

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 (Consolidated) for the Quarter and Six months ended 30th September, 2009

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

Sl. No.	Particulars	Quarter ended		Six months ended		Previous Accounting Year ended
		30-Sep-09	30-Sep-08	30-Sep-09	30-Sep-08	31-Mar-09
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	a) Net Income from Operations	535,236	502,631	1,085,784	976,205	2,074,291
	b) Other Operating Income	14,389	50,925	48,136	100,298	150,763
	Net Income from Operations	549,625	553,556	1,133,920	1,076,503	2,225,054
2	Expenditure					
	a) Access Charges	47,722	53,663	95,831	116,552	238,167
	b) License Fee	29,128	29,577	59,471	58,279	118,651
	c) Employee Cost	38,163	45,886	79,285	81,055	167,655
	d) Depreciation and Amortisation	71,437	91,802	182,880	178,182	360,770
	e) Other Expenditure	253,263	205,216	502,960	385,665	839,879
	Total	439,713	426,144	920,427	819,733	1,725,122
3	Profit from Operations before Other Income, Financial Charges and Exceptional Items (1 - 2)	109,912	127,412	213,493	256,770	499,932
4	Other Income	20,631	10,944	50,853	20,213	69,792
5	Amortisation of Compensation under Employee Stock Option Scheme	-	6,468	-	12,864	747
6	Profit before Financial Charges and Exceptional Items (3 + 4 - 5)	130,543	131,888	264,346	264,119	568,977
7	Financial Charges (Net)	65,513	(23,525)	3,462	(46,922)	(50,695)
8	Profit after Financial Charges but before Exceptional Items (6 - 7)	65,030	155,413	260,884	311,041	619,672
9	Exceptional Items	285	-	1,396	-	-
10	Profit from Ordinary Activities before Tax (8 + 9)	64,745	155,413	259,488	311,041	619,672
11	Tax Expenses	(17,393)	(5,667)	5,280	(7,604)	(5,179)
12	Profit from Ordinary Activities after Tax (10 - 11)	82,138	161,080	254,208	318,645	624,851
13	Extraordinary Items (net of tax expense)	-	-	-	-	-
14	Net Profit for the period (12 - 13)	82,138	161,080	254,208	318,645	624,851
15	Share of Minority Interest	8,048	7,979	16,366	14,283	20,517
16	Share of Associates	60	23	154	69	(159)
17	Net Profit after Adjustment of share of Minority Interest and Associates (14 - 15 - 16)	74,030	153,078	237,688	304,293	604,493
18	Paid-up Equity Share Capital (Face Value of Rs. 5 each)	103,201	103,201	103,201	103,201	103,201
19	Paid up Debt Capital	-	-	300,000	-	300,000
20	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	4,124,831
21	Debenture Redemption Reserve	-	-	4,456	-	698
22	Earning per Share (EPS) before and after Extraordinary Items (not annualised)					
	- Basic (Rs.)	3.59	7.42	11.52	14.74	29.29
	- Diluted (Rs.)	3.44	7.02	11.04	13.95	28.05
23	Debt Equity Ratio (Refer Note 5)	-	-	0.59	-	0.79
24	Debt Service Coverage Ratio (DSCR) (Refer Note 5)	-	-	0.30	-	1.40
25	Interest Service Coverage Ratio (ISCR) (Refer Note 5)	-	-	2.94	-	4.70
26	Public Shareholding					
	Number of Shares	67,66,65,821	699,215,821	67,66,65,821	699,215,821	674,165,821
	Percentage of Shareholding	32.78%	33.88%	32.78%	33.88%	32.66%
27	Promoters and Promoter Group Shareholding					
	a) Pledged / Encumbered (Refer Note 4)					
	- Number of Shares	159,181,411	NA	159,181,411	NA	272,345,338
	- Percentage of Shares (as a % of the total shareholding of promoters and Promoter Group)	11.47%		11.47%		19.60%
	- Percentage of Shares (as a % of the total share capital of the company)	7.71%		7.71%		13.19%
	b) Non -encumbered					
	- Number of Shares	1,228,159,649	NA	1,228,159,649	NA	1,117,515,722
	- Percentage of Shares (as a % of the total shareholding of promoters and Promoter Group)	88.53%		88.53%		80.40%
	- Percentage of Shares (as a % of the total share capital of the company)	59.50%		59.50%		54.15%

Segment wise Revenue, Results and Capital Employed

(Rs. in Lakh)

Sl. No.	Particulars	Quarter ended		Six months ended		Previous Accounting Year ended
		30-Sep-09	30-Sep-08	30-Sep-09	30-Sep-08	31-Mar-09
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
28	Segment Revenue					
	a) Wireless	400,999	433,561	880,307	845,428	1,736,763
	b) Global	226,432	169,149	414,873	321,745	679,094
	c) Broadband	76,996	60,228	145,421	116,257	252,427
	d) Investments	5,976	9,095	13,816	17,245	32,782
	e) Others / Unallocated	21,628	14,365	44,099	20,589	67,503
	Total	732,031	686,398	1,498,516	1,321,264	2,768,569
	Less: Inter segment revenue	(161,775)	(121,898)	(313,742)	(224,548)	(473,723)
	Income from Operations	570,256	564,500	1,184,774	1,096,716	2,294,846
29	Segment Results					
	Profit / (Loss) before Tax and Financial Charges from each segment					
	a) Wireless	102,398	103,183	216,048	208,044	427,921
	b) Global	27,972	17,662	49,578	33,507	85,566
	c) Broadband	20,386	21,601	38,810	41,344	81,500
	d) Investments	5,977	9,095	13,816	17,245	32,782
	e) Others / Unallocated	(26,190)	(13,185)	(53,906)	(23,157)	(58,045)
	Total	130,543	138,356	264,346	276,983	569,724
	Less : Amortisation of Compensation under Employee Stock Option Scheme	-	6,468	-	12,864	747
	Less : Financial Charges (Net)	65,513	(23,525)	3,462	(46,922)	(50,695)
	Less : Exceptional Items	285	-	1,396	-	-
	Total Profit before Tax	64,745	155,413	259,488	311,041	619,672
30	Capital Employed					
	(Segment assets - Segment liabilities)					
	a) Wireless	5,018,449	3,688,908	5,018,449	3,688,908	4,972,940
	b) Global	887,204	867,845	887,204	867,845	1,092,506
	c) Broadband	464,728	475,480	464,728	475,480	800,712
	d) Investments	394,962	808,035	394,962	808,035	956,578
	e) Others / Unallocated	724,389	508,114	724,389	508,114	389,823
	Total	7,489,732	6,348,382	7,489,732	6,348,382	8,212,559

NOTES

1. Figures of the previous period have been regrouped and reclassified, wherever required.
2. The net profit after tax would have been higher at Rs. 1,02,354 lakh for the Quarter ended on 30th September, 2009 but for losses of Rs. 28,324 lakh which have been fully provided in the accounts in respect of mark-to-market (MTM) valuation of liabilities and obligations expressed in foreign currency and derivative contracts. Subsequently, these losses have been recouped as a result of favourable changes in foreign exchange rates after 30th September, 2009. Similarly, the net profit after tax would have been higher at Rs. 2,66,012 lakh for the Six Months ended on that date but for such losses.
3. During the Quarter, the Company carried out technical/ technology assessment to determine the useful life of some of its telecommunications equipment. The useful life of such telecommunications equipment has been re-assessed and ascertained as 18 years, impacting the provision of depreciation of these assets for the Quarter and the Six Months ended on 30th September, 2009. As a result, depreciation charge is lower by Rs.37,600 lakh for the Quarter and Six Months ended on 30th September, 2009. The accounting treatment so determined is fully in accordance with the applicable provisions of the Companies Act, 1956.
4. The Promoter Group has revoked pledge on all shares in the Company on 16th October, 2009 and at present, none of the shares held by the Promoter Group are under pledge.
5. Formula used for the computation of ratios:
 - i) Debt Equity Ratio = Debt/ Equity;
 - ii) Debt Service Coverage Ratio (DSCR) = Earnings before interest, tax/ (Interest + Principal repayment);
 - iii) Interest Service Coverage Ratio (ISCR) = Earnings before interest, tax/ (Interest expense)
6. 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 AS 17 "Segment Reporting".
7. The Company has opted to publish Consolidated financial results for the year 2009 - 10. Standalone financial results, for the Quarter and Six Months ended on 30th September, 2009 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.
8. No complaint from Investors was pending for redressal at the beginning and end of the Quarter. During the Quarter 78 complaints were received and all the complaints were resolved.
9. 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, 2009.

For Reliance Communications Limited

Place: Mumbai
Date: 31st October, 2009

Anil D. Ambani
Chairman