

**Reliance Communications Ltd.** (stylised as **RCom**) is a telecommunications company headquartered in New Mumbai, India. It is a subsidiary of Reliance Anil Dhirubhai Ambani Group. The services it provides include GSM (Voice; 2G, 3G, 4G), fixed line broadband and voice, and Direct-To-Home , depending upon its areas of operation in India. The company plans to shut down its 2G and 3G services including all voice services and only offer 4G data services from December 29, 2017 as a result of debt and a failed merger with Aircel.

Reliance Group, an offshoot of the Group founded by Shri Dhirubhai H Ambani , ranks among India's top private sector business houses in terms of net worth. The group has business interests that range from telecommunications to financial service and the generation and distribution of power .

Reliance Group's flagship company, Reliance Communications is India's foremost and truly integrated telecommunications service provider. The Company has a customer base of above 118 million including over 2.6 million individual overseas retail customers.



Reliance Communications corporate clientele includes over 39,000 Indian and multinational corporations including small and medium enterprises and over 290 global, regional and domestic carriers.

Reliance Communications has established a pan-India, next generation, integrated , convergent (voice, data and video) digital network that is capable of supporting best-of-class services spanning the entire communications value chain, covering over 21,000 cities and towns and over 400,000 villages. Reliance Communications owns and operates the world's largest next generation IP enabled connectivity infrastructure, comprising over 280,000 kilometers of fibre optic cable systems in India, USA, Europe, Middle East and the Asia Pacific region.

# SWOT analysis of Rcom.

## **Strength:**

1. Flexible plans offer by Reliance Communications to attract customers
2. Good advertising and brand visibility
3. Strong backing of Reliance ADAG group gives financial stability to Reliance Communications
4. Celebrity brand ambassadors used for marketing to attract customers
5. Website provides access to services like bill payments, recharge etc

## **Weaknesses:**

1. Price competition from other strong players means limited market share for Reliance Communications
2. Declining brand has led to customers moving to competitors using MNP

## **Opportunities:**

1. Fast expanding cellular market can be tapped by Reliance Communications
2. Using latest and low cost technologies can benefit the company
3. Partnership or tie-ups with bigger telecom brands can reboost its business

## **Threats:**

1. New entrant's low price offering affects pricing and profits of Reliance Communications
2. Strict TRAI guidelines can disrupt operations
3. Mobile Number Portability of customers to competitor network can reduce business

## Recent situation of Rcom

NEW DELHI: A day after Reliance Communications (RCom) announced it was selling its wireless assets to Reliance Jio, State Bank of India Chairman Rajnish Kumar on Friday termed it a good development and would hopefully set an example for other promoters.

"It is a very good and welcome development. The banks have been fully protected and no loss is expected. Despite the fact that there is a stress in the telecom sector, I am hoping that this will set a very good example for the other promoters also of the companies which are under stress," Kumar told BTVi in an interview. [\(ET magazines\)](#)

Reliance Jio Infocomm , a subsidiary of Reliance Industries Limited, on Thursday announced signing of a "definitive agreement" for the acquisition of specified assets of RCom and its affiliates.

Consequent to the agreement, Jio or its nominees will acquire assets under four categories -- towers, optic fibre cable network, spectrum and media convergence nodes -- from RCom and its affiliates, Jio said in a statement on Thursday.

RCom's assets which were put up for monetisation include 122.4 MHz of 4G Spectrum in the 800/900/1800/2100 MHz bands, over 43,000 towers, around 1.78 lakh km of fibre with pan-India footprint and 248 media convergence nodes, covering five million sq ft used for hosting telecom infrastructure.

Reliance Group Chairman Anil Ambani had on Tuesday said the company has achieved full resolution of Reliance Communications' debt, reducing it by Rs 25,000 crore to Rs 6,000 crore by monetising assets.

[\(information derived from Economic time\)](#)

**MUMBAI:** Reliance Communications (Rcom) said it has not paid its third installment of Rs 375 crore of principal on non-convertible debentures (NCDs), which was due on February 7.

The Anil Ambani company in a regulatory filing Friday said that the company is in the midst of asset monetisation and is working "expeditiously to complete the process".

"The asset sale proceeds shall be used to repay the company's debt including the NCDs in such a manner as may be decided by the Joint lenders' forum (JLF)", said the telco. ( **ET Magazines**)

Last year, RCom decided to shut its 2G and 3G wireless business and later Mukesh Ambani-led Reliance Jio Infocomm agreed to buy most of Rcom's wireless assets including spectrum, tower, fibre and media convergence nodes for under Rs24,000 crore.

### **Conclusion:**

The sale of spectrum, tower, Fibre and media convergence node is expected to be completed by March in phases this year, subject to regulatory approvals, as company expressed in latest interview.

It had amassed debt of more than Rs 45,000 crore and the promoters just managed to avoid the possibility of ceding control to banks under a strategic debt restructuring programme late last month with the sale of assets to Jio. After the sale to Jio, RCom exited the debt recast process. In my consideration the company is going to rapid all other competitive companies cause of the recently big hit of the reliance Jio. It is becoming the public first choice due to it's reliable service providing, as it is also helping our govt. to make India, Digital India. It revolts a huge revolution in India as it tried to connect each locality and even each mohallas to the exterior world.