

Reliance Communications Limited
Reliance Anil Dhirubhai Ambani Group
website: www.rcom.co.in

Regd. Office : H Block, 1st Floor , Dhirubhai Ambani Knowledge City, Navi Mumbai 400710
Unaudited Financial Results (Consolidated) for the Quarter ended 30th June, 2008

(Rs. in Lakh - Except EPS and Share data)

Sl. No.	Particulars	Three months ended		Previous year ended
		30-Jun-08	30-Jun-07	31-Mar-08
		Unaudited	Unaudited	Audited
1	Income from Operations	522,947	424,788	1,882,739
2	Other Income	9,270	5,582	24,037
3	Total Income (1 + 2)	532,217	430,370	1,906,776
4	Expenditure			
	a) Access Charges	62,889	67,021	281,965
	b) License Fee	28,702	29,848	123,864
	c) Employee Cost	35,169	23,141	116,752
	d) Depreciation and Amortisation	86,380	61,915	280,526
	e) Other Expenses	180,449	128,935	562,671
	Total	393,589	310,860	1,365,778
5	Financial Charges (Net)	(23,397)	(12,741)	(39,970)
6 a	Amortisation of Compensation under Employee Stock Option Scheme	6,397		1,617
b	Other Exceptional Items	-	(147)	(128,278)
7	Profit before Tax (3 - 4 - 5 - 6a - 6b)	155,628	132,398	707,629
8	Provision for Taxation (including Fringe Benefit Tax and Deferred Tax)	(1,937)	10,314	28,362
9	Profit after Tax (before adjustment of Minority Interest and Associates) (7- 8)	157,565	122,084	679,267
10	Share of Minority Interest	6,304	-	139,006
11	Share of Associates	46	41	147
	Profit after Tax (after adjustment of Minority Interest and Associates) (9 - 10 - 11)	151,215	122,043	540,114
12	Paid-up Equity Share Capital (Face Value of Rs.5 each)	103,201	102,231	103,201
13	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year			2,799,432
14	Earning per Share (Not annualised)			
	- Basic (Rs.)	7.33	5.97	26.32
	- Diluted (Rs.)	6.94	5.66	23.22
15	Public Shareholding			
	Number of Shares	699,215,821	679,803,930	699,215,821
	Percentage of Shareholding	33.88%	33.25%	33.88%

Segment wise Revenue, Results and Capital Employed

(Rs. in Lakh)

Sl. No.	Particulars	Three months ended		Previous year ended
		30-Jun-08	30-Jun-07	31-Mar-08
		Unaudited	Unaudited	Audited
16	Segment Revenue			
	a) Wireless	411,868	337,297	1,521,354
	b) Global	152,596	130,332	547,506
	c) Broadband	56,029	38,329	178,673
	d) Investments	8,150	3,804	15,269
	e) Others / Unallocated	6,224	6,099	27,782
	Total	634,867	515,861	2,290,584
	Less: Inter segment revenue	(102,650)	(85,491)	(383,808)
	Income from Operations	532,217	430,370	1,906,776
17	Segment Results			
	Profit / (Loss) before Tax and Financial Charges from each segment			
	a) Wireless	104,862	92,842	412,510
	b) Global	15,845	18,981	83,712
	c) Broadband	19,743	12,718	62,628
	d) Investments	8,150	3,804	15,263
	e) Others / Unallocated	(9,972)	(8,835)	(33,115)
	Total	138,628	119,510	540,998
	Less : Financial Charges (Net)	(23,397)	(12,741)	(39,970)
	Less : Amortisation of Compensation under Employee Stock Option Scheme	6,397	-	1,617
	Less : Other Exceptional Items	-	(147)	(128,278)
	Total Profit before Tax	155,628	132,398	707,629
18	Capital Employed			
	(Segment assets - Segment liabilities)			
	a) Wireless	3,334,174	1,693,617	2,994,820
	b) Global	847,935	597,341	859,994
	c) Broadband	452,851	312,763	429,040
	d) Investments	743,140	1,547,416	1,138,100
	e) Others / Unallocated	444,337	184,395	316,218
	Total	5,822,437	4,335,532	5,738,172

NOTES

- 1 Figures of the previous period have been regrouped and reclassified, wherever required.
- 2 The Company is pursuing aggressive capex plans which include significant expansion of the nation-wide wireless network. The Company has funded these initiatives primarily by long-term borrowings in foreign currency and Foreign Currency Convertible Bonds (FCCB's). In compliance with Schedule VI of the Companies Act, 1956, and on the basis of legal advice received by the Company, short-term quarterly fluctuations in foreign exchange rates related to such liabilities and borrowings, related to acquisition of fixed assets, are adjusted in the carrying cost of fixed assets. Had the accounting treatment as per AS 11 been continued to be followed by the Company, the net profit after tax for the quarter ended 30th June, 2008 would have been lower by Rs. 10,882 lakh for realised and Rs. 95,450 lakh for unrealised currency exchange fluctuations. This excludes an amount of Rs. 39,912 lakh on FCCB's for which the Company will not be liable, if FCCB's are converted on or before the due dates i.e. 1st May 2011 and 18th February 2012.
- 3 The Company is operating with Wireless, Broadband, Global, Investments and Others / Unallocated segments. Accordingly, segment-wise information has been given. This is in line with the requirement of Accounting Standard 17 "Segment Reporting", issued by the Institute of Chartered Accountants of India.
- 4 The Company has opted to publish Consolidated financial results for the year 2008-09. Standalone financial results, for the quarter ended on 30th June, 2008 can be viewed on the website of the Company, National Stock Exchange of India Limited and Bombay Stock Exchange Limited at www.rcom.co.in, www.nseindia.com and www.bseindia.com respectively.
- 5 No complaint from Investors was pending for redressal at the beginning and end of the quarter. During the quarter, 92 complaints were received and all the complaints were resolved.
- 6 After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on 31st July, 2008.

For Reliance Communications Limited

Place: Mumbai
Date: 31st July, 2008

Anil D. Ambani
Chairman