

Reliance Communications Limited
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 (Standalone) for the Quarter and Six months ended 30th September, 2008

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

Sl. No.	Particulars	Quarter ended		Six months ended		Previous Accounting Year ended
		30-Sep-08	30-Sep-07	30-Sep-08	30-Sep-07	31-Mar-08
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	a) Net Income from Operations	318,030	308,720	635,677	628,863	1,270,643
	b) Other Operating Income	36,535	24,119	74,685	26,869	70,976
	Total Income	354,565	332,839	710,362	655,732	1,341,619
2	Expenditure					
	a) Access Charges	51,419	63,301	112,362	125,961	265,357
	b) License Fee	26,784	26,699	51,784	54,257	112,037
	c) Employee Cost	21,601	23,080	43,888	39,819	82,249
	d) Passive Infrastructure Charges	37,540	21,928	78,148	38,643	93,619
	e) Depreciation and Amortisation	52,756	46,814	105,699	88,367	184,366
	f) Other Expenses	98,851	73,730	186,767	142,687	298,495
	g) Total	288,951	255,552	578,648	489,734	1,036,123
3	Profit from Operations before Other Income, Financial Charges and Exceptional Items (1-2)	65,614	77,287	131,714	165,998	305,496
4	Other Income	153	82	262	158	1,046
5	Amortisation of Compensation under Employee Stock Option Scheme	6,467	-	12,864	-	1,617
6	Profit before Financial Charges and Exceptional Items (3+4-5)	59,300	77,369	119,112	166,156	304,925
7	Financial Charges (Net)	11,926	(2,955)	36,800	(1,860)	44,517
8	Profit after Financial Charges but before Exceptional Items (6 - 7)	47,374	80,324	82,312	168,016	260,408
9	Exceptional Items	-	-	-	-	-
10	Profit from Ordinary Activities before Tax (8-9)	47,374	80,324	82,312	168,016	260,408
11	Tax Expenses	500	200	700	4,163	1,764
12	Profit from Ordinary Activities after Tax (10 - 11)	46,874	80,124	81,612	163,853	258,644
13	Extraordinary Items (net of tax expense)	-	-	-	-	-
14	Net Profit for the period (12-13)	46,874	80,124	81,612	163,853	258,644
15	Paid-up Equity Share Capital (Face Value of Rs.5 each)	103,201	102,231	103,201	102,231	103,201
16	Reserves excluding Revaluation Reserve as per Balance Sheet of previous accounting year					2,380,797
17	Earning per Share (EPS) (not annualised)					
	i) Basic (Rs.)	2.27	3.92	3.95	8.01	12.60
	ii) Diluted (Rs.)	2.10	3.71	3.65	7.59	10.21
18	Public Shareholding					
	Number of Shares	699,215,821	679,803,930	699,215,821	679,803,930	699,215,821
	Percentage of Shareholding	33.88%	33.25%	33.88%	33.25%	33.88%

Segment wise Revenue, Results and Capital Employed

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

Sl. No.	Particulars	Quarter ended		Six months ended		Previous Accounting Year ended
		30-Sep-08	30-Sep-07	30-Sep-08	30-Sep-07	31-Mar-08
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
19	Segment Revenue					
	a) Wireless	272,077	268,014	553,731	529,478	1,085,553
	b) Global	108,688	99,132	205,042	198,017	391,770
	c) Broadband	42,223	29,336	81,333	54,488	116,522
	d) Others / Unallocated	153	83	262	158	1,047
	Total	423,141	396,565	840,368	782,141	1,594,892
	Less: Inter segment revenue	(68,423)	(63,644)	(129,744)	(126,251)	(252,227)
	Net Income from Operations	354,718	332,921	710,624	655,890	1,342,665
20	Segment Results					
	Profit / (Loss) before Tax and Financial Charges from each segment					
	a) Wireless	36,527	47,650	64,879	111,837	195,932
	b) Global	24,245	21,792	45,488	45,544	91,598
	c) Broadband	12,585	8,124	25,348	11,345	18,156
	d) Others / Unallocated	(7,590)	(197)	(3,739)	(2,570)	856
	Total	65,767	77,369	131,976	166,156	306,542
	Less : Amortisation of Compensation under Employee Stock Option Scheme	6,467	-	12,864	-	1,617
	Less : Financial Charges (Net)	11,926	(2,955)	36,800	(1,860)	44,517
	Total Profit before Tax	47,374	80,324	82,312	168,016	260,408
21	Capital Employed					
	(Segment assets - Segment liabilities)					
	a) Wireless	1,807,584	1,112,645	1,807,584	1,112,645	1,456,822
	b) Global	265,647	255,804	265,647	255,804	264,822
	c) Broadband	317,196	205,193	317,196	205,193	278,912
	d) Others / Unallocated	2,348,738	2,217,645	2,348,738	2,217,645	2,512,086
	Total	4,739,165	3,791,287	4,739,165	3,791,287	4,512,642

NOTES

- 1 Figures of the previous periods have been regrouped and reclassified, wherever required.
- 2 The Company is pursuing aggressive capex plans which include significant expansion of nation wide wireless network. The Company has funded these initiatives primarily by long – term borrowings in foreign currency and Foreign Currency Convertible Bonds ("FCCBs"). In compliance with Schedule VI of the Companies Act, 1956 and on the basis of legal advice received by the Company, short term quarterly and six months' fluctuations in foreign exchange rates relate 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 and six months ended 30th September, 2008 would have been lower by Rs. 17,146 lakh and Rs. 25,271 lakh for realised and Rs. 106,974 lakh and Rs. 177,602 lakh for unrealised currency exchange fluctuation respectively. This excludes an amount of Rs. 53,714 lakh and Rs. 93,626 lakh for the quarter and six months ended 30th September, 2008 on FCCBs for which the Company will not be liable, if FCCBs are converted on or before the due date i.e. 1st May, 2011 and 18th February, 2012. This matter was referred to by the auditors of the Company in their limited review report.
- 3 The Company is operating with Wireless, Broadband, Global 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 No complaint from Investors was pending for redressal at the beginning and end of the quarter. During the quarter, 57 complaints were received and all the complaints were resolved.
- 5 After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on 31st October, 2008 and the same are subjected to limited review by the Statutory Auditors of the Company.

For Reliance Communications Limited

Place: Mumbai
Date: 31st October, 2008.

Anil D. Ambani
Chairman