

## 'Target to cut RCom debt by 75% in a year'

**ENS ECONOMIC BUREAU**

MUMBAI, SEPTEMBER 27

GRAPPLING WITH mountain of debt, Reliance Communications Tuesday said it is planning to pare the Rs 42,651-crore burden by up to 75 per cent over the next one year.

Addressing the shareholders, chairman Anil Ambani said, "The target is to reduce the debt by 75 per cent within a year, and once the ongoing merger processes of MTS and Aircel with RCom are complete, it will help reduce the debt by Rs 20,000 crore." Earlier this month, RCom had signed a definitive agreement with Aircel for the merger of wireless businesses with itself. RCom and Aircel will each hold equal stake in the merged entity. Debt of Aircel will come down by Rs 4,000 crore from Rs 23,436 crore.

He said the RCom and Mukesh Ambani-led Reliance Jio have accomplished a 'virtual merger'. He added that the com-

pany already has all the spectrum they need for 2G, 3G and 4G, plus spectrum trading and sharing with Reliance Jio. This will be beefed up further once the merger is complete.

Anil said the group expects to list its home finance arm, Reliance Capital, separately by April 2017 while commercial lending and insurance arms can also be listed separately at an "appropriate time". He, however, said the approach should be of "optional listing" rather than mandatory listings.

Besides, it will develop a new vertical for consumer lending business for better growth and profitability, and will relaunch its commodity exchange with focus on diamond and crude oil futures. Diamond futures will be the flagship product with potential daily turnover of over Rs 6,000 crore.

He also said that Reliance Capital will apply for conversion to a Core Investment Company status by March 2017. **WITH PTI**