

# Reliance Communications Limited

Reliance Anil Dhirubhai Ambani Group

Regd. Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710.

www.reliancecommunications.co.in

## Audited Financial Results (Standalone) for the Year ended 31st March, 2008

(Rs. in crore - except EPS and share data)

Sr. No.	Particulars	Twelve months ended		Previous Year ended (Fifteen months)
		31-Mar-08 Audited	31-Mar-07 Unaudited	31-Mar-07 Audited
1	Income from Operations	<b>13,416.19</b>	11,725.26	11,725.26
2	Other Income	<b>10.46</b>	31.32	36.65
3	Total Income ( 1+2 )	<b>13,426.65</b>	11,756.58	11,761.91
4	Expenditure			
	a) Access Charges	<b>2,653.57</b>	2,611.40	2,611.40
	b) License Fee	<b>1,120.37</b>	982.24	982.24
	c) Employee Cost	<b>858.65</b>	683.89	684.40
	d) Depreciation and Amortization	<b>1,843.66</b>	1,834.09	1,836.12
	e) Other Expenses	<b>3,901.14</b>	2,962.85	2,970.62
	Total	<b>10,377.39</b>	9,074.47	9,084.78
5	Financial Charges (Net)	<b>445.17</b>	249.13	232.38
6	Exceptional Items	-	23.90	23.90
7	Profit Before tax ( 3 - 4 - 5 - 6 )	<b>2,604.09</b>	2,409.08	2,420.85
8	Provision for Taxation (including Fringe Benefit Tax and Deferred Tax)	<b>17.64</b>	12.31	12.00
9	Profit after tax ( 7- 8 )	<b>2,586.45</b>	2,396.77	2,408.85
10	Paid-up Equity Share Capital ( Face Value of Rs.5 each)	<b>1,032.01</b>	1,022.31	1,022.31
11	Reserve excluding Revaluation Reserve as per Balance Sheet of previous accounting year			19,503.23
12	Earning per Share ( Not annualized)			
	- Basic (Rs.)	<b>12.60</b>	11.72	11.98
	- Diluted (Rs.)	<b>10.21</b>	10.94	11.23
13	Public Shareholding			
	Number of equity shares of Rs. 5 each	<b>699,215,821</b>	679,803,930	679,803,930
	Percentage of shareholding	<b>33.88%</b>	33.25%	33.25%

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### Segment-wise (Standalone) Revenue, Results and Capital Employed

Sr. No.	Particulars	Twelve months ended		Previous Year ended (Fifteen months)
		31-Mar-08 Audited	31-Mar-07 Unaudited	31-Mar-07 Audited
14	Segment revenue			
	a) Wireless	<b>10,855.53</b>	9,241.20	9,211.45
	b) Global	<b>3,917.70</b>	3,738.09	3,616.12
	c) Broadband	<b>1,165.22</b>	758.72	756.42
	d) Others / Unallocated	<b>10.47</b>	31.32	36.65
	Total	<b>15,948.92</b>	13,769.33	13,620.64
	Less: Inter segment Revenue	<b>(2,522.27)</b>	(2,012.75)	(1,858.73)
	Income from Operations	<b>13,426.65</b>	11,756.58	11,761.91
15	Segment results			
	Profit / (Loss) before tax and financial charges from each segment			
	a) Wireless	<b>1,959.32</b>	1,842.63	1,890.41
	b) Global	<b>915.98</b>	839.40	791.59
	c) Broadband	<b>181.56</b>	152.37	152.36
	d) Others / Unallocated	<b>(7.60)</b>	(152.29)	(157.23)
	Total	<b>3,049.26</b>	2,682.11	2,677.13
	Less : Financial Charges (Net)	<b>445.17</b>	249.13	232.38
	Less : Other unallocable expenditure net of un-allocable income	-	23.90	23.90
16	Total Profit Before Tax	<b>2,604.09</b>	2,409.08	2,420.85
17	Capital Employed (Segment Assets - Segment Liabilities)			
	a) Wireless	<b>14,568.22</b>	11,977.05	11,977.05
	b) Global	<b>2,648.22</b>	2,561.31	2,561.31
	c) Broadband	<b>2,789.12</b>	1,941.79	1,941.79
	d) Others / unallocated	<b>25,302.01</b>	18,613.23	18,613.23
	Total	<b>45,307.57</b>	35,093.38	35,093.38

**Notes:**

1. During the previous period, the financial year of the Company was for fifteen months from 1<sup>st</sup> January, 2006 to 31<sup>st</sup> March, 2007. To enable comparison; twelve months from 1<sup>st</sup> April, 2006 to 31<sup>st</sup> March, 2007 of the previous period have been reported as corresponding previous period.
2. The Board has recommended a dividend of 15% i.e. Re. 0.75 per equity share of Rs. 5 each for the financial year 2007-08, subject to the approval of the shareholders at the ensuing Annual General Meeting.
3. As already reported in the quarterly results for the quarter ending 30<sup>th</sup> June, 2007, the Scheme of Arrangement (Scheme) for demerger of the passive infrastructure of the Company and Reliance Telecom Limited (RTL), a wholly owned subsidiary of the Company, to Reliance Infratel Limited (RITL, formerly known as Reliance Telecom Infrastructure Limited), another subsidiary of the Company, as approved by the Hon'ble High Court of Judicature at Bombay vide Order dated 16<sup>th</sup> March, 2007 became effective from 10<sup>th</sup> April, 2007. In accordance with the approval accorded in the Scheme, the Company has written-off passive infrastructure having book value of Rs. 3,165.56 crore through Profit and Loss Account and an equivalent amount has been drawn from General Reserve No. 1.
4. As already reported in the quarterly results for the quarter ending 31<sup>st</sup> December, 2007, The Company has paid requisite fees for providing telecommunications services using GSM technology amounting to Rs. 1,651 crore to the Department of the Telecommunications (DoT) on 19<sup>th</sup> October, 2007. Consequently, the Company has obtained permission for providing telecommunication services using GSM technology in fourteen telecom circles under its existing Unified Access Service License (UASL) from the DoT. Subsequently, the Company has received start-up spectrum for the said services.
5. As required by Accounting Standard 11 "The Effect of Changes in Foreign Exchange Rates" (AS) as notified by the Companies (Accounting Standards) Rules, 2006 applicable to the current accounting year commencing on 1<sup>st</sup> April, 2007, and in accordance with the announcement of Institute of Chartered Accountants of India dated 29<sup>th</sup> March, 2008 regarding Accounting for Derivatives, the Company has adopted with effect from 1<sup>st</sup> April, 2007 the accounting policy of crediting or charging to the Profit and Loss Account the gain or loss, as the case may be, on account of foreign exchange difference relating to liabilities for acquisition of fixed assets and on account of marking to market all derivative instruments. The net effect of these changes is a charge of Rs. 37.10 crore to the Profit and Loss Account for the year. If these changes had not been made the profit for the year would have been higher by this amount.
6. No complaint from Investors was pending for redressal at the beginning and end of the quarter. During the quarter 142 complaints were received and all the complaints were resolved.
7. The Company is operating Wireless, Broadband, Global, and Others / unallocated segments as per Accounting Standard 17 (Segment Reporting), issued by the Institute of Chartered Accountants of India, and accordingly segment wise information are given.
8. After review by the Audit Committee, Board of Directors of the Company has approved the above results at their meeting held on 30<sup>th</sup> April, 2008.

**For Reliance Communications Limited**

Place: Mumbai  
Date: 30<sup>th</sup> April 2008

**Anil D. Ambani**  
**Chairman**