2022.

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16. Provision for Income Tax for the quarter and half year ended September 30, 2024 is based on the estimate for the full financial year.
17. The Corporate Debtor has been served with copies of writ petitions filed by Mr. Punit Garg and certain others, being directors of the Corporate Debtor and its subsidiaries before the Hon'ble High Court of Delhi, challenging the provisions of the RBI Master Directions on Frauds- Classification and Reporting by commercial banks and select FIs bearing No. RBI/ DBS/ 2016-17/ 28 DBS. CO. CFMC. BC. No. 1/ 23.04.001/ 2016-17 dated July 1, 2016 ("**Circular**") and the declaration by certain banks classifying the loan accounts of the , RITL, and RTL being fraudulent in terms of the Circular. (RITL's implementation of resolution plan has been completed and RITL has ceased to be a subsidiary w.e.f December 22, 2022).

On May 12, 2023, the Hon'ble Delhi High Court in light of the judgement dated March 27, 2023 passed by the Hon'ble Supreme Court in SBI vs. Rajesh Agarwal [2023 SCC OnLine SC 342] has disposed of the said petitions filed by Mr. Punit Garg, setting aside the actions taken against the petitioners under the Circular . The Supreme Court has held that since the Circular does not expressly provide an opportunity of hearing to the borrowers before classifying their account as fraud, audi alteram partem has to be read into the provisions of the directions to save them from the vice of arbitrariness.

It has further been made clear *vide* the Delhi High Court order, that if any FIR has been lodged, proceedings proceeded thereto will remain unaffected by the said order and that it will be open to concerned banks to proceed in accordance with law in light of the judgement of the Supreme Court.

Further, Mr: Punit Garg has filed another writ petition in Delhi High Court challenging the order of IFCI declaring his account as fraud under the Circular, and the matter is next listed on November 14, 2024.

18. During the earlier years, certain banks had issued show cause notices to the Corporate Debtor, certain subsidiaries and certain directors seeking reasons as to why the Corporate Debtor and its subsidiaries should not be classified as willful defaulter. Also, during the earlier year and in the current quarter, certain banks have served notice seeking explanation as to why the account of the Corporate Debtor and the subsidiary RTL should not be declared as fraud in terms of applicable RBI regulations. Further, during the current quarter, the corporate debtor, RTL and in earlier year, RTL had received intimation of order passed by willful defaulter identification committee of certain banks for inclusion of name of RTL and its directors / guarantors etc in credit information companies (CiCs) list of willful defaulters and seeking representation against the said order. The

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Corporate Debtor and its subsidiaries have been responding to said show cause notices and intimations, from time to time. The Corporate Debtor in its response has highlighted that the proceedings and the classification of the Corporate Debtor as a willful defaulter is barred during the prevailing moratorium under section 14 of the Code and protection is available in terms of section 32A of the Code and asserting that accordingly, no action can be said to lie against the Corporate Debtor for classification as fraud and requested the banks to withdraw the notices. Further, certain banks had issued notices seeking personal hearing by the authorized representative of the Corporate Debtor and its subsidiaries in respect of the aforesaid matter. Hearings were attended to and necessary submissions were made in accordance with the submissions made earlier in the responses to the show cause notices.

Further, the Corporate Debtor and Reliance Telecom Limited (RTL) has received a letter dated August 7, 2023 from one of the banks, vide which the bank has indicated, inter alia, that it has received a forensic audit report dated October 15, 2020 of M/s BDO India LLP wherein certain 'irregularities / anomalies / commissions / omissions' have been pointed out by the forensic auditor. The said letter and report were accordingly tabled at the meeting of the Directors on August 12, 2023. In respect of the same, the bank has sought the views, inter alia, of the erstwhile management of the Corporate Debtor on the said report. The management had expressed that management views had not been sought prior to the issuance of the report. Further to receipt of a copy of the filings made before the Hon'ble Delhi High Court in the aforesaid matter, the Corporate Debtor and RTL had provided information to the forensic auditor during the period from March 2021 to November 2021 and it is not yet ascertained if the report incorporates and has considered such information. RP however has maintained that the Corporate Debtor and RTL is undergoing corporate insolvency resolution process in terms of the Code and the forensic audit report prima facie appears to pertain to the period prior to the corporate insolvency resolution process, the Corporate Debtor and RTL has already responded to the letter that the proceedings and the classification of the Corporate Debtor and RTL as a fraud is barred during the prevailing moratorium under Section 14 of the Code and protection is available in terms of Section 32A of the Code and accordingly, no action should lie against the Corporate Debtor and RTL for classification as fraud and notice against the Corporate Debtor should be withdrawn and the RP, Corporate Debtor and RTL shall have a limited responsibility to only share any information sought from it.

Similar to the letter received on August 7, 2023, Corporate Debtor has also received another letter dated May 7, 2024 from another bank, where the bank has indicated, that with respect to the loan account of the Corporate Debtor, it has conducted a forensic audit wherein element of fraud is identifiable and before coming to final conclusion basis the forensic audit report dated October 15, 2020, the bank has provided an opportunity to the Corporate Debtor to submit its representation as to why the Corporate Debtor's account should not be classified as 'fraud' in terms of the 'Master

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Directions on Frauds – Classification and Reporting by Commercial Banks and Select FIs' dated July 1, 2016 issued by Reserve Bank of India. On receipt of the said letter, while the Corporate Debtor has made necessary disclosures to the relevant stock exchange in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Debtor has also issued a response to the letter dated May 7, 2024 maintaining a similar stance (as against the letter dated August 7, 2023) *inter alia* citing that the Corporate Debtor is undergoing corporate insolvency resolution process in terms of the Code and the forensic audit report prima facie appears to pertain to the period prior to the corporate insolvency resolution process and hence any classification of the loan accounts of the Corporate Debtor as a fraud during its ongoing CIRP is barred during the prevailing moratorium under Section 14 of the Code and protection is available in terms of Section 32A of the Code and accordingly, no action should lie against the Corporate Debtor for classification as fraud and notice against the Corporate Debtor should be withdrawn. Currently, there is no impact of such notices/letter issued from banks, in the standalone financial results. The Auditors have drawn qualification in their Limited review report for the quarter and half year ended September 30, 2024.

19. During the previous year, on October 16, 2023, the Hon'ble Supreme Court of India had pronounced a judgement regarding the treatment of AGR paid to DoT since July 1999, as capital in nature and not revenue expenditure for the purpose of computation of taxable income in a matter to which the is not a party. The has applied for renewal of its license as stated in Note 4 above. The terms of renewed license regime are different from those of the licenses dealt with in the aforesaid judgement. Further, there have been no disallowances in earlier years, by the tax authorities, on the AGR payments claimed by the as revenue expenditure in its tax filings. In the absence of any claim by the tax authorities against the and/ or directions or clarifications from the income tax department in this regard, no adjustments have been made to these standalone financial results for the quarter and half year ended September 30, 2024.
20. The annual audited financial statements for the year ended March 31, 2023 had not been adopted by the shareholders in the Annual General Meeting held on September 30, 2023 with requisite majority and accordingly, the provisional / un adopted financial statement has been filed with Registrar of Companies on October 28, 2023 in accordance with section 137 of the Companies Act, 2013. In the Annual General Meeting held on September 28, 2024, the annual audited financial statements for the year ended March 31, 2023 have been adopted by the shareholders with requisite majority.
21. Bonn Investment Inc. ("**Bonn**"), an US entity and a subsidiary of Reliance Infocomm Inc. ("**RII**"), USA, a step-down subsidiary of RCOM, held an apartment at 400 W 12th Street #4EF New York, NY 10014 ("**Property**"). During the previous year, in August 2023, the director of Bonn, sold the

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Property to a third party, without any authorization from or intimation to its shareholders (including RCOM) for a value of USD 8.34 million. The Resolution Professional noted this transaction in the financial statements of Bonn for the period ended September 30, 2023 received from the director for consolidation purposes. Further, on April 23, 2024, through the auditor of Bonn, the Resolution Professional and Company was were made aware of an investment agreement between Bonn and AZCO Realty, UAE. It is observed that vide said investment agreement, Bonn (through its director) agreed to invest USD 25 million in AZCO Realty ("**AZCO**") and Bonn has already made investment of USD 8.2 million from the sale proceeds of the Property, which is reflected as Advance towards other Investment (1st Tranche) from the sale proceeds of the Property. As per the terms of agreement, Bonn has agreed to invest remaining amount before May 26, 2024 with AZCO. The Agreement further states that, if Bonn fails to remit the remaining amount to AZCO on or before May 26, 2024, the investment agreement shall be automatically nullified and Bonn shall have no rights to claim back the amount already invested, i.e. USD 8.2 million, which formed is part of the sale proceeds of the Property. This entire transaction did not have approval from the shareholders (including RCOM). The Company sent a notice to the director seeking clarification regarding the same but has not received any credible explanation so far. Accordingly, and in view of the above unauthorized actions, the Company has removed the said director from the directorship of all US subsidiaries of RCOM including Bonn on August 21, 2024 and has appointed a new director in her place on the same date (as applicable). The new Director has since been interacting with the removed director and has asked questions on the transactions directly/through counsel but the response from removed director remain elusive. Further, Bonn (through the newly appointed director) is in the process of examining the legal remedies for the actions taken by the said erstwhile director as well as for recovery of the advance against investment given to AZCO. The potential examination could be explored through third party expert analysis of available data to find out credible evidence of wrong doing. Unaudited financial statements of Bonn have been prepared on a going concern basis and considered for the purpose of consolidated financial results. Tax return for the financial year ended March 31,2024 has been filed and tax liability of Bonn of USD 534,717 inclusive of interest and penalties as on September 30,2024 has been provided for and not paid till date. The director of Bonn is exploring options to settle the statutory liability without any recourse to RCOM. The Auditors have drawn qualification in this regard in their Limited review report for the quarter and half year ended September 30, 2024.


Registered Office:

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RELIANCE

22. After review by the Audit Committee, the Directors of the Corporate Debtor have approved the above results at their meeting held on November 9, 2024 which was chaired by Mr. Anish Niranjana Nanavaty, Resolution Professional ('RP') of the Corporate Debtor and RP took the same on record basis recommendation from the directors. The Statutory Auditors have done Limited review of the Standalone financial results for the quarter and half year ended September 30, 2024.

For Reliance Communications Limited



Anish Niranjana Nanavaty
(Resolution Professional)

Place: Mumbai

Date: November 9, 2024



Srinivasan Gopalan
(Chief Financial Officer)

Registered Office:

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

Limited Review Report on Consolidated Unaudited Financial Results of Reliance Communications Limited for the quarter and half year ended September 30, 2024, pursuant to Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

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

1. The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by an operational creditor / financial creditor against Reliance Communications Limited and its two subsidiaries appointed Resolution Professional (RP) who has been vested with management of affairs and powers of the Board of Directors with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.
2. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Reliance Communications Limited ('the Parent Company') and its subsidiaries (the Parent Company and its subsidiaries together referred to as the 'Group'), and its share of net profit / (loss) after tax and total comprehensive income/ (loss) of its associates for the quarter and half year ended September 30, 2024 ("the Statement") attached herewith, being submitted by the Parent Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").
3. This Statement which is the responsibility of the Parent Company's Management and approved by the Parent's Board of Directors and taken on record by RP in their meeting held on November 09, 2024, has been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
4. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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



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

A. Subsidiaries (Including step-down subsidiaries)

Sr. No.	Name of the Company
1.	Reliance WiMax Limited
2.	Reliance Webstore Limited
3.	Campion Properties Limited
4.	Reliance Telecom Limited
5.	Reliance Communications Infrastructure Limited
6.	Globalcom Mobile Commerce Limited
7.	Reliance BPO Private Limited
8.	Reliance Realty Limited
9.	Reliance Communications (UK) Limited
10.	Reliance Communications (Hong Kong) Limited
11.	Reliance Communications (Singapore) Pte. Limited
12.	Anupam Global Soft (U) Limited
13.	Gateway Net Trading Pte Limited
14.	Reliance FLAG Pacific Holdings Limited
15.	Reliance Infocom Inc
16.	Reliance Communications Inc.
17.	Reliance Communications International Inc.
18.	Reliance Communications Canada Inc.
19.	Bonn Investment Inc.
20.	Reliance Communications Tamilnadu Limited
21.	Globalcom Realty Limited
22.	Worldtel Tamilnadu Private Limited
23.	Realsoft Cyber Systems Private Limited (ceased w.e.f September 27, 2024)
24.	Internet Exchangenext.com Limited
25.	Lagerwood Investments Limited
26.	Reliance Telecom Infrastructure (Cyprus) Holding Limited
27.	Aircom Holdco B.V.
28.	Towercom Infrastructure Private Limited
29.	Reliance Infra Projects Limited

B. Associates

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



6. We draw attention to Note no. 4 & 6 of the Statement regarding “Assets Held for Sale (AHS)” including Wireless Spectrum, Towers, Fibre and Media Convergence Nodes (MCNs) alongwith liabilities continues to be classified as held for sale at the value ascertained at the end of March 31, 2018, for the reasons referred to in the aforesaid note and impact of the non-payment of spectrum instalments due to Department of Telecommunication (DOT). Non determination of fair value as on the reporting date is not in compliance with Ind AS 105 "Non-Current Assets Held for Sale and Discontinued Operations". Accordingly, we are unable to comment on the consequential impact, if any, on the carrying amount of Assets Held for Sale and on the reported losses for the quarter and half year ended September 30, 2024.
7. We draw attention to Note no. 5 of the Statement regarding admission of the Parent Company and its two subsidiaries into Corporate Insolvency Resolution Process (“CIRP”) and pending determination of obligations and liabilities including various claims submitted by the Operational / financial / other creditors and employees including interest payable on loans during CIRP. We are unable to comment the accounting impact thereof pending reconciliation and determination of final obligation.

The Parent Company and some of it's subsidiaries have not provided interest on borrowings amounting to Rs. 1,202 crore and Rs. 2,357 crore for the quarter and half year ended September 30, 2024 respectively and Rs. 30,319 crore up to the previous financial year based on the basic rate of interest as per the terms of the borrowings. The Parent Company and some of its subsidiaries further has not provided for foreign exchange variance (gain)/ loss amounting to Rs. 91 crore and Rs. 87 crore for the quarter and half year ended September 30, 2024 respectively and Rs. 4,053 crore foreign exchange losses up to the previous financial year. Had such interest and foreign exchange variation (gain) / loss as mentioned above been provided, the reported loss for the quarter and half year ended September 30, 2024 would have been higher by Rs. 1,293 crore and Rs. 2,444 crore respectively and Networth of the Group as on September 30, 2024 and March 31, 2024 would have been lower by Rs. 36,816 crore and Rs. 34,372 crore respectively. Non provision of interest and non-recognition of foreign exchange variation (gain)/loss is not in compliance with Ind AS 23 “Borrowing Costs” and Ind AS 21 “The Effects of Changes in Foreign Exchange Rates” respectively.

8. We draw attention to Note no. 4 & 24 of the Statement, regarding the pending comprehensive review of carrying amount of all assets (including investments, receivables and balances lying in Goods and Service Tax) & liabilities, impairment of goodwill on consolidation and non-provision for impairment of carrying value of assets and write back of liabilities if any, has not been made in the books of account by the Group pending completion of the CIRP and various irregularities reported by the forensic auditor M/s BDO India LLP, appointed by one of the lenders, in their forensic audit report for the period from April 01, 2013 to March 31, 2017 as communicated by certain banks and communication received from certain banks with respect to willful defaulter. In the absence of comprehensive review as mentioned above for the carrying value of all other assets and liabilities and unable to determine of potential impact of communications from banks in respect of willful default / fraud, we are unable to comment that whether any adjustment is required in the carrying amount of such assets and liabilities and consequential impact, if any, on the reported losses for the quarter and half year ended September 30, 2024. Non determination of fair value of financial assets & liabilities and



impairment in carrying amount of other assets & liabilities are not in compliance with Ind AS 109 "Financial Instruments", Ind AS 36 "Impairment of Assets" and Ind AS 37 "Provisions, Contingent Liabilities & Contingent Assets".

9. We draw attention to Note no. 14 of the Statement, regarding non adoption of Ind AS 116 "Leases" effective from April 01, 2019, and the impact thereof. The Parent Company and some of its subsidiaries have not applied Ind AS 116. The aforesaid accounting treatment is not in accordance with the relevant Indian Accounting Standard Ind AS 116.
10. We draw attention to Note no. 27 of the Statement, wherein during the previous year ended March 31, 2024, Bonn Investment Inc. ("Bonn") had sold its property for an amount of USD 8.34 million (approx. Rs. 69.55 crore). Out of the sale proceeds, Bonn has invested amounting to USD 8.20 million (approx. Rs. 68.38 crore) with AZCO Real Estate Brokers LLC ("AZCO") without the authorisation / permission of the Management and Resolution Professional of the Company. The Management and Resolution Professional, as stated in the aforesaid note, are in process of examining the legal remedies for the action taken by the director suo-moto, including recovery of the advance against the investment in AZCO. Further, Bonn has recognised tax liability (including interest and penalty) of USD 5,34,717 (Rs. 4.48 crore) on sale of such property and has defaulted in payment of the said tax liability. Further, the financial results of Bonn for the quarter ended June 30, 2024 and September 30, 2024, is certified by the management and the financial statements of Bonn for the year ended March 31, 2024 is not yet audited. Considering the above, we are unable to comment on the potential impact of matters stated in aforesaid note relating to Investment made in AZCO, non-payment of taxes and unaudited financial statement /results including the going concern assumption made by the management while preparing the consolidated financial results for the quarter and half year ended September 30, 2024.
11. We draw attention to Note no. 3, 4 & 8 of the Statement, regarding termination of definitive binding agreement for monetization of assets of the Company and its subsidiaries namely RTL & RITL (ceased w.e.f December 22, 2022) and the ongoing CIRP, the outcome of which cannot be presently ascertained. Further the Parent Company's subsidiary namely Reliance Communication Infrastructure Limited (RCIL) has also been admitted under Code with effect from September 25, 2019. The Group continues to incur losses, and its current liabilities exceed current assets and the Group has defaulted in repayment of its borrowings and payment of statutory dues and pending application of renewal of Telecom License. Further, auditors of material subsidiaries of the Parent Company have qualified their reports with respect to Going Concern of the Company's on account of reasons mentioned above.

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



12. We draw attention to Note no. 16 of the Statement regarding non receipt of balance confirmation from balance with Industrial and Commercial Bank of China in Fixed Deposit (FD) account amounting to Rs. 32.79 crore as at September 30, 2024 in respect of one of the subsidiary. Pending receipt of balance confirmation as on reporting date, we are unable to comment on the consequential impact if any, on the unaudited consolidated financial results of the Group.
13. Based on our review conducted and procedures as stated in paragraph 4 above and based on the consideration of the review reports of other auditors referred to in paragraph 16 below, except for the possible effects of the matters stated in paragraphs 6 to 12 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standards i.e. Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.
14. We draw attention to Note no. 9 of the Statement, regarding provision of license fee and spectrum usage charges by the Company and one of it's subsidiary, based on management estimates pending special audit from Department of Telecommunications, pursuant to the judgment of Hon'ble Supreme Court of India, vide its order dated October 24, 2019 and status of payment thereof which may undergo revision based on any development in the said matter. Our conclusion is not modified in respect of this matter.
15. We draw attention to Note no. 20 of the consolidated financial results wherein one of the lenders of the Holding Company has invoked shares of Globalcom IDC Limited (GIDC) a step down subsidiary of the Holding Company and accordingly with effect from December 12, 2022 GIDC has been de-subsidiarised from the consolidated financial results. The impact on deconsolidation has been shown as exceptional item in the consolidated financial results in the previous year. Our conclusion is not modified in respect of this matter.
16. We did not review the financial information of 5 subsidiaries included in the consolidated unaudited financial results, whose financial information reflect total assets of Rs. 865 crore as at September 30, 2024, total revenues of Rs. 2 crore and Rs. 5 crore, total net loss after tax of Rs. 2 crore and Rs. 5 crore and total comprehensive loss of Rs. 2 crore and Rs. 5 crore for the quarter and half year ended September 30, 2024 respectively, as considered in the consolidated unaudited financial results whose financial information has not been reviewed by us. The consolidated unaudited financial results also include the Group's share of net profit/(loss) after tax of Rs. 0.12 crore and Rs (0.01) crore and total comprehensive profit/(loss) of Rs. 0.12 crore and Rs. (0.01) crore for the quarter and half year ended September 30, 2024 respectively, as considered in the consolidated unaudited financial results, in respect of 2 associates, whose financial information have not been reviewed by us. These financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far it relates to amounts and disclosures included in respect of



these subsidiaries and associates, is solely based on the reports of the other auditors and the procedures performed by us as stated in paragraph 4 above. Our conclusion on the Statement is not modified in respect of this matter.

17. We did not review the financial information of 22 subsidiaries included in the consolidated unaudited financial results, whose financial information reflect total assets of Rs. 2,816 crore as at September 30, 2024, total revenues of Rs. 30 crore and Rs. 60 crore , total net profit after tax of Rs. 9 crore and Rs. 17 crore and total comprehensive income of Rs. 9 crore and Rs. 17 crore for the quarter and half year ended September 30, 2024 respectively, as considered in the consolidated unaudited financial results whose financial information has not been reviewed by their auditors. These unaudited financial statements / financial information have been furnished to us by the Directors and our opinion on the consolidated unaudited financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Directors, these financial statements / financial information are not material to the Group.
18. Pursuant to applications filed by Ericsson India Pvt. Ltd. before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the applications and ordered the commencement of Corporate Insolvency Resolution Process ("CIRP") of Reliance Communications Limited ("the Company") and its subsidiaries namely Reliance Infratel Limited (RITL, ceased December 22, 2022) and Reliance Telecom Limited (RTL) (collectively, the "Corporate Debtors") vide its orders dated May 15, 2018. The committee of creditors ("CoC") of the Corporate Debtors, at the meetings of the CoC held on May 30, 2019, in terms of Section 22 (2) of the Code, resolved with the requisite voting share, to replace the Interim Resolution Professionals with the Resolution Professional ("RP") for the Corporate Debtors, which has been confirmed by the NCLT in its orders dated June 21, 2019 (published on the website of the NCLT on June 28, 2019).

Further, Pursuant to an application filed by State Bank of India before the NCLT in terms of Section 7 of the Code, the NCLT had admitted the application and ordered the commencement of CIRP of the subsidiary namely Reliance Communications Infrastructure Limited (RCIL) ("the Company") ("Corporate Debtor") vide its order dated September 25, 2019 which has been received by the IRP (as defined hereinafter) on September 28, 2019 ("CIRP Order"). The NCLT has appointed Mr. Anish Niranjana Nanavaty as the Interim Resolution Professional for the Company ("IRP") vide the CIRP Order who has been confirmed as the Resolution Professional of the Company ("RP") by the committee of creditors. On December 19, 2023, Hon'ble NCLT has approved the resolution plan submitted by a resolution applicant as approved by CoC, accordingly Mr. Anish Niranjana Nanavaty has ceased to be the RP of RCIL, and RCIL is currently under the supervision of a Monitoring Committee (of which the erstwhile RP is a member) constituted under the provisions of the approved resolution plan.



19. As per Regulation 33 and 52 of the Listing Regulations, the consolidated unaudited financial results of the Group submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the Parent Company who is duly authorized by the Board of Directors to sign the consolidated unaudited financial results. As mentioned in Note no. 1 of the statement, in view of the ongoing CIRP, the powers of the board of directors stand suspended and are exercised by the Resolution Professional.

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

J T Shah

Jigar T. Shah
Partner
Membership No.: 161851
UDIN No.: 24161851BKBHQC6276



Date: November 09, 2024
Place: Mumbai

Segment wise Revenue, Results , Segment Assets and Segment Liabilities							(₹ in Crore)
Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-24	30-Jun-24	30-Sep-23	30-Sep-24	30-Sep-23	31-Mar-24
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	(a) India Operation	93	103	99	196	207	411
	(b) Global Operation	2	1	39	3	44	46
	(c) Total [(a) + (b)]	95	104	138	199	251	457
	(d) Less: Inter segment revenue	1	-	1	1	2	2
	(e) Income from Operations [(c) - (d)]	94	104	137	198	249	455
2	Segment Results						
	Profit / (Loss) before Tax and Finance Cost						
	(a) India Operation	(16)	(7)	(41)	(23)	(48)	(41)
	(b) Global Operation	-	(2)	27	(2)	23	(26)
	(c) Total [(a) + (b)]	(16)	(9)	(14)	(25)	(25)	(67)
	(d) Less : Finance Costs (net)	11	12	11	23	23	47
	(e) Add : Exceptional Items	2	-	22	2	26	26
	Total Profit/ (Loss) before Tax and share in Profit / (Loss) of Associates	(29)	(21)	(3)	(50)	(22)	(87)
	Total Profit/ (Loss) before Tax from Discontinued Operations	(2,257)	(2,199)	(1,051)	(4,456)	(2,997)	(7,111)
3	Segment Assets						
	(a) India Operation	35,504	35,541	36,899	35,504	36,899	36,900
	(b) Global Operation	2,123	2,122	720	2,123	720	789
	(c) Others/ Unallocable	570	522	616	570	616	523
	(d) Inter segment Eliminations	(1,661)	(1,659)	(1,654)	(1,661)	(1,654)	(1,658)
	(e) Total [(a) to (d)]	36,536	36,526	36,581	36,536	36,581	36,554
4	Segment Liabilities						
	(a) India Operation	1,23,178	1,20,881	1,14,530	1,23,178	1,14,530	1,18,690
	(b) Global Operation	1,422	1,424	1,426	1,422	1,426	1,424
	(c) Others/ Unallocable	243	242	236	243	236	242
	(d) Inter segment Eliminations	(1,669)	(1,666)	(1,663)	(1,669)	(1,663)	(1,666)
	(e) Total [(a) to (d)]	1,23,174	1,20,881	1,14,529	1,23,174	1,14,529	1,18,690

Consolidated Statement of Assets and Liabilities		(₹ in Crore)	
		As at	
Particulars		30-Sep-24	31-Mar-24
		Unaudited	Audited
A	ASSETS		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	1,409	1,468
	(b) Capital Work in Progress	64	64
	(c) Goodwill	1,421	1,420
	(d) Other Intangible Assets	7	7
	(e) Financial Assets		
	(i) Investments	35	35
	(ii) Other Financial Assets	71	70
	(f) Deferred Tax Asset (net)	5	5
	(g) Income Tax Asset (net)	83	96
	(h) Other Non Current Assets	1,024	1,013
	Sub-total Non-Current Assets	4,119	4,178
2	Current Assets		
	(a) Inventories	2	2
	(b) Financial Assets		
	(i) Investments	-	-
	(ii) Trade Receivables	294	311
	(iii) Cash and Cash Equivalents	255	205
	(iv) Bank Balances other than (iii) above	193	181
	(v) Loans	387	387
	(vi) Other Financial Assets	115	115
	(c) Other Current Assets	4,914	4,903
	(d) Asset held for sale	26,257	26,272
	Sub-total - Current Assets	32,417	32,376
	Total Assets	36,536	36,554
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share Capital	1,383	1,383
	(b) Other Equity	(88,015)	(83,513)
	Equity Attributable to Shareholders	(86,632)	(82,130)
	Non-Controlling Interest	(6)	(6)
	Total Equity	(86,638)	(82,136)
	LIABILITIES		
2	Non-Current Liabilities		
	(a) Financial Liabilities		
	Borrowings	429	436
	(b) Other Non-Current Liabilities	106	106
	(c) Deferred Tax Liabilities (net)	238	238
	(d) Provisions	6	6
	Sub-total Non-Current Liabilities	779	786
3	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	46,899	46,795
	(ii) Trade Payables		
	Due to Micro Enterprises and Small Enterprises	52	52
	Due to Creditors other than Micro Enterprises and Small Enterprises	3,589	3,618
	(iii) Other Financial Liabilities	59,360	55,332
	(b) Deferred Revenue	13	17
	(c) Other Current Liabilities	417	529
	(d) Income Tax Liabilities (net)	4	4
	(e) Provisions	1,229	1,229
	(f) Liabilities directly related to Assets held for Sale	10,832	10,328
	Sub-total - Current Liabilities	1,22,395	1,17,904
	Total Equity and Liabilities	36,536	36,554

Consolidated Statement of Cash Flow for the half year ended September 30, 2024

(₹ in Crore)

Sr	Particulars	Half year ended	
		30-Sep-24	30-Sep-23
		Unaudited	Unaudited
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit / (Loss) before tax from Continuing Operations	(52)	(22)
	Profit / (Loss) before tax from Discontinued Operations	(4,456)	(2,997)
	Profit before tax -Continuing and Discontinued Operation	(4,508)	(3,019)
	Adjusted for:		
	Depreciation, Impairment and Amortisation	60	66
	Impairment of Goodwill due to deconsolidation	(1)	-
	Impact of deconsolidation of subsidiaries	(2)	(26)
	Finance Costs	551	489
	Profit on Sale of Investments / PPE	(45)	(35)
	Effect of change in Foreign Exchange Rate (Net)	9	23
	Interest Income	(24)	(24)
		548	493
	Operating Profit before Working Capital Changes	(3,960)	(2,526)
	Adjusted for:		
	Receivables and Other Advances & Inventories	(25)	(27)
	Trade Payables and Other Liabilities	3,980	2,583
		3,955	2,556
	Cash Generated from Operations	(5)	30
	Income Tax Refund	14	-
	Income Tax Paid	-	-
	Net Cash from Operating Activities	9	30
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Additions of Property, Plant and Equipments, Intangible Assets and Capital Work in Progress & Intangible Assets under Developments including Capital advance & Asset Held for Sale	-	(5)
	Proceeds from Sale of Property Plant and Equipment	-	69
	Proceeds from Sale of Investments	61	-
	(Investment)/ Redemption in Bank deposits (having original maturity for more than 3 months)	(12)	-
	Interest Income	24	22
	Net Cash from / (Used in) Investing Activities	73	86
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Net Proceeds from / (Repayment) of Borrowings Current (net)	(8)	(4)
	Finance Cost	(23)	(23)
	Net Cash from / (used in) Financing Activities	(31)	(27)
	Net Increase/ (Decrease) in Cash and Cash Equivalents	51	89
	Opening Balance of Cash and Cash Equivalents for the period	204	218
	Decrease on account of deconsolidation of Subsidiaries	-	-
	Effect of Exchange Gain/ (Loss)(net) on Cash and Cash Equivalents	-	-
	Closing Balance of Cash and Cash Equivalents for the period	255	307



Notes:

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

Further, pursuant to the meeting of the CoC of the Corporate Debtor dated March 2, 2020, a resolution plan, submitted by a resolution applicant in respect of the Corporate Debtor, has been approved by the CoC. The application under Section 31 of the Code filed by the RP for approval of resolution plan was last heard on October 5, 2023, where the NCLT indicated that since the issues inter alia pertaining to spectrum has remained pending before the Supreme Court of India for a while now, it would adjourn the plan approval IA sine die with liberty to the applicant/ RP to mention the same.

An application (IA No. 383 of 2023) has been filed by a resolution applicant before NCLT for substitution of resolution applicant in the resolution plan submitted in respect of RCOM. On September 7, 2023, the matter was heard at length by the NCLT, and application has been allowed vide order dated December 12, 2023.

A similar application (IA No. 749 of 2023) has been filed in Reliance Telecom Limited (“RTL”) as well, wherein NCLT vide order August 22, 2023 had directed the resolution professional of RTL to place on record necessary declaration(s) in relation to compliance with the provisions of Section 29A, after getting the confirmation of CoC of RTL in relation thereto. The RP is in the process of filing an affidavit and is liaising with the registry in respect of the same.

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With respect to the consolidated financial results for the quarter and half year ended September 30, 2024, the RP has signed the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable laws, and subject to the following disclaimers:

- (i) The RP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of the Code;
 - (ii) No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorized representatives and advisors;
 - (iii) The RP, in review of the consolidated financial results and while signing these consolidated financial results, has relied upon the assistance provided by the directors of the Corporate Debtor, and certifications, representations and statements made by the directors of the Corporate Debtor, in relation to these consolidated financial results. The consolidated financial results of the Corporate Debtor for the quarter and half year ended September 30, 2024 have been taken on record by the RP solely on the basis of and relying on the aforesaid certifications, representations and statements of the aforesaid directors and the erstwhile management of the Corporate Debtor. For all such information and data, the RP has assumed that such information and data are in conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the consolidated financial results and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the consolidated financial results.
 - (iv) In terms of the provisions of the Code, the RP is required to undertake a review to determine avoidance transactions. Such review has been completed and the RP has filed the necessary applications with the adjudicating authority, which are currently sub-judice.
2. Figures of the previous period / year have been regrouped and reclassified, wherever required.
 3. During the quarter ended June 30, 2019, the CIRP in respect of the Corporate Debtor and its subsidiaries; Reliance Telecom Limited (RTL) and Reliance Infratel Limited (RITL ceased to be a subsidiary w.e.f December 22, 2022) was re-commenced, and interim resolution professionals had been appointed in respect of the aforesaid companies. Subsequently, appointment of Mr. Anish Niranjana Nanavaty as the Resolution Professional (RP) of the Corporate Debtor and its subsidiaries was confirmed by the NCLT vide its order dated June 21, 2019 which was published on June 28, 2019 on the NCLT's website.

Further, during the year ended March 31, 2020, Reliance Communications Infrastructure Limited (RCIL), a wholly owned subsidiary of the Corporate Debtor, had also been admitted by NCLT for resolution process under the Code and Mr. Anish Niranjana Nanavaty was appointed as the Resolution Professional of RCIL vide its order dated September 25, 2019. In the meeting held on August 05, 2021, the CoC with requisite majority approved the resolution plan submitted by Reliance Projects & Property Management Services Limited in respect of RCIL, and in accordance with the Sec 30(6) of the Insolvency and Bankruptcy Code, 2016, on August 31, 2021, the plan was submitted to Hon'ble NCLT for its due consideration and approval. The plan approval application was heard on October 17, 2023 and has been allowed by the Hon'ble NCLT Mumbai vide its order dated December 19, 2023, thereby approving the resolution plan submitted in respect of RCIL

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under Section 31 of the Code. The resolution plan of RCIL is currently under implementation and RCIL is under the management of the monitoring committee constituted in terms of the provisions of its resolution plan.

4. Pursuant to strategic transformation programme, as a part of asset monetization and resolution plan of the Corporate Debtor, the Corporate Debtor and its subsidiary companies; RTL and RITL (ceased to be a subsidiary w.e.f December 22, 2022), with the permission of and on the basis of suggestions of the lenders, had entered into definitive binding agreements with Reliance Jio Infocomm Limited (RJio) for monetization of certain specified assets on December 28, 2017 for sale of Wireless Spectrum, Towers, Fibre and Media Convergence Nodes (MCNs). During an earlier year, the said asset sale agreements were terminated by mutual consent on account of various factors and developments including *inter alia* non receipt of consents from lenders and permission/ approvals from Department of Telecommunication (DoT).

On completion of the corporate insolvency resolution process, the Group will carry out a comprehensive review of all the assets including investments, balances lying in Goods and Service Tax, liabilities and impairment of goodwill on consolidation and accordingly provide for impairment of assets and write back of liabilities, if any. The Auditors have drawn qualification in this regard in their Limited review report for the quarter and half year ended September 30, 2024.

The Corporate Debtor had filed applications with the DoT for migration of various telecom licenses [Universal Access Service License (UASL), National Long Distance (NLD) and International Long Distance (ILD) licenses] to the Unified License regime (UL) on October 25, 2020 (17 of which were supposed to expire on July 19, 2021). On June 15, 2021, the DoT has issued a letter to the Corporate Debtor requiring payments of various categories of certain amounts such as 10% of the AGR dues, deferred spectrum installments falling due within the CIRP period, etc. against the telecom licenses, stating such dues to be in the nature of "current dues" and prescribing such payment as a pre-condition to the consideration/processing of the migration applications ("DoT Letter"). On June 25, 2021, the Corporate Debtor has issued a letter to DoT clarifying that the various categories of dues stipulated by the DoT are not in the nature of the "current dues" and are to be resolved within the framework of the Code (being dues that pertain to the period prior to May 7, 2019) and/ or are not payable at present, and requesting that making payments against the said dues should not be mandated as a pre-condition for further processing of the migration applications filed by the Corporate Debtor.

In light of the urgency of the matter, the RP had filed an application before the NCLT in both RCOM and RTL praying that the DoT *inter alia* be restrained from taking any action which may interfere with the continued holding of the telecom spectrum of the Corporate Debtor. The NCLT had adjourned the matter following which the RP had thereafter filed a writ petition in the Delhi High Court seeking issuance of an appropriate writ, order or direction in the nature of mandamus directing the DoT to migrate the telecom licenses to UL without the insistence on the payment of the dues set out in DoT Letter. The Delhi High Court, on July 19, 2021, passed an interim order that "*till the next date, the respondent is directed to not take any coercive action against the petitioner for withdrawal of the telecom spectrum granted to the petitioner in respect of 18 service areas, as also to permit the petitioner to continue providing telecom services in the 18 service areas which are subject matters of the present petition.*" On July 20, 2021, the writ petition hearing

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concluded and order was passed by the Delhi High Court permitting the withdrawal of the writ petition with direction that the issue on "current dues" should be decided by the NCLT and extending the protection under the July 19, 2021 order by further 10 days.

In view of the aforesaid, the NCLT was apprised of the order of the Delhi High Court and the NCLT has, as an interim measure, extended the ad interim protection granted by the Delhi High Court until the next date of hearing. Further, on August 12, 2021, the NCLT has directed that the interim orders shall continue until the next date of hearing. The issue under consideration by the NCLT relates to whether the dues being claimed by DoT in its letter of June 15, 2021 for the purposes of processing the license renewal/ migration applications of the Corporate Debtor are in the nature of "current dues" (within the meaning of the Explanation to Section 14(1) of the Code) and therefore, payable during the CIRP period. The application was listed on various occasions before the NCLT; however effective hearing did not take place due to paucity of time. Matter was listed on August 08, 2023 and the matter was adjourned on next several dates and the next date of hearing is November 14, 2024.

Simultaneously, a petition has been filed before the Telecom Disputes Settlement and Appellate Tribunal ("TDSAT") bearing T.P. No. 31 of 2021 seeking directions for migration of the telecom licenses, in view of the Guidelines for Grant of Unified License dated March 28, 2016 issued by the DoT, not prescribing pre-condition for any payment to be made prior to the migration of the telecom licenses. The TDSAT, on September 23, 2021, has directed that "*The interim arrangement shall be considered further after receipt of the order of NCLT. However, till then let the status quo be maintained in terms of initial order of Delhi High Court passed on 19.7.2021 which has continued thereafter by further order of the High Court followed by orders of NCLT.*" On March 15, 2022, the TDSAT granted time for filing rejoinder and continued the interim order dated September 23, 2021. The matter was last listed on 29 July, 2024 where the counsels apprised the TDSAT that matter is still pending in NCLT and therefore the matter has been adjourned to February 17, 2025.

Further, an application for Jammu and Kashmir Circle for RCOM was filed with DOT for migration of UASL license to UL license on April 19, 2023, which expired on September 05, 2024. This license was not included in the above petition and accordingly, another petition bearing T.P. No. 44 of 2024 was filed before the Hon'ble TDSAT seeking similar directions for Jammu and Kashmir circle. An interim order dated September 10, 2024 has been issued in this matter in favour of RCOM directing DOT to not take any coercive action against RCOM, and continuing RCOM's United Access Service License till the next date of hearing. The matter is now listed on November 29, 2024.

Similarly, in the case of RTL, in one of the circles where the UASL license was due to expire on September 26, 2021, an application had been filed with DoT on July 16, 2021 for migration of UASL to UL wherein the DoT has sought for payment of certain dues as "current dues" (being dues that pertain to the period prior to May 7, 2019 and are not payable at present) as a pre-condition for consideration of the application. The RP has filed an application in the NCLT and a petition before the TDSAT bearing T.P. No. 39 of 2021 in this regard (which matters are heard

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together with the RCOM license migration matters). On September 23, 2021, the TDSAT has directed that *"Since the matters are similar in nature, in the interest of justice and uniformity the interim order of status quo as operating in TP No. 31 of 2021 shall operate in this matter also till the next date. It will be in the interest of petitioner to expedite the proceeding pending before the NCLT and try its best to produce the orders passed by that Tribunal by the next date."* On March 15, 2022, the DoT had been granted 6 weeks' time by TDSAT to file the reply, and rejoinder was to be filed before the next date of hearing. The TDSAT further directed that the interim order passed by the TDSAT vide order dated September 23, 2021 shall stand continuing to be operative during the pendency of the petitions. The matter was last listed on 29 July, 2024 where the counsels apprised the TDSAT that matter is still pending in NCLT and therefore the matter has been adjourned to February 17, 2025.

Further, Telecom Petition No. 9 and 10 of 2024 were filed on behalf of RCOM against the impugned demand notices for FY 2015-16 to FY 2023-24 seeking alleged shortfall of license fee paid by RCOM. On May 09, 2024, both the Telecom Petitions were listed before the TDSAT on which date, TDSAT was pleased to restrain the DoT from encashing the Bank Guarantees ("BGs") of the Corporate Debtor except to the extent of Rs. 49 crore, which was the amount under challenge in the Telecom Petitions. Aggrieved by the order dated May 09, 2024, the Corporate Debtor filed a Writ Petition under Article 227 of the Constitution of India before the Hon'ble Delhi High Court. Meanwhile BGs to the tune of Rs. 2 crores were encashed by DoT. On May 14, 2024 the Hon'ble Delhi High Court had directed the DoT to not encash the remaining BGs which had not been encashed till May 17, 2024. Further, on May 17, 2024, TDSAT has granted a stay on the encashment of BGs of RCOM by the DoT, until further orders in TDSAT Petitions and the stay continues till the pendency of the petitions and this matter is next listed on February 25, 2025. Pursuant to the order dated May 17, 2024, the Petitioner withdrew its Writ Petition before the Delhi High Court.

Additionally, the RP has also filed another telecom petition bearing T.P. No. 34 of 2024 before the TDSAT challenging the vires of (i) Office Memorandum dated 09.10.2019 and; (ii) Office Memorandum dated 18.10.2022 ("**Impugned Office Memorandums**") with respect to adjustment of surplus license fees, issued by the DoT to the extent that they:

- (a) Restrict companies undergoing insolvency from claiming surplus adjustment only after Financial Years 2021-22; and
- (b) Permit adjustment of surplus payments only after the assessment has been finalised by the DoT.

This matter was last listed on August 21, 2024. On this date, DoT sought time to file their counter affidavit in the matter. The RP has been permitted to file a rejoinder to the counter affidavit. This matter is now listed on February 25, 2025.

Considering these developments including, in particular, the RP having taken over the management and control of the Corporate Debtor and its subsidiaries, i.e. RTL and RCIL (with RCIL presently being under the management and control of the monitoring committee constituted in terms of its resolution plan which was approved by the NCLT on December 19, 2023 and the resolution plan implementation being still pending) ("**Group**") inter alia with the objective of running

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them as going concerns, the consolidated financial results continue to be prepared on going concern basis. Since the Group continues to incur losses, current liabilities exceed current assets and Group has defaulted in repayment of borrowings, payment of regulatory and statutory dues and pending renewal of telecom licenses, these events indicate that material uncertainty exists that may cast significant doubt on Group's ability to continue as a going concern. The Auditors have drawn qualification in their Limited review report for the quarter and half year ended September 30, 2024.

5. Considering various factors including admission of the Corporate Debtor and its subsidiaries; RTL and RCIL to CIRP under the Code, there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors. The overall obligations and liabilities including obligation for interest on loans and the principal rupee amount in respect of loans including foreign currency denominated loans shall be determined during the CIRP and accounting impact, if any, will be given on completion of CIRP and implementation of the approved resolution plan.

Further, prior to May 15, 2018, the Corporate Debtor and its said subsidiaries were under Strategic Debt Restructuring (SDR) and asset monetization and debt resolution plan were being worked out. The Corporate Debtor and some of its subsidiaries have not provided Interest of Rs. 1,202 crore and Rs 2,357 crore calculated based on basic rate of interest as per terms of loan for the quarter and half year ended September 30, 2024 respectively and foreign exchange (gain)/loss aggregating to Rs. 91 crore and Rs 87 crore for the quarter and half year ended September 30, 2024 respectively. Had the Group provided Interest and foreign exchange variation, the Loss would have been higher by Rs. 1,293 crore and Rs 2,444 crore for the quarter and half year ended September 30, 2024 respectively and Net Worth of the Group as on September 30, 2024 and March 31, 2024 would have been lower by Rs. 36,816 crore and Rs. 34,372 crore respectively. The Auditors have drawn qualification for non-provision of interest and foreign exchange variations in their Limited review report for the quarter and half year ended September 30, 2024. During the previous years, Interest of Rs. 30,319 crore and foreign exchange loss (net) aggregating to Rs. 4,053 crore were not provided and the Auditors had drawn qualification in their audit reports for the financial years ended March 31, 2018, March 31, 2019, March 31, 2020 March 31, 2021, March 31, 2022, March 31, 2023 and March 31, 2024.

6. Assets held for sale including Wireless Spectrum, Towers, Fibre and Media Convergence Nodes (MCNs) continue to be classified as held for sale at the value ascertained at the end of March 31, 2018, along with liabilities, for the reasons referred in Note 4 above and disclosed separately as discontinued operations in line with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations".

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

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7. The financial result of discontinued operations is as under:

(Rs in crore)

Particulars	Quarter Ended			Half year ended		Year Ended
	30-Sep-24	30-Jun-24	30-Sep-23	30-Sep-24	30-Sep-23	31-Mar-24
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total Income	7	7	5	14	10	25
Total Expenses	271	265	244	536	483	987
Profit/ (Loss) before Exceptional Item tax	(264)	(258)	(239)	(522)	(469)	(962)
Exceptional Item	(1,993)	(1,941)	(812)	(3,934)	(2,528)	(6,149)
Tax	-	-	-	-	-	-
Profit/ (Loss) after tax	(2,257)	(2,199)	(1,051)	(4,457)	(2,997)	(7,111)

Cash Flow from	30-Sep-24	30-Sep-23
- Operating Activities	(2,040)	(2,490)
- Investing Activities	72	22
- Financing Activities	(49)	(23)

8. In case of two overseas subsidiaries and one domestic subsidiary, it indicates the existence of material uncertainty due to loss during quarter and half year ended September 30, 2024, total liabilities exceeding total assets and holding company Reliance Communications Limited is undergoing insolvency proceeding. Further, in case of one other overseas subsidiary, the net worth of the subsidiary company is fully eroded and holding company is undergoing insolvency proceeding which indicates material uncertainty to going concern. The above has been qualified by respective Auditors in their Limited review reports of these subsidiaries. Further, in case of one other overseas subsidiary, the Auditor has given Qualification for Material Uncertainty on Going Concern in the Limited review report. Also, in respect of an associate, Auditors have drawn emphasis of matter relating to going concern in their Limited review report. The matter has been referred by the auditors in their Limited review report.

9. The Hon'ble Supreme Court of India, vide its order dated October 24, 2019 had dismissed the petition filed by the telecom operators and agreed with the interpretation of the Department of Telecommunications (DoT) to the definition of Adjusted Gross Revenue (AGR) under the license

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

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The RP of the Corporate Debtor and Reliance Telecom Limited (RTL) had filed intervention applications before the NCLAT in the appeal filed by the DoT against the resolution plan approval orders of the Aircel companies (wherein the NCLAT was adjudicating on the questions framed by the Hon'ble Supreme Court in the SC Judgement). The RP had also filed written legal submissions in this regard with the NCLAT. The Hon'ble NCLAT has pronounced its judgement dated April 13, 2021 setting out its findings on the questions framed in the SC Judgement. The RP has filed appeals in respect of the Corporate Debtor and RTL against the judgement of the NCLAT before the Supreme Court. On August 2, 2021, the appeals were listed when the bench issued notice in the matter and tagged the same with Civil Appeal No 1810 of 2021 (being the appeal filed by the COC of Aircel companies) and also allowed the application seeking permission to file the civil appeal. On February 22, 2022, the Supreme Court granted a period of six weeks to the DoT to file counter affidavit. The matter was listed on May 2, 2022 wherein the SC directed the matter to be tentatively listed in the third week of July 2022. The matter was mentioned on August 5, 2022, for early listing for arguments, but the Supreme Court directed the matter to be listed after eight weeks. The matter was thereafter listed on October 11, 2022, on which date, the Supreme Court directed that the matter be listed after six weeks. Further, the Supreme Court stated that the parties were to file a common compilation post discussion with each other, and file brief written submissions within a period of six weeks. Thereafter, Nazeer J retired and the matter came up for listing before a reconstituted bench comprising Justice V. Ramasubramaniam and Justice Pankaj Mittal on February 21, 2023. However, the matter was not taken up due to paucity of time and was tentatively listed on May 10, 2023. Since the matter was not reflected in the list for May 10, 2023, it was mentioned by the counsel for RP and the Bench directed listing on July 18, 2023.

The matter was listed on July 18, 2023 before a bench comprising Justice Sanjiv Khanna and Justice Bela M Trivedi, and once again it was not taken up due to paucity of time. The matter was mentioned on August 4, 2023 for listing on the shortest possible date and the Bench directed listing on any Tuesday, but no specific date was allotted. The appeals were thereafter listed on September 12, 2023 but could not be heard due to paucity of time. Aircel Monitoring Committee has filed an application seeking sale of right to use spectrum subject to proceeds being kept in escrow account, which shall be subject to outcome of the Supreme Court matter. RCOM and RTL RP has also filed applications seeking similar dispensation for RCOM and RTL as well. Further, DoT was asked to file reply within two weeks to the application filed by Aircel Monitoring Committee (I.A. No. 186218/2023 in Civil Appeal No. 2263/2021) vide order dated September 18, 2023 and the DoT has accordingly filed its reply on October 9, 2023.

The appeals were mentioned before the Hon'ble Supreme Court, on July 10, 2024 and it was requested that the said appeals not be deleted from the cause list of August 02, 2024. Hon'ble Justice Khanna took note of the same and directed that the appeals may not be deleted from cause list dated August 02, 2024. However, on August 02, 2024 all matters listed were adjourned. Accordingly, the appeals were listed on August 20, 2024 before a bench comprising of comprising of J. Sanjiv Khanna and J. Sanjay Kumar. When the appeals were called out, the Bench notified the set of appeals to be listed in the week commencing from September 02, 2024 for further consideration. The Bench also remarked that the matter be listed before a Bench where one of the judges in the current bench (J. Sanjay Kumar) is not a member.

The appeals were thereafter listed before a bench comprising of Hon'ble Mr. Justice Pamidighantam Sri Narasimha and Hon'ble Mr. Justice Sandeep Mehta on September 03, 2024. On September 03, 2024, the bench was pleased to admit the captioned appeal alongside the connected appeals and list them for final hearing in the week commencing from October 14, 2024. However, the appeals did not appear in the list in the week commencing from October 14, 2024 and were thereafter listed on October 23, 2024. On October 23, 2024, the bench heard a background of the matter, and a description of key issues involved therein. The bench directed that the matter be listed before it in the week commencing from November 04, 2024. However, the appeals have not been listed yet and remain *sub judice*.

The DoT had during the pendency of the various proceedings simultaneously directed Special Audit in relation to the computation of License fee, Spectrum fee, applicable interest and penalties

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thereon, which is under progress for the financial year 2015-16 onwards. In this regard, the Corporate Debtor had provided for estimated liability aggregating to Rs. 53,420 crore up to the previous year ended March 31, 2024 and has provided additional charge of Rs. 2,038 crore and Rs 3,979 crore during the quarter and half year ended September 30, 2024 respectively and shown as exceptional items relating to discontinued operations which may undergo revision based on demands from DoT and/ or any developments in this matter.

Considering various factors including admission of the Corporate Debtor and its subsidiary RTL to resolution process under the Code and the moratorium applicable under Code, discharge of the aforesaid liability will be dealt with in accordance with the Code (subject to orders in the relevant judicial proceedings). This matter has been referred to by the Auditors in their Limited review report for the quarter and half year ended September 30, 2024.

10. The listed Redeemable Non-Convertible Debentures (NCDs) of the Corporate Debtor aggregating to Rs.3,750 crore as on September 30, 2024 are secured by way of first pari-passu charge on the whole of the movable properties, plant and equipment and Capital Work in Progress, both present and future, including all insurance contracts relating thereto of the Borrower Group; comprising of the Corporate Debtor and its subsidiary companies namely; Reliance Telecom Limited (RTL), Reliance Infratel Limited (RITL) and Reliance Communications Infrastructure Limited (RCIL). RITL's implementation of resolution plan has been completed and RITL has ceased to be a subsidiary of the Company w.e.f December 22, 2022. RCIL's resolution plan has been approved by the NCLT Mumbai vide order dated December 19, 2023 and is currently under implementation. Out of the above, in case of NCDs of Rs. 750 crore, the Corporate Debtor has also assigned Telecom Licenses, by execution of Tripartite Agreement with Department of Telecommunications (DoT). The asset cover in case of these NCDs exceeds 100% of the principal amount of the said NCDs.

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

Nature of Instruments	11.20% NCDs	11.25% NCDs
Amount outstanding (Rs in crore)	3,000	750
Previous due date for Principal Repayment and whether paid	01.03.2019 Unpaid	07.02.2019 unpaid
Previous due date for payment of Interest	01.03.2019	07.02.2019
Whether Interest was paid on the due date	No	No
Next due date for payment of interest	Not Applicable	Not Applicable
Credit Rating and change in credit rating, if any	ICRA D earlier ICRA BB	CARE D earlier CARE BB
Due Date for Principal Repayment	Rs. 3,000 crore on 01.03.2019 (Unpaid)	Rs. 375 crore each on 07.02.2018 and 07.02.2019 (Unpaid)
Interest Unpaid up to September 30, 2024 (Rs in crore)	2,520	632

12. Debenture Redemption Reserve (DRR) : is Rs 590 crore as on September 30, 2024.

13. The disclosure required as per the provisions of Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

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	30-Sep-24	30-Jun-24	30-Sep-23	30-Sep-24	30-Sep-23	31-Mar-24
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Debt Equity ratio	-	-	-	-	-	-
Debt Service Coverage Ratio	-	-	-	-	-	-
Interest Service Coverage Ratio	-	-	-	-	-	-
Current Ratio	0.06	0.06	0.06	0.06	0.06	0.06
Long term debt to working capital	-	-	-	-	-	-
Bad debts to Accounts receivable ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Liability ratio	0.91	0.91	0.91	0.91	0.91	0.91
Total Debts to Total Assets	1.30	1.29	1.29	1.30	1.29	1.29
Debtors turnover (Days)	316	294	249	449	123	215
Networth	(87,935)	(85,650)	(79,244)	(87,935)	(79,244)	(83,430)
Operating margin (%) (Continuing operations)	(29.39)	(16.92)	(55.67)	(22.63)	(39.09)	(36.07)
Net Profit margin (%) (Continuing operations)	(32.95)	(21.68)	(9.28)	(27.03)	(14.21)	(26.33)

Note wherever the ratios are negative, the same is shown as Nil (-)

Formula used for computation of Ratios:

- (i) Debt Equity Ratio = Debt / Equity;
- (ii) Debt Service Coverage Ratio (DSCR) = Earnings before depreciation, interest and tax/ (Interest + Principal repayment);
- (iii) Interest Service Coverage Ratio (ISCR) = Earnings before depreciation, interest and tax/ (Interest expense).
- (iv) Current Ratio = Current Assets / Current Liabilities

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- (v) Long term debt to working capital = Non Current Borrowings (including Current Maturities of Non-Current Borrowings) / Current Assets less Current Liabilities (excluding Current Maturities of Non Current Borrowings)
- (vi) Bad debts to Accounts receivable ratio = Bad debts / Average trade receivables
- (vii) Current Liability ratio = Total Current Liabilities / Total Liabilities
- (viii) Total Debts to Total Assets = Total Debts / Total Assets
- (ix) Debtors turnover = Average Trade receivables / (Value of Sales and Services / no of days for the period)
- (x) Net Worth excludes Capital Reserve, Treasury Equity and Exchange Fluctuation Reserve amounting to Rs 1,304 crore. The above Net Worth is without considering the impact of the qualifications given by the auditors in their Limited review report.
- (xi) Operating margin (%) (Continuing operations) = EBIT - Other Income / Value of Sale and Services
- (xii) Net Profit margin (%) (Continuing operations) = Profit / (Loss) after tax / Value of Sales and Service.

14. The Corporate Debtor and some of its subsidiaries where assets are held for sale as per Ind AS 105 accordingly lease agreements are considered to be short term in nature and Ind AS 116 has not been applied. The Auditors have drawn qualification in their Limited review report for the quarter and half year ended September 30, 2024.

15. The Corporate Debtor is operating with India Operations, Global Operations and Others/ Unallocated segments. Accordingly, segment-wise information has been given. This is in line with the requirement of Ind AS 108 "Operating Segments".

16. The Corporate Debtor has opted to publish consolidated financial results for the financial year 2024-25. Standalone financial results, for the quarter ended September 30, 2024 can be viewed on the website of the Corporate Debtor, National Stock Exchange of India Limited and BSE Limited at www.rcom.co.in, www.nseindia.com and www.bseindia.com respectively.

17. Additional information on standalone basis is as follows:

(Rs. In crore)

Particulars	Quarter Ended			Half year ended		Year Ended
	30-Sep-24	30-Jun-24	30-Sep-23	30-Sep-24	30-Sep-23	31-Mar-24
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total Income	67	77	75	144	153	298
Profit/(Loss) before tax	(40)	(26)	(1,047)	(66)	(1,075)	(1,157)
Profit/(Loss) before tax from Discontinued Operations	(1,985)	(1,893)	(701)	(3,878)	(2,379)	(5,912)
Total Comprehensive Income/(Loss)	(2,025)	(1,919)	(1,748)	(3,944)	(3,454)	(7,068)

18. During an earlier year, Reliance Communications Infrastructure Limited (RCIL), a wholly owned subsidiary of the Corporate Debtor had written to Industrial and Commercial Bank of China, Mumbai branch ("ICBC") requesting for balance confirmation of Rs. 32.79 crore and transfer of the entire amount lying in fixed deposit account including all interest monies accruing thereon up to the

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date of remittance to the designated TRA account of RCIL. The Auditors and RCIL have not received confirmation from ICBC and hence, the auditors have drawn qualification in this regard in their Limited review report for the quarter and half year ended September 30, 2024. An application bearing IA no. 1943 of 2020 had been filed before NCLT against ICBC seeking removal of lien marked by it over the fixed deposit of RCIL (being Rs 31 crore as on September 30, 2019) and release of amount. The said matter was last listed on October 17, 2023 and thereafter the said application has been allowed *vide* order passed by the NCLT Mumbai dated January 2, 2024 ("Impugned Order"). An appeal has been filed by ICBC assailing the Impugned Order. The Appellant has also filed an application for stay of the Impugned Order. The parties have filed their judgement compilation and matter is next listed on November 25, 2024 before the Hon'ble NCLAT for arguments.

19. During the previous year, pursuant to a letter retrieved by the Corporate Debtor on August 17, 2023, as part of a routine compliance check, from the official website of Netherlands Chamber of Commerce KVK, it has come to its attention that Reliance Globalcom B.V, The Netherlands. (RGBV), a subsidiary of RCOM, has been de-registered from the Trade Register of the Netherlands Chamber of Commerce KVK, with effect from June 01, 2023. Accordingly, RGBV is deconsolidated for the purpose of and as per requirement of Ind AS 110 "Consolidated Financial Statement". Profit on desubsidiarisation of Rs 22 crore during the previous year ended March 31, 2024 has been shown as Exceptional Items in the consolidated financial results. Further, the overseas subsidiaries of RGBV continue to be consolidated in the consolidated financial results on a line by line basis.
20. During the earlier year, the Company received a notice from Axis Trustee Services Limited ("Axis Trustee" / "Security Trustee") on November 9, 2022 regarding invocation cum sale of pledged shares Globalcom IDC Limited ("GIDC"). Thereafter, the Company received a notice of invocation of pledge over such shares from Axis Trustee on December 14, 2022.

As a matter of background, it may be noted that Reliance Webstore Limited ("RWSL", "Parent Company") is a wholly owned subsidiary of RCOM, holding 100% of equity shares in GIDC. Accordingly, GIDC was a wholly owned step-down subsidiary of RCOM. *Vide* facilities agreement dated August 29, 2016, RCOM and RITL had availed a loan facility of Rs. 565 Crore and Rs. 635 Crore respectively from State Bank of India ("Lender"). *Vide* share pledge agreement dated September 23, 2016, RWSL had pledged 100% of its shareholding in GIDC comprising 20,99,994 equity shares to Axis Trustee (in its capacity as a security trustee for the Lender) for above loan facility.

Owing to defaults in the repayment of the facilities availed by RCOM and RITL, Axis Trustee first proceeded to issue a notice for the invocation cum sale of pledged shares on November 9, 2022, and thereafter, invoked the pledge on December 12, 2022.

On account of said invocation, the parent company does not have any control over the GIDC. Accordingly, during the previous year, GIDC has been de-subsidiarised w.e.f. December 12, 2022 and the impact of loss of control (without the value of shares invoked) over GIDC amounting to Rs. 106 crore was charged to the consolidated financial results as an exceptional item.

The impact of loss of control given in the books of account is without the value of shares invoked by the lender. The management will give the effect of the value of invocation of shares with the corresponding decrease in the value of liability on the receipt of the said details from the lender. This matter has been referred to by the Auditors in their Limited review report for the quarter and half year ended September 30, 2024.

21. During an earlier year, a subsidiary of the corporate debtor had entered into a Development agreement with a contractor for completion of Internet Data Centre 5 (IDC 5) building and paid Rs 25.45 crore for completion of construction of IDC 5 building which has been reflected as Capital

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Advance under other non-current assets in the consolidated financial results, pending verification of invoices and work completion certification.

22. Provision for Income Tax for the quarter and half year ended September 30, 2024 is based on the estimate for the full financial year.
23. The Corporate Debtor has been served with copies of writ petitions filed by Mr. Punit Garg and certain others, being directors of the Corporate Debtor and its subsidiaries before the Hon'ble High Court of Delhi, challenging the provisions of the RBI Master Directions on Frauds- Classification and Reporting by commercial banks and select FIs bearing No. RBI/ DBS/ 2016-17/ 28 DBS. CO. CFMC. BC. No. 1/ 23.04.001/ 2016-17 dated July 1, 2016 ("Circular") and the declaration by certain banks classifying the loan accounts of the Company, RITL, and RTL being fraudulent in terms of the Circular. (RITL's implementation of resolution plan has been completed and RITL has ceased to be a subsidiary of the Company w.e.f December 22, 2022).

On May 12, 2023, the Hon'ble Delhi High Court in light of the judgement dated March 27, 2023 passed by the Hon'ble Supreme Court in SBI vs. Rajesh Agarwal [2023 SCC OnLine SC 342] has disposed of the said petitions filed by Mr. Punit Garg, setting aside the actions taken against the petitioners under the Circular. The Supreme Court has held that since the Circular does not expressly provide an opportunity of hearing to the borrowers before classifying their account as fraud, *audi alteram partem* has to be read into the provisions of the directions to save them from the vice of arbitrariness.

It has further been made clear *vide* the Delhi High Court order, that if any FIR has been lodged, proceedings proceeded thereto will remain unaffected by the said order and that it will be open to concerned banks to proceed in accordance with law in light of the judgement of the Supreme Court.

Further, Mr. Punit Garg has filed another writ petition in Delhi High Court challenging the order of IFCI declaring his account as fraud under the Circular, and the matter is next listed on November 14, 2024.

24. During the earlier years, certain banks had issued show cause notices to the Corporate Debtor, certain subsidiaries and certain directors seeking reasons as to why the Corporate Debtor and its subsidiaries should not be classified as willful defaulter. Also, during the earlier year and in the current quarter, certain banks have served notice seeking explanation as to why the account of the Corporate Debtor and the subsidiary company RTL should not be declared as fraud in terms of applicable RBI regulations. Further, during the current quarter, the Corporate Debtor and RTL and in the earlier year, RTL had received intimation of order passed by willful defaulter identification committee of certain banks for inclusion of name of RCOM, RTL and its directors / guarantors etc in credit information companies (CiCs) list of willful defaulters and seeking representation against the said order. The Corporate Debtor and its subsidiaries have been responding to said show cause notices and intimations, from time to time. The Corporate Debtor in its response has highlighted that the proceedings and the classification of the Corporate Debtor as a willful defaulter is barred during the prevailing moratorium under section 14 of the Code and protection is available in terms of section 32A of the Code and asserting that accordingly, no action can be said to lie against the Corporate Debtor for classification as fraud and requested the banks to withdraw the notices. Further, certain banks had issued notices seeking personal hearing by the authorized representative of the Corporate Debtor and its subsidiaries in respect of the aforesaid matter. Hearings were attended to and necessary submissions were made in accordance with the submissions made earlier in the responses to the show cause notices.

Further, the Corporate Debtor and Reliance Telecom Limited (RTL) has received a letter dated August 7, 2023 from one of the banks, *vide* which the bank has indicated, *inter alia*, that it has

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received a forensic audit report dated October 15, 2020 of M/s BDO India LLP wherein certain 'irregularities / anomalies / commissions / omissions' have been pointed out by the forensic auditor. The said letter and report were accordingly tabled at the meeting of the Directors on August 12, 2023. In respect of the same, the bank has sought the views, inter alia, of the erstwhile management of the Corporate Debtor on the said report. The management had expressed that management views had not been sought prior to the issuance of the report. Further to receipt of a copy of the filings made before the Hon'ble Delhi High Court in the aforesaid matter, the Corporate Debtor and RTL had provided information to the forensic auditor during the period from March 2021 to November 2021 and it is not yet ascertained if the report incorporates and has considered such information. RP however has maintained that the Corporate Debtor and RTL is undergoing corporate insolvency resolution process in terms of the Code and the forensic audit report prima facie appears to pertain to the period prior to the corporate insolvency resolution process, the Corporate Debtor and RTL has already responded to the letter that the proceedings and the classification of the Corporate Debtor and RTL as a fraud is barred during the prevailing moratorium under Section 14 of the Code and protection is available in terms of Section 32A of the Code and accordingly, no action should lie against the Corporate Debtor and RTL for classification as fraud and notice against the Corporate Debtor should be withdrawn and the RP, Corporate Debtor and RTL shall have a limited responsibility to only share any information sought from it.

Similar to the letter received on August 7, 2023, Corporate Debtor has also received another letter dated May 7, 2024 from another bank, where the bank has indicated, that with respect to the loan account of the Corporate Debtor, it has conducted a forensic audit wherein element of fraud is identifiable and before coming to final conclusion basis the forensic audit report dated October 15, 2020, the bank has provided an opportunity to the Corporate Debtor to submit its representation as to why the Corporate Debtor's account should not be classified as 'fraud' in terms of the 'Master Directions on Frauds – Classification and Reporting by Commercial Banks and Select FIs' dated July 1, 2016 issued by Reserve Bank of India. On receipt of the said letter, while the Corporate Debtor has made necessary disclosures to the relevant stock exchange in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Debtor has also issued a response to the letter dated May 7, 2024 maintaining a similar stance (as against the letter dated August 7, 2023) *inter alia* citing that the Corporate Debtor is undergoing corporate insolvency resolution process in terms of the Code and the forensic audit report prima facie appears to pertain to the period prior to the corporate insolvency resolution process and hence any classification of the loan accounts of the Corporate Debtor as a fraud during its ongoing CIRP is barred during the prevailing moratorium under Section 14 of the Code and protection is available in terms of Section 32A of the Code and accordingly, no action should lie against the Corporate Debtor for classification as fraud and notice against the Corporate Debtor should be withdrawn. Currently, there is no impact of such notices/letter issued from banks, in the consolidated financial results. The Auditors have drawn qualification in their Limited review report for the quarter and half year ended September 30, 2024.

25. During the previous year, on October 16, 2023, the Hon'ble Supreme Court of India had pronounced a judgement regarding the treatment of AGR paid to DoT since July 1999, as capital in nature and not revenue expenditure for the purpose of computation of taxable income in a matter to which the Company is not a party. The Company has applied for renewal of its license as stated in Note 4 above. The terms of renewed license regime are different from those of the licenses dealt with in the aforesaid judgement. Further, there have been no disallowances in earlier years, by the tax authorities, on the AGR payments claimed by the Company as revenue expenditure in its tax filings. In the absence of any claim by the tax authorities against the Company and/ or directions or clarifications from the income tax department in this regard, no adjustments have been made to these consolidated financial results for the quarter and half year ended September 30, 2024.
26. The annual audited financial statements for the year ended March 31, 2023 had not been adopted by the shareholders in the Annual General Meeting held on September 30, 2023 with requisite

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majority and accordingly, the provisional / un adopted financial statement has been filed with Registrar of Companies on October 28, 2023 in accordance with section 137 of the Companies Act, 2013. In the Annual General Meeting held on September 28, 2024, the annual audited financial statements for the year ended March 31, 2023 have been adopted by the shareholders with requisite majority.

27. Bonn Investment Inc. ("**Bonn**"), an US entity and a subsidiary of Reliance Infocomm Inc. ("**RII**"), USA, a step-down subsidiary of RCOM, held an apartment at 400 W 12th Street #4EF New York, NY 10014 ("**Property**"). During the previous year, in August 2023, the director of Bonn, sold the Property to a third party, without any authorization from or intimation to its shareholders (including RCOM) for a value of USD 8.34 million. The Resolution Professional noted this transaction in the financial statements of Bonn for the period ended September 30, 2023 received from the director for consolidation purposes. Further, on April 23, 2024, through the auditor of Bonn, the Resolution Professional and Company were made aware of an investment agreement between Bonn and AZCO Realty, UAE. It is observed that vide said investment agreement, Bonn (through its director) agreed to invest USD 25 million in AZCO Realty ("**AZCO**") and Bonn has already made investment of USD 8.2 million from the sale proceeds of the Property, which is reflected as Advance towards other Investment (1st Tranche). As per the terms of agreement, Bonn has agreed to invest remaining amount before May 26, 2024 with AZCO. The Agreement further states that, if Bonn fails to remit the remaining amount to AZCO on or before May 26, 2024, the investment agreement shall be automatically nullified and Bonn shall have no rights to claim back the amount already invested, i.e. USD 8.2 million, which is part of the sale proceeds of the Property. This entire transaction did not have approval from the shareholders (including RCOM). The Company sent a notice to the director seeking clarification regarding the same but has not received any credible explanation so far. Accordingly, and in view of the above unauthorized actions, the Company has removed the said director from the directorship of all US subsidiaries of RCOM including Bonn on August 21, 2024 and has appointed a new director in her place on the same date (as applicable). The new Director has since been interacting with the removed director and has asked questions on the transactions directly/through counsel but the response from removed director remain elusive. Further, Bonn (through the newly appointed director) is in the process of examining the legal remedies for the actions taken by the said erstwhile director as well as for recovery of the advance against investment given to AZCO. The potential examination could be explored through third party expert analysis of available data to find out credible evidence of wrong doing. Unaudited financial statements of Bonn have been prepared on a going concern basis and considered for the purpose of consolidated financial results. Tax return for the financial year ended March 31, 2024 has been filed and tax liability of Bonn of USD 534,717 inclusive of interest and penalties as on September 30, 2024 has been provided for and not paid till date. The director of Bonn is exploring options to settle the statutory liability without any recourse to RCOM. The Auditors have drawn qualification in this regard in their Limited review report for the quarter and half year ended September 30, 2024.
28. During the quarter ended September 30, 2024, RCIL, a wholly owned subsidiary of the Company has sold its investment in the equity shares of its wholly owned subsidiary, Realsoft Cyber Systems Private Limited (Realsoft) to Patrimoine Expo Private Limited (PEPL) including land. This sale took place pursuant to the settlement terms agreed to between the erstwhile CoC of RCIL and PEPL as recorded by the Hon'ble National Company Law Appellate Tribunal in its order dated December 12, 2023. The entire sale consideration being Rs. 61 crore was received by RCIL from PEPL on September 27, 2024 and shall be utilized in accordance with the terms of the resolution plan approved in respect of RCIL. Profit on sale of investments (including land) of Rs.45 crore has been shown as an exceptional item under discontinued operations in the consolidated financial results for

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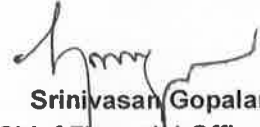
the quarter and half year ended September 30, 2024. Further, in accordance with Ind AS 110 "Consolidated Financial Statement", Realsoft is deconsolidated w.e.f September 27, 2024 and Profit on de-subsidiarization of Rs 2 crore has been shown as Exceptional Items under continuing operations in the consolidated financial results during the quarter and half year ended September 30, 2024.

29. After review by the Audit Committee, the Directors of the Corporate Debtor have approved the above results at their meeting held on November 09, 2024 which was chaired by Mr. Anish Niranjn Nanavaty, Resolution Professional ('RP') of the Corporate Debtor and RP took the same on record basis recommendation from the directors. The Statutory Auditors have done Limited review of the Consolidated Financial Results for the quarter and half year ended September 30, 2024.

For Reliance Communications Limited



**Anish Niranjn Nanavaty
(Resolution Professional)**



**Srinivasan Gopalan
(Chief Financial Officer)**

Place: Mumbai
Date: November 09, 2024

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