

Report on the Unaudited Financial Status,
Results of Operations, and Cash Flows for
the Quarter ended September 30, 2007

how will you share what you are feeling?

call someone

send an SMS

send an MMS

write an e-mail

write a blog

upload a video

no limits | total network™

Building a mobile-phone network to let a billion people talk to each other is one thing. Building one that also allows them to exploit the power of multimedia, e-mail and internet demands a network that's quite special. We call it total network.

Total Coverage: No matter where you roam in Reliance's 15,000 town, 400,000-village network – in icy Kedarnath or in the lift or basement of your office, travelling by road or rail or trekking in the Nilgiris – you will find that your network somehow shows full strength. Thanks to total network.

Total Capability: Total network is, to put it simply, a high bandwidth network. It lets you enjoy those areas of the wireless spectrum where most other networks struggle – making call connections instant, the 'network unavailable' message history, e-mail access and net-surfing a joy, audio and video downloads quick and easy, MMS and games fun.

Total Continuity: With total network, you are assured of a constant full signal and an almost complete absence of call drops, even while you ride in an elevator or drive through a subway or park in a basement.

Total Clarity: A combination of the high bandwidth of the network and the presence of anti-echo filters enables total network to give you digital voice clarity that no other network can.

Total Confidentiality: Since total network is basically a communications system that was developed by the military, where confidentiality of calls is of paramount importance, Reliance's total network is, by design, practically impossible to tap into.

Total Network: It's quite simply the most extensive, versatile and dependable network in the country. Don't settle for anything less.

Choose Reliance. India's No.1 Network.

40 million customers. 15,000 towns. 4 lakh villages. And counting.

RELIANCE
Mobile

**AIR
FOOD
WATER
NETWORK™**

Supplemental Disclosures

Safe Harbour: Some information in this report may contain forward-looking statements. We have based these forward-looking statements on our current beliefs, expectations, and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward-looking words such as "believe", "plan", "anticipate", "continue", "estimate", "expect", "may", "will" or other similar words.

A forward-looking statement may include a statement of the assumptions or bases underlying the forward-looking statement. We have chosen these assumptions or bases in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or bases and the actual results could be material depending on the circumstances. You should also keep in mind that any forward-looking statement made by us in this report or elsewhere speaks only of the date on which we made it. New risks and uncertainties come up from time to time, and it is impossible for us to predict these events or how they may affect us. We have no duty to, and do not intend to, update or revise the forward-looking statements in this report after the date hereof. In light of these risks and uncertainties, any forward-looking statement made in this report or elsewhere may or may not occur and has to be read and understood along with this supplemental disclosure.

General Risk: Investments in equity and equity-related securities involve a degree of risk and investors should not invest in the equity shares of the Company unless they can afford to take the risk of losing their investment. For taking an investment decision, investors must rely on their own examination of the Company including the risks involved.

Convenience Translation: All references in this report to "Rs" are to Indian Rupees and all references herein to "US\$" are to United States Dollars.

We publish our financial statements in Indian Rupees, the legal currency of the Republic of India. All amounts translated into United States Dollars in this report are provided solely for the convenience of the reader, and no representation is made that the Indian Rupee or United States Dollar amounts referred to herein could have been or could be converted into United States Dollars or Indian Rupees respectively, as the case may be, at any particular rate, the rates stated in this report, or at all.

Others: In this report, the terms "we", "us", "our", "the Company" or "the Group", unless otherwise specified or the context otherwise implies, refer to Reliance Communications Limited ("Reliance Communications") and its affiliates, including, inter alia, FLAG Telecom Group Limited ("FLAG"), Reliance Telecom Limited ("RTL"), Reliance Communications Infrastructure Limited ("RCIL") and Reliance Telecom Infrastructure Limited ("RTIL"). Further abbreviations are defined within this report.

Any discrepancies in any table between total and sums of the amounts listed are due to rounding off.

Disclaimer: This communication does not constitute an offer of securities for sale in the United States. Securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus and will contain detailed information about the Company and its management, as well as financial statements.

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1. Overview

1.1. [Introduction](#)

Reliance Communications Limited ("Reliance Communications" or "the Company") is India's largest integrated communications service provider in the private sector with over 38 million individual, enterprise, and carrier customers.

We operate pan-India across the full spectrum of wireless, wireline, and long distance, voice, data, video and internet communication services. We also have an extensive international presence through the provision of long distance voice, data and internet services and submarine cable network infrastructure globally.

As presently constituted, Reliance Communications was formed by the demerger and vesting of the telecommunications undertakings of Reliance Industries Limited ("RIL"). The demerger and vesting became effective on December 21, 2005. Our shares were listed in India on the Bombay Stock Exchange and National Stock Exchange on March 6, 2006 and our Global Depository Receipts were listed on the Luxembourg Stock Exchange on August 3, 2006.

1.2. [Strategic Business Units](#)

The business of Reliance Communications is organized into three strategic customer-facing business units: Wireless, Global, and Broadband. In addition, subsidiaries of Reliance Communications are engaged, inter alia, in the ownership, operation and development of telecom infrastructure, such as wireless communications sites and towers. Our strategic business units are supported by our fully integrated, state-of-the-art network and operations platform and by the largest retail distribution and customer service facilities of any communications service provider in India.

1.2.1. [Wireless](#)

We offer CDMA and GSM based wireless services, including mobile and fixed wireless voice, data, and value added services for individual consumers and enterprises. Our primary brands are Reliance Mobile for the mobile portfolio of services and Reliance Hello for the fixed wireless portfolio of services. Our voice services comprise both local and national and international long distance calling. Our data services comprise wireless multimedia over the "click, browse, and select" Reliance Mobile World platform, wireless internet access (Reliance Netconnect), and connectivity for devices such as point-of-sale, lottery and ATM terminals. We also offer public calling office ("PCO") and coin collection box services over our wireless network through independent retail operators of such facilities.

Our presence in the wireless market increased significantly with the commercial launch nationwide of our CDMA based services in mid-2003. We are among the Top 2 providers of wireless communication services in the country, as measured by total minutes of use, revenues, and profits. As at September 30, 2007, we had over 36 million wireless customers in aggregate, representing a 17.7% market share of the All-India wireless market. We had the largest in-service base of multimedia-enabled handsets and the largest number of unique users of mobile data and content services. Due to our unique strength in high-speed wireless data transmission, we have nearly 65% share of the mobile data card and USB modem market for laptops and PC's. In addition, we are the largest PCO operator in the private sector with over 50% market share.

1.2.2. Global

We offer national and international long distance calling services. We operate this business unit primarily on a wholesale basis, offering carriage and termination to other carriers as well as on an inter segment basis to other business units of Reliance Communications. In overseas markets, we offer a retail virtual calling card service for calls to India (Reliance India Call) and to 200 other international destinations (Reliance Global Call). Our retail services currently have significant ILD business in the United States, Canada, the United Kingdom, Australia, and New Zealand.

We entered the long distance market in India in mid-2003, and have become the largest carrier of international voice minutes, with a market share of 35% for ILD wholesale inbound. In addition, we have over 1.3 million customers for our Reliance India Call service. Usage of Reliance India Call accounts for 40% of total retail market calls from the United States to India.

We offer national and international (submarine cable) network infrastructure on both an Indefeasible Right of Use ("IRU") and leased circuit basis, internet bandwidth, and managed services and Global Ethernet to carriers and enterprises globally. We have global partnerships with carriers such as C&W, Verizon/MCI, Sprint, Deutsche Telekom, and BT for Global VPN and bi-lateral IPLCs.

We own and operate through FLAG the largest private submarine cable system in the World, directly connecting 40 countries from the East coast of the United States, to Europe, the Middle East, India, South and East Asia, through to Japan. The 65,000 route kilometres FLAG Global Network provides unique connectivity between the world's largest telecommunications market in developed countries and the world's fastest growing telecommunications markets in developing countries. It also seamlessly interconnects with our 100,000 route kilometres fibre optic cables within India.

We are expanding our connectivity in 'underserved' regions of the world. We have awarded the contract for construction of the FLAG Next Generation Network cable system which will provide seamless connectivity to countries in East Africa, the Eastern Mediterranean, South and East Asia, and Trans-Pacific

Our long term customers include more than 250 global carriers and more than 400 large enterprises. We are building deeper presence in the Middle East and rolling Virtual Points of Presence in Bahrain, Saudi Arabia, U.A.E. and Qatar. This will enable us and our partners in each of the countries to sell one stop shop global connectivity services to enterprise customers.

We are continuing to add new customers in our Global Ethernet services. The acquisition of Yipes Holdings, Inc. ("Yipes"), the largest pure-play provider of Global Ethernet services in the U.S., once completed will provide further impetus to our Global Ethernet business.

1.2.3. Broadband

We offer the most complete portfolio of enterprise voice, data, video, internet and IT infrastructure services of any operator in India. These services include: national and international private leased circuits, broadband internet access, audio and video conferencing, MPLS-VPN, Centrex, and managed internet data centre ("IDC") services. We offer unique, value added products and services to large and medium enterprises for their communications, networking, and IT infrastructure needs across the country.

We launched our enterprise broadband services in the first half of 2005, focusing initially on the top 40 cities in India. In these cities, we are leveraging our existing metro fibre optic networks to establish direct building connectivity on-net. We currently have over 666,000 buildings directly connected to our network and over 792,000 access lines. We are currently operational in 42 cities in India.

Our primary building access technology is metro Ethernet LAN, which offers performance and cost advantages versus other access technologies in areas with high service potential. Our Metro Ethernet LAN technology gives us a significant edge in delivering high bandwidth data services, as compared with all of our competitors who operate on predominantly copper networks. In cities where we are not currently providing wireline direct building connectivity, we have selectively deployed wireless LMDS to access targeted buildings in accordance with our customers requirements. In Pune and Bangalore, we have augmented building connectivity through deployment of WiMAX 802.16d technology.

We have established an enterprise customer base that includes over 800 of the Top 1,000 Indian enterprises and MNCs and are expanding rapidly in the SME segment. We are the clear market leader in IDC services (Reliance Data Center) with over 60% market share and are also maintain leadership in other high growth segments of the market such as MPLS-VPN and Centrex solutions.

1.3. [Network and Operating Facilities](#)

Our CDMA wireless service operates nationwide, while our GSM wireless service operates in 8 licensed service areas in Eastern and Central India. Our wireless network covers over 15,000 towns and 400,000 villages across India. This is the largest wireless network in India in terms of coverage and capacity. CDMA-2000 1xRTT technology is deployed throughout our CDMA network nationwide, offering bandwidth of 144 Kbps.

Our national inter-city long distance network is the largest next generation network in India, with over 100,000 route kilometres of ducted fibre optic cables, which is being expanded to 130,000 route kilometres. We have a totally unique asset in over 25,000 route kilometres of ducted fibre optic cables installed in the leading cities in India. The entire inter-city and metro fibre optic backbone network is deployed in a ring and mesh architecture and is MPLS enabled. The Reliance Data Network has over 180 MPLS integrated network nodes. We have augmented our IDC capacity by 50,000 sq. ft. in Mumbai during this quarter. Currently, we have over 250,000 sq. ft. of IDC capacity in multiple locations. Our network operating centre in Navi Mumbai, India, is one of the most advanced in the world. The entire range of our products and services is enabled by streamlined, fully integrated, flow through operating and business support systems. These facilities provide us with by far the most superior platform in India for offering bandwidth intensive, feature rich, converged services and solutions for consumers, enterprises, and carrier customers with virtually limitless scalability.

Our national networks are integrated with our international networks. We are expanding our network coverage for Connectivity services. FLAG signed a Global Partnership agreement with VANCO which is one of world's largest Virtual Network Operators. This enables our customers to gain access to 230 countries that VANCO operates in.

We are also emerging as one of the major internet content carriers from the Middle East, China and SAARC countries including India, Pakistan, Sri Lanka and Maldives. FLAG has consistently moved up the AS ranking over last 6 quarters from #25 to #16.

Our consumer and SME offerings are supported by one of the most extensive and powerful distribution networks in India with throughput capacity for over 24 million handsets per annum. The backbone of our retail presence is nearly 2,000 exclusive Reliance World and Reliance Express stores with a presence in over 700 Indian cities. These stores offer customer activation and after sales service. Reliance World stores also operate as broadband experience centres offering a range of broadband internet and video conferencing applications. Together with preferred retailers, we have a branded retail presence in over 1,300 towns. Furthermore, we have nearly 500,000 retailers who offer sale of Reliance Mobile connections or recharge of our prepaid mobile and FWP's in our coverage footprint. Our customer service is further supported by our 8,000-employee, multi-lingual contact centre facilities.

1.4. [Principal Operating Companies](#)

Reliance Communications Limited is a major operating company and is also the holding company for the other major operating companies in the Group. Reliance Communications provides CDMA-based wireless, wireline, broadband, and long distance services in India and overseas. Its major assets are the CDMA wireless network, transmission networks used in its business, and the contact centres.

FLAG Telecom Group Limited ("FLAG") is a subsidiary of Reliance Communications. FLAG provides international connectivity services and infrastructure. Its major assets are the FLAG Atlantic, FLAG North Asia Loop, FLAG Europe Asia and FALCON submarine cable systems. Subject to completion of the acquisition, Yipes will be held through FLAG.

Reliance Telecom Limited ("RTL") is a wholly owned subsidiary of Reliance Communications. RTL provides GSM-based wireless services in 8 service areas, and owns the GSM wireless networks in its service areas.

Reliance Communications Infrastructure Limited ("RCIL") is a wholly owned subsidiary of Reliance Communications. RCIL provides wireless multimedia (Reliance Mobile World) and internet access (Reliance Netconnect) services to customers of Reliance Communications.

Reliance Telecom Infrastructure Limited ("RTIL") owns, operates, and develops telecom infrastructure, primarily consisting of wireless communication sites and towers. It currently owns virtually all of the towers used by Reliance Communications' CDMA and GSM wireless networks and is developing additional towers to meet the needs of Reliance Communications and other customers. RTIL is currently a subsidiary of Reliance Communications. On July 19, 2007 Reliance Communications announced that it had sold 5% of RTIL to seven international institutional investors for a cash consideration of US\$337.5 million.

2. Financial Highlights

Unaudited financial results for the quarter ended September 30, 2007 as per Indian GAAP. In the tables below, "Qtr ended 30/6/07" refers to the three month period ended June 30, 2007 and "Qtr ended 30/9/07" refers to the three month period ended September 30, 2007. Exchange rate for conversion of Indian Rupees to United States Dollars is Rs 40.58 = US\$ 1.00 for the quarter ended June 30, 2007 and Rs 39.75 = US\$ 1.00 for the quarter ended September 30, 2007, being the noon buying rates as announced by the Federal Reserve Bank of New York on June 29, 2007 and September 28, 2007 respectively.

2.1. Summarized Consolidated Statement of Operations

(Rs Million, except ratios)

Particulars	Qtr ended 30/6/07	Qtr ended 30/9/07	Q-on-Q Growth (%)
Total revenue	43,037	45,785	6.4%
Net revenue	33,350	36,039	8.1%
EBITDA	18,142	19,618	8.1%
Cash profit from operations	18,400	20,045	8.9%
Profit before tax and exceptional item	13,239	26,192	97.8%
Exceptional item	(15)	(12,203)	NA
Net profit	12,204	13,046	6.9%
<i>EBITDA margin (%)</i>	<i>42.2%</i>	<i>42.9%</i>	

(US\$ Million)

Particulars	Qtr ended 30/6/07	Qtr ended 30/9/07	Q-on-Q Growth (%)
Total revenue	1,061	1,152	8.6%
Net revenue	822	907	10.3%
EBITDA	447	494	10.4%
Cash profit from operations	453	504	11.2%
Profit before tax and exceptional item	326	659	102.0%
Exceptional item	(0)	(307)	NA
Net profit	301	328	9.1%
<i>EBITDA margin (%)</i>	<i>42.2%</i>	<i>42.9%</i>	

Note: The exceptional item of Rs (15) million in the quarter ended June 30, 2007 relates to refund of a loan which had been written off. The exceptional items of Rs 12,203 million for the quarter ended September 30, 2007 relates to the net gain on the sale of 5% of the shares of RTIL, a subsidiary of the Company.

2.2. Summarized Consolidated Balance Sheet

(Rs Million, except ratios)

Particulars	As at 30/9/07
Assets	
Net fixed assets, including capital work-in-progress	383,844
Investments	11,942
Total current assets (excluding cash & cash equivalents)	90,185
Total assets	485,971
Liabilities and stockholders equity	
Total current liabilities and provisions	212,150
Net debt	33,723
Total liabilities	245,873
Stockholders equity (Net of Goodwill)	216,679
Minority interest	23,419
Total liabilities and stockholders equity	485,971
<i>Net debt to annualized EBITDA (x)</i>	<i>0.43</i>
<i>Net debt to stockholders equity (x)</i>	<i>0.16</i>
<i>Book value per equity share (Rs)</i>	<i>106</i>

(US\$ Million)

Particulars	As at 30/9/07
Assets	
Net fixed assets, including capital work-in-progress	9,656
Investments	300
Total current assets (excluding cash & cash equivalents)	2,269
Total assets	12,225
Liabilities and stockholders equity	
Total current liabilities and provisions	5,337
Net debt	848
Total liabilities	6,185
Stockholders equity (Net of Goodwill)	5,451
Minority interest	589
Total liabilities and stockholders equity	12,225

2.3. Summarized Statement of Operations by Segment

2.3.1. Wireless

(Rs Million, except ratios)

Particulars	Qtr ended 30/6/07	Qtr ended 30/9/07	Q-on-Q Growth (%)
Gross revenue	33,730	37,230	10.4%
Net revenue	24,244	27,722	14.3%
EBITDA	13,392	14,873	11.1%
EBIT	9,284	10,236	10.3%
<i>EBITDA margin (%)</i>	<i>39.7%</i>	<i>39.9%</i>	
<i>EBIT margin (%)</i>	<i>27.5%</i>	<i>27.5%</i>	

2.3.2. Global

(Rs Million, except ratios)

Particulars	Qtr ended 30/6/07	Qtr ended 30/9/07	Q-on-Q Growth (%)
Gross revenue	13,033	13,161	1.0%
Net revenue	7,364	7,253	-1.5%
EBITDA	3,239	3,276	1.1%
EBIT	1,898	1,903	0.2%
<i>EBITDA margin (%)</i>	<i>24.9%</i>	<i>24.9%</i>	
<i>EBIT margin (%)</i>	<i>14.6%</i>	<i>14.5%</i>	

2.3.3. Broadband

(Rs Million, except ratios)

Particulars	Qtr ended 30/6/07	Qtr ended 30/9/07	Q-on-Q Growth (%)
Gross revenue	3,833	4,371	14.0%
Net revenue	3,275	3,802	16.1%
EBITDA	1,836	2,102	14.5%
EBIT	1,272	1,508	18.6%
<i>EBITDA margin (%)</i>	<i>47.9%</i>	<i>48.1%</i>	
<i>EBIT margin (%)</i>	<i>33.2%</i>	<i>34.5%</i>	

Note: "Net revenue" in 2.3.1, 2.3.2, and 2.3.3 above represents gross segment revenue less license fees and access charges.

2.3.4. Others

(Rs Million, except ratios)

Particulars	Qtr ended 30/6/07	Qtr ended 30/9/07	Q-on-Q Growth (%)
Other income	990	1,087	9.8%
Other expenses	1,274	1,653	29.7%
EBITDA	(284)	(566)	NM
EBIT	(503)	(783)	NM

Note: "Other income" in 2.3.4 above represents revenue earned from operating activities not included in segments (as defined). "Other expenses" in 2.3.4 above represents expenses related to such activities and unallocated corporate expenses.

2.4. Contribution to Revenue by Segment

(Rs Million, except ratios)

Segment	Qtr ended 30/6/07		Qtr ended 30/9/07	
	Revenue	% of Total	Revenue	% of Total
Wireless	33,730	65%	37,230	66%
Global	13,033	25%	13,161	24%
Broadband	3,833	8%	4,371	8%
Others	990	2%	1,087	2%
Sub Total	51,586	100%	55,849	100%
<i>Eliminations</i>	<i>(8,549)</i>		<i>(10,064)</i>	
Total	43,037		45,785	

Note: "Others" comprises "Other income" as shown in 2.3.4 above.

2.5. Contribution to EBITDA by Segment

(Rs Million, except ratios)

Segment	Qtr ended 30/6/07		Qtr ended 30/9/07	
	EBITDA	% of Total	EBITDA	% of Total
Wireless	13,392	74%	14,873	75%
Global	3,239	18%	3,276	17%
Broadband	1,836	10%	2,102	11%
Others	(284)	-2%	(566)	-3%
Sub Total	18,183	100%	19,685	100%
<i>Eliminations</i>	<i>(41)</i>		<i>(67)</i>	
Total	18,142		19,618	

2.6. Investment in Projects by Segment

(Rs Million, except ratios)

Segment	Cumulative to 30/9/07		Qtr ended 30/9/07	
	Rs Million	% of Total	Rs Million	% of Total
Wireless	256,708	64%	49,685	93%
Global	89,279	22%	895	2%
Broadband	36,532	9%	2,596	5%
Others	15,275	4%	3	0%
Total	397,794	100%	53,179	100%

Note: Investment in projects in quarter ended 30/9/07 for Global business is gross of translation difference amounting to Rs. 1,284 million in respect of FLAG and other overseas companies. Thus, the quarterly net investment in projects is Rs. 51,895 million (Rs. 53,179 million less Rs. 1,284 million)

Investment in projects comprises gross fixed assets, intangible assets (unamortized one time entry fee paid) and capital work-in-progress. The categories of assets allocated to each segment are set out in Section 4.

3. Key Performance Indicators

The financial figures used for computing ARPU, RPM, SMS revenue, non-voice revenue, and ARPL are based on Indian GAAP. Data used for computing wireless market share is derived from reports published by industry associations. Although we believe that such data is reliable, it has not been independently verified. Definitions of terms are set out in Section 7. "Qtr ended 30/6/07" refers to the three month period ended June 30, 2007; "Qtr ended 30/9/07" refers to the three month period ended September 30, 2007.

3.1. Wireless

Metric	Unit	Qtr ended 30/6/07	Qtr ended 30/9/07
Service areas operational	Nos	23	23
Wireless customers	Nos	31,878,966	36,324,141
<i>GSM Wireless</i>	Nos	<i>4,149,117</i>	<i>5,036,485</i>
<i>CDMA Wireless</i>	Nos	<i>27,729,849</i>	<i>31,287,656</i>
Wireless market share (All-India)	%	17.6%	17.7%
Wireless net adds	Nos	3,871,633	4,445,175
Market share – wireless net adds	%	19.6%	18.6%
Pre-paid % of total wireless customers	%	86.2%	87.8%
Pre-paid % of wireless net adds	%	97.0%	99.2%
Wireless ARPU	Rs/Sub	375	361
Wireless net ARPU	Rs/Sub	270	269
Wireless churn	%	NA	1.5%
Wireless minutes of use (MoU)	Bn Mins	45.8	50.7
Wireless MoU per customer/month	Min/Sub	510	490
Wireless revenue per minute (RPM)	Rs/Min	0.74	0.74
SMS revenue (% of ARPU)	%	1.4%	1.4%
Non-voice revenue (% of ARPU)	%	5.7%	6.2%

3.2. Global

Metric	Unit	Qtr ended 30/6/07	Qtr ended 30/9/07
Total ILD minutes	Mn Mins	1,590	1,688
Total NLD minutes	Mn Mins	5,639	5,853

Note: Definition of ILD minutes includes transit minutes and global calling card minutes. Definition of NLD minutes includes carriage of all ILD minutes originating or terminating in India.

3.3. Broadband

Metric	Unit	Qtr ended 30/6/07	Qtr ended 30/9/07
Service areas operational	Nos	18	18
Towns active (wireline only)	Nos	42	42
Access lines	Nos	705,000	792,000
Access line net adds	Nos	84,000	87,000
ARPL	Rs/line	1,929	1,948
Buildings directly connected	Nos	593,805	666,368

4. Basis of Presentation of Financial Statements

4.1. Reporting Periods

The financial year end of Reliance Communications Limited is March 31. Each financial year ("FY") is referred to by the calendar year in which the particular financial year end occurs.

The financial year end of the Company was previously December 31. In respect of the year ended December 31, 2005, the financial year was a nine month period commenced on April 1, 2005 and ended on December 31, 2005. In respect of the financial year ended on March 31, 2007, the financial year was a 15 month period commenced on January 1, 2006. The current financial year will be for a period of 12 months, commenced on April 1, 2007 and ending on March 31, 2008.

4.2. Consolidated and Segment Financial Results

4.2.1. Revenues

Revenues of the Company have been reported in the following manner:

- Consolidated Revenues and Segment Gross Revenues

Consolidated revenues of the Company have been classified as "Services and Sales" revenue. This represents revenues earned from the provision of services and from the sale of network infrastructure on an IRU basis.

For the purposes of business segment reporting, revenues have been classified under three segments namely "Wireless", "Global", and "Broadband". The lines of business included in each segment and the basis of segment revenue reporting is described in Section 4.3 below. Revenue earned from operating activities not included in these segments (as defined) is shown as "Other Income" under "Others" in the segment analysis.

- Elimination of Inter Segment Revenues

Revenues for each business segment are reported at gross level where inter segment revenue is also included. Hence, revenue of one segment, from inter segment source, is reported as the expense of the related segment. Elimination takes place in determining consolidated revenues for the Company.

For the purpose of determining transfer pricing between segments, open market wholesale rates for comparable services or, where applicable, rates stipulated by the regulatory authorities have been adopted.

4.2.2. Net Revenues by Segment

"Net Revenues" represent revenues earned less direct variable operating expenses in the nature of: (1) access deficit charges (ADC), revenue share (including levies for Universal Service Obligation), and spectrum fees (referred to collectively as "License Fees"); and (2) charges for access, carriage, interconnection, and termination (referred to collectively as "Access Charges").

Expenses included under License Fees are currently incurred as a percentage of adjusted gross revenue. Expenses included under Access Charges, including ADC, are currently incurred either at rates stipulated by the regulatory authorities on the basis of percentage of adjusted gross revenue, or on the basis of fixed or ceiling cost per minute, or are determined by commercial negotiation with other carriers and between our business segments, as appropriate.

Access Charges and license Fees and are disclosed in aggregate as part of the classification of "Operating Expenses" in the consolidated statement of operations. Net Revenues are reported for each business segment.

4.2.3. Operating Expenses

Operating expenses of the Company have been reported in the following manner:

- ❑ Consolidated and Segment Gross Operating Expenses

Consolidated operating expenses of the Company have been classified under four categories of costs, namely "Access Charges and license Fees", "Network Operations", "Employees", and "Selling, General, & Administrative".

- ❑ Elimination of Inter Segment Expenses

Principles, as stated in 4.2.1 above, have been followed for reporting gross operating expenses of each segment and elimination of such expenses in determining consolidated EBITDA for the Company.

4.3. [Composition of Segments](#)

Financial performance of the Company has been reported under the following three business segments:

- Wireless
- Global
- Broadband

Financial results by segment include all products and services covered by the individual segment as described below. Operating activities not included in the segments (as defined below) are grouped under "Others".

4.3.1. [Wireless](#)

The Wireless segment functions in a retail mode. Wireless services are offered on both CDMA and GSM technology platforms. Wireless services consist mainly of the following:

- Mobile services for individuals and corporate customers, including local and long distance voice, messaging, wireless internet access, wireless multimedia and value added services. Services are offered on both pre-paid and post paid bases.
- Fixed wireless phone and terminal services are mainly for residential and SME customers, including local and long distance voice, messaging, wireless internet access, wireless multimedia, and value added services. Services are offered on both pre-paid and post paid bases.
- Public calling offices and coin collection boxes for local and long distance voice using fixed wireless phones and terminals. Service is provided to independent retail operators of such facilities on a pre-paid basis.

Assets allocated to this business segment include: radio equipment (base trans-receiver stations (BTSs), microwave towers, antennas, mobile switching centers (MSCs), and related electronics, software and systems for operations); intra-city access networks (ducts and optical fiber) other than in 30 Metro cities; utilities, servers, customer premises equipment, and license fees.

4.3.2. Global

The global segment provides wholesale voice and data and retail services from many international locations. It provides the following services to the wireless and broadband segments of RCOM on an inter segment basis and to other telecom companies (on a carrier's carrier basis) and enterprises in India and across the globe:

- ❑ National inter-circle (NLD) carriage services for voice, data, and internet.
- ❑ International long distance (ILD) carriage services for voice, data, and internet.
- ❑ IRUs and leased circuits for international voice and data connectivity through submarine cable systems, together with cable restoration and maintenance services.
- ❑ International managed data services, including IP-VPN.
- ❑ Virtual calling card and voice content services provided by overseas operating units in USA, UK, Canada, Australia and New Zealand in a retail mode to individual customers for calling India and global destinations.
- ❑ Managed contact centre solutions for call centres in India and overseas.

NLD and ILD assets are allocated to this segment. NLD assets include: transport equipment and electronics; transmission networks (ducts and optical fiber) connecting various Media Convergence Nodes (MCNs) across all circles; buildings, utilities, and license fees. ILD assets include: dedicated ports and switches, electronics, infrastructure at various points of presence and other cable systems not owned and operated by the Company. In addition, the submarine cable systems, cable landing stations, switching equipment for PoPs and associated facilities of FLAG (which includes the FALCON cable system), are included in this segment.

4.3.3. Broadband

All services provided through wireline connections and involving the provision of IT infrastructure are covered under this segment. Services are provided across various customer groups including residential, SMEs, and large corporates. Products and services include the following:

- ❑ Voice Products: E1 DID, Centrex, PBX trunks, audio conferencing, and fixed line phones.
- ❑ Data products: VPN, leased lines, IPLCs, Ethernet, video conferencing, internet data centre (IDC) services (including managed hosting, applications, storage, and disaster recovery), and broadband internet.

Assets allocated to this segment include: in-building wiring and building access networks from building access nodes in all locations where active; intra-city access networks (ducts and optical fiber) in 30 Metro cities; internet data centers; digital loop carriers (DLC), routers, modems and related electronics; customer premises equipment (CPE) and license fees.

4.3.4. Others

Others comprise operating activities not included in the segments as defined above. These activities include retailing (Reliance World), property leasing and investments.

Assets shown under Others mainly comprise properties owned by the Company, including the Dhirubhai Ambani Knowledge City, and property and fittings (including electronics for video-conferencing and other digital services) used by Reliance World retail outlets.

Note: Previous quarter's figures have been re-grouped, re-arranged and re-classified wherever necessary.

5. Financial Statements

Unaudited financial results for the quarter ended September 30, 2007 as per Indian GAAP. An explanation of the basis of presentation is set out in Section 4. In the tables below, "Qtr ended 30/6/07" refers to the three month period ended June 30, 2007 and "Qtr ended 30/9/07" refers to the three month period ended September 30, 2007.

5.1. Consolidated Results of Operations

(Rs. Million, except ratios)

Particulars	Qtr ended 30/6/07	Qtr ended 30/9/07
Total revenues	43,037	45,785
Services and sales	43,037	45,785
Total operating expenses	24,895	26,167
Access charges and license fees	9,687	9,746
Network operations	4,338	5,662
Employees	2,464	3,056
SG&A	8,406	7,703
EBITDA before exceptional item	18,142	19,618
Finance charges (net)	(1,274)	(1,125)
Depreciation / amortization	6,192	6,754
Exceptional items (See note below)	(15)	(12,203)
Profit before tax	13,239	26,192
Provision for tax (including Fringe benefit tax and Deferred tax)	1,031	698
Net profit after tax (before adjustment of share of Minority Interest/ Associates)	12,208	25,494
Share of Minority and associates	4	12,448
Net profit after tax (after adjustment of share of Minority Interest/ Associates)	12,204	13,046
Ratios		
<i>EBITDA margin (%)</i>	<i>42.2%</i>	<i>42.9%</i>
<i>Net profit margin (%)</i>	<i>28.4%</i>	<i>28.5%</i>

Note:

The exceptional item of Rs. (15) million in the quarter ended June 30, 2007 relates to the refund of a loan which had been written off. The exceptional items of Rs 12,203 million in the quarter ended September 30, 2007 relates to the net gain on the sale of 5% of the shares of RTIL, a subsidiary of the Company.

5.2. Consolidated Balance Sheet

(Rs. Million)

Particulars	As at 30/9/07
ASSETS	
Current assets	
Inventories	3,122
Debtors	22,988
Other current assets	14,849
Loans and advances	49,226
Total current assets (excluding cash and cash equivalents)	90,185
Fixed assets	
Gross block	374,339
Less: Depreciation	70,000
Net block	304,339
Capital work-in-progress	79,505
Total fixed assets	383,844
Investments	11,942
Total assets	485,971
LIABILITIES AND STOCKHOLDERS EQUITY	
Stockholders equity	
Share capital	10,223
Reserves and surplus (net of Goodwill)	206,456
Stockholders equity	216,679
Minority interest	23,419
Current liabilities and provisions	
Current liabilities	168,041
Provisions	44,109
Total current liabilities and provisions	212,150
Debt	
Secured loans	
Foreign currency loans	16,778
Rupee loans	19,005
Unsecured loans	
Foreign currency loans	106,762
Rupee loans	15,484
Less: Cash and cash equivalents	124,306
Net debt	33,723
Total liabilities and stockholders equity	485,971

5.3. Consolidated Statement of Cash Flows

(Rs. Million)

Particulars		Qtr ended 30/6/07	Qtr ended 30/9/07
Cash flows from operating activities:			
Net profit/(loss) before tax	A	13,239	26,192
Add: Non cash/non operating items	B	3,705	(5,271)
Depreciation and amortization		6,192	6,754
Provision for doubtful debts		516	552
Finance charges (net)*		(2,626)	(170)
(Profit)/loss on sale of assets/investments		(362)	(204)
Exceptional items		(15)	(12,203)
Cash generated from operations before working capital changes	A+B	16,944	20,921
(Increase)/decrease in working capital		(9,562)	(19,956)
Cash generated from operations		7,382	965
Tax paid		(290)	(654)
Net cash provided/used by/in operating activities	C	7,092	311
Cash flows from investing activities:			
(Purchase)/sale of property, plant, and equipment (net)		(13,493)	(28,601)
(Purchase)/sale of investments (net)		(49)	12,202
Interest income / (expense) (net)		(246)	760
Net cash provided/used by/in investing activities	D	(13,788)	(15,639)
Cash flows from financing activities:			
Increase/(decrease) in borrowings		18,165	(9,035)
Net cash provided/used by/in financing activities	E	18,165	(9,035)
Cash and cash equivalents:			
Beginning of the period	F	137,200	148,669
End of the period	C+D+E+F	148,669	124,306

* Financial charges exclude realized foreign exchange gain/ loss.

Note: Previous quarter's figures have been re-grouped, re-arranged and re-classified wherever necessary.

6. Accounting Policies

Set out below are the significant accounting policies to the Unaudited Consolidated Statement of Operations and the Consolidated Statement of Operations and the Consolidated Balance Sheet.

6.1. Principles of Consolidation

Consolidation has been carried out in compliance with the applicable Accounting Standards, viz., AS 21 and AS 23, issued by the Institute of Chartered Accountants of India.

6.2. Other Significant Accounting Policies

6.2.1. Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

6.2.2. Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

6.2.3. Fixed Assets

Fixed assets are stated at cost net of modvat/cenvat/value added tax and include amount added on revaluation less accumulated depreciation, amortization and impairment loss, if any.

- ❑ All costs including financing cost until commencement of commercial operations relating to borrowings attributable to fixed assets, are capitalized.
- ❑ Expenses incurred relating to projects prior to commencement of commercial operation are considered as project development expenditure and shown under capital work-in-progress.
- ❑ In respect of operating leases, rentals are expensed with reference to lease terms and other considerations in compliance with the provisions of the AS 19 issued by The Institute of Chartered Accountants of India, except for rentals pertaining to the period up to the date of commencement of commercial operations, which are capitalized.

- In respect of finance leases, the lower of the fair value of the assets and present value of the minimum lease rentals is capitalized as fixed assets with corresponding amount shown as liabilities for leased assets in compliance with the provisions of the AS 19 issued by The Institute of Chartered Accountants of India. The principal component in the lease rental in respect of the above is adjusted against liabilities for leased assets and the interest component is recognized as an expense in the year in which the same is incurred except in case of assets used for capital projects where it is capitalized.
- Entry fees paid for telecom licenses and infeasible right of connectivity are stated at cost for acquiring the same less accumulated amortization. These, being intangible assets, are classified as fixed assets.

6.2.4. Depreciation / Amortization

- Depreciation on fixed assets is provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 except in cases of cable systems, telecom electronic equipment, customer premises equipment and certain other assets for which useful life has been considered based on technical estimation. Depreciation is net of the amount adjusted from Provision for Business Restructuring in accordance with the Scheme.
- Depreciation on assets taken on finance lease is provided over the remaining period of lease from the commencement of commercial operations.
- Leasehold land is depreciated over the period of the lease term.
- Intangible assets, namely entry fees for telecom licenses and infeasible right of connectivity are amortized equally over the balance period of licenses or infeasible rights from the date of commencement of commercial services or acquisition.
- The depreciation schedule for various classes of assets is as follows:

Asset Class	Period (Years)
Leasehold Land	Over the lease period
Building	30 & 60
Plant and Machinery	10-20
Furniture and Fixture	5-10
Office Equipment	5-10
Vehicles	5

6.2.5. Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

6.2.6. Investments

Investments are classified into long term and current investments. Investments which are intended to be held for more than one year are classified as long term investments and investments which are intended to be held for less than one year, are classified as current investments.

Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

6.2.7. Inventories

Inventories are valued at lower of cost or net realizable value. Cost of communication devices and accessories and stores and spares are determined on weighted average basis, or net realizable value whichever is less.

6.2.8. Employee Retirement Benefits

Gratuity and leave encashment liabilities are provided for based on actuarial valuation. While Company's contributions towards provident fund and superannuation fund are provided on actual contribution basis in accordance with the related stipulation.

6.2.9. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets up to the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognized as expense in the year in which they are incurred.

6.2.10. Foreign Currency Transactions

- ❑ Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transaction.
- ❑ Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of monetary items, which are covered by forward exchange contracts, the difference between the year end rate and the rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts has been recognized over the life of the contract.
- ❑ Non monetary foreign currency items are carried at cost.
- ❑ Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit and loss account.

6.2.11. Revenue Recognition

Revenue (income) is recognized as and when the services are performed on the basis of actual usage of the Company's network. Revenue on upfront charges for services with lifetime validity and fixed validity periods are recognized over the estimated useful life of subscribers and specified fixed validity period, as appropriate. The estimated useful life is consistent with estimated churn of the subscribers.

6.2.12. Provision for Doubtful Debts

Provision is made in the accounts for doubtful debts in cases where the management considers the debts to be doubtful of recovery.

6.2.13. Miscellaneous Expenditure

Miscellaneous expenses are charged to profit and loss account as and when they are incurred.

6.2.14. Taxes on Income

Provision for income tax is made on the basis of estimated taxable income for the year at current rates. Tax expenses comprise both current tax and deferred tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of income tax payable/recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods.

6.2.15. Government Grants

Subsidies provided by Government for providing telecom services in rural areas are recognized as operating income.

6.2.16. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

7. Notes to Accounts

1. Previous period figures have been reworked, regrouped, rearranged and reclassified, wherever required.
2. During the previous period, financial year of the Company was for fifteen months from 1st January,2006 to 31st March,2007.To enable relevant comparison, third quarter of the previous period (from 1st July,2006 to 30th September,2006) and six months (from 1st April,2006 to 30th September,2006) of previous year has been reported as corresponding previous periods.
3.
 - (a) The Scheme of Amalgamation (Scheme) w.e.f. April 1, 2006 for merger of Synergy Entrepreneur Solutions Private Limited (SESPL), with Reliance Communications Infrastructure Limited (RCIL), wholly owned subsidiaries of the Company, as approved by the Hon'ble High Court of Judicature at Bombay vide order dated 11th June, 2007, became effective from 1st September, 2007 and SESPL being dissolved, ceased to be the subsidiary of the Company.
 - (b) The Scheme of Amalgamation (Scheme) w.e.f. April 1 2006 for merger of Reliance Infainvestments Limited (RIIL) with Reliance Communications Infrastructure Limited (RCIL), wholly owned subsidiaries of the Company as approved by the Hon'ble High Court at Judicature at Bombay vide order dated 20th June, 2007, became effective from 23rd July,2007 and RIIL being dissolved, ceased to be the subsidiary of the Company.
 - (c) The Scheme of Amalgamation (Scheme) w.e.f. April 1, 2006 for merger of Reliable Internet Services Limited (RISL), with Reliance Telecom Limited (RTL), wholly owned subsidiaries of the Company, as approved by the Hon'ble High Court of Judicature at Bombay vide order dated 12th June, 2007 became effective from 29th September, 2007 and RISL being dissolved, ceased to be the subsidiary of the Company.
4. Pursuant to the request received from the holders of the FCCB, the Company has allotted 75,76,371 equity shares of Rs. 5 each at an aggregate premium of Rs. 372.43 crore, subsequent to 30th September, 2007. Consequent upon the said allotments the paid up share capital of the Company has increased to 205,21,91,361 fully paid equity shares of Rs. 5 each.
5. An agreement has been signed by Flag Telecom Group Limited (FLAG), a subsidiary of the Company, to acquire US based Yipes Holdings Inc. (Yipes), a leading provider of managed Ethernet Service, for a consideration of USD 300Mn.The deal is under process of execution.

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6. Exceptional items include Rs.1,220.26 crore being the net gain on the sale during the quarter of 5% of the shares of Reliance Telecom Infrastructure Limited (RTIL), a subsidiary of the Company. The shares of the said subsidiary are held in Trust for the benefit of the Company and / or its shareholders and accordingly, the income attributable to the subsidiary viz. Rs.1,220.26 crore is included in the computation of minority interest.
 7. Pursuant to the judgment of Telecom Disputes Settlement And Appellate Tribunal (TDSAT) dated 31st August, 2007 on component of Adjusted Gross Revenue for payment of revenue share, the Company will be entitled to refund of Rs.166.73 crore and the same has been accounted as income in this quarter / six months ended 30th September, 2007.
 8. Consequent upon Accounting Standards 11 "The Effect of Changes in Foreign Exchange Rates" ("AS") as notified by Companies (Accounting Standards) Rules, 2006 becoming applicable to the current accounting period commencing on 1st April, 2007, and considering the view expressed by the Council of the Institute of Chartered Accountants of India that the provisions of the AS would prevail notwithstanding that they are in conflict with Schedule VI of the Companies Act, 1956, the Company has re examined the accounting policies related to accounting for changes in foreign exchange rates, as a result of which:
 - (a) Net gain arising on account of foreign exchange difference amounting to Rs. 197.54 crore and Rs.550.05 crore for the quarter and six months ended 30th September, 2007 respectively, relating to liabilities for acquisition of fixed assets, have been recognized in the Profit and Loss Account.
 - (b) Gain of Rs. 32.90 crore and loss of Rs 186.45 crore for the quarter and six months ended 30th September, 2007 respectively arising on mark to market of Derivative Instruments are recognized in the Profit and Loss Account; and
 - (c) Foreign Currency Convertible Bonds are treated as non-monetary liabilities also pursuant inter alia to market price of the Company's equity share exceeding the conversion price, stipulated in the offer document. Consequently foreign exchange gain of Rs.129.00 crore and Rs. 543.75 crore for the quarter and six months ended 30th September,2007 respectively are not recognised in the Profit and Loss Account.

If these changes had not been made, the profit would have been lower by Rs.101.44 crore for the quarter ended 30th September, 2007 and higher by Rs.180.15 crore for six months ended 30th September, 2007.

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9. No complaint from Investors was pending at the beginning of the quarter. During the quarter 129 complaints were received and all the complaints were resolved. No complaint was pending as on 30th September, 2007.
 10. The Company is operating Wireless, Broadband, Global, Investments and Others segments as per Accounting Standard 17 (Segment Reporting), issued by the Institute of Chartered Accountants of India, and accordingly segment wise information are given.
 11. Standalone financial results for the quarter and six months ended 30th September, 2007 of the Company can be viewed on the website of the Company, National Stock Exchange of India Limited and Bombay Stock Exchange Limited at www.reliancecommunications.com, www.nseindia.com, and www.bseindia.com, respectively.
 12. After review by the Audit Committee, Board of Directors of the Company has approved the above results at their meeting held on 31st October, 2007.

8. Glossary

Key Performance Indicators and Financial Terms

Wireless Segment	
Wireless market share	Total wireless customers (CDMA Mobile + GSM Mobile + FWP + Wireless PCO), at the end of the relevant period, divided by All-India wireless customers, at the end of the same period. All-India wireless customer numbers are sourced from industry reports.
Market share of wireless net adds	Wireless customer net additions during the relevant period, divided by All-India wireless customer net additions during the same period.
Wireless ARPU	Computed by dividing total wireless revenue for the relevant period by average customers; and dividing the result by the number of months in the relevant period.
Wireless net ARPU	Computed by dividing net wireless revenue for the relevant period by average customers; and dividing the result by the number of months in the relevant period.
Wireless churn	Computed by taking average monthly wireless disconnections divided by opening monthly subscriber base in the relevant period. Churn is expressed as a percentage.
Total wireless minutes of use (MoU)	Sum of all incoming and outgoing minutes used on the wireless access network by all customers in aggregate.
Wireless MoU per customer per month	Total wireless MoU divided by average number of wireless customers on the network in the relevant period. The result is expressed as the average per customer per month.
Wireless revenue per minute (RPM)	Wireless ARPU divided by the average wireless MoU per customer per month.
SMS revenue (% of ARPU)	Comprises both charges for customer to customer messaging services and for applications accessed by customers over the SMS platform. SMS revenue is divided by wireless revenue, and expressed as a percentage of ARPU.
Non-voice revenue (% of ARPU)	Comprises SMS revenue, charges for applications accessed by customers over the wireless multimedia platform, wireless internet access services, wireless data, and other value added services. Non-voice revenue is divided by wireless segment revenue, and expressed as a percentage of ARPU.

Global Segment	
ILD minutes	Total of incoming and outgoing international long distance minutes carried by the Global business. This includes minutes originating or terminating in India, international transit minutes, and global calling card minutes.
NLD minutes	Total of national long distance minutes carried by the Global business. The domestic carriage of all ILD minutes has been included in NLD minutes.

Broadband Segment	
Buildings directly connected	The number of buildings directly connected to Reliance Communications's own network (either by wireline, fiber optic, or other fixed access technologies) at the end of the relevant period.
Access lines	Number of narrowband and broadband voice and data access lines in use.
ARPL	ARPL (average revenue per line) is computed by dividing total Broadband business revenue by the average number of access lines in use during the relevant period; and dividing the result by the number of months in the relevant period.

Financial Terms	
Net revenue	Total revenue less (1) charges for access deficit, USO levy, revenue share and spectrum fees (referred to as "License Fees") and (2) charges for access, carriage, interconnection and termination (referred to as "Access Charges").
Cash profit from operations	Is defined as the sum of profit after tax, depreciation and amortization.
Investment in projects	Investment in projects comprises net fixed assets, intangible assets, capital work-in-progress, and one time entry fee paid unamortized.

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