

**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 (Standalone) 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	355,797	322,893	1,341,619
2	Other Income	109	76	1,046
<b>3</b>	<b>Total Income (1 + 2)</b>	<b>355,906</b>	<b>322,969</b>	<b>1,342,665</b>
<b>4</b>	<b>Expenditure</b>			
	a) Access Charges	60,943	62,660	265,357
	b) License Fee	25,000	27,558	112,037
	c) Employee Cost	22,287	16,739	82,249
	d) Passive Infrastructure Charges	40,608	16,714	93,619
	e) Depreciation and Amortisation	52,943	41,553	184,366
	f) Other Expenses	87,916	68,957	298,495
	<b>Total</b>	<b>289,697</b>	<b>234,181</b>	<b>1,036,123</b>
5	Financial Charges (Net)	24,874	1,095	44,517
6	Amortisation of Compensation under Employee Stock Option Scheme	6,397	-	1,617
<b>7</b>	<b>Profit before Tax (3 - 4 - 5 - 6)</b>	<b>34,938</b>	<b>87,693</b>	<b>260,408</b>
8	Provision for Taxation (including Fringe Benefit Tax and Deferred Tax)	200	3,963	1,764
<b>9</b>	<b>Profit after Tax (7 - 8)</b>	<b>34,738</b>	<b>83,730</b>	<b>258,644</b>
10	Paid-up Equity Share Capital (Face Value of Rs.5 each)	103,201	102,231	103,201
11	Reserves excluding Revaluation Reserve as per Balance Sheet of previous accounting year			2,380,797
<b>12</b>	<b>Earning per Share (Not annualised)</b>			
	i) Basic (Rs.)	1.68	4.10	12.60
	ii) Diluted (Rs.)	1.54	3.88	10.21
13	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 - 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
<b>14</b>	<b>Segment Revenue</b>			
	a) Wireless	281,654	261,464	1,085,553
	b) Global	96,354	98,885	391,770
	c) Broadband	39,110	25,152	116,522
	d) Others / Unallocated	109	75	1,047
	<b>Total</b>	<b>417,227</b>	<b>385,576</b>	<b>1,594,892</b>
	Less: Inter segment revenue	(61,321)	(62,607)	(252,227)
	<b>Income from Operations</b>	<b>355,906</b>	<b>322,969</b>	<b>1,342,665</b>
<b>15</b>	<b>Segment Results</b>			
	Profit / (Loss) before Tax and Financial Charges from each segment			
	a) Wireless	28,352	64,187	195,932
	b) Global	21,244	23,753	91,598
	c) Broadband	12,763	3,222	18,156
	e) Others / Unallocated	3,850	(2,374)	856
	<b>Total</b>	<b>66,209</b>	<b>88,788</b>	<b>306,542</b>
	Less : Financial Charges (Net)	24,874	1,095	44,517
	Less : Amortisation of Compensation under Employee Stock Option Scheme	6,397	-	1,617
<b>16</b>	<b>Total Profit before Tax</b>	<b>34,938</b>	<b>87,693</b>	<b>260,408</b>
<b>17</b>	<b>Capital Employed</b>			
	(Segment assets - Segment liabilities)			
	a) Wireless	1,626,625	957,081	1,456,822
	b) Global	242,396	281,296	264,822
	c) Broadband	300,634	215,181	278,912
	d) Others / Unallocated	2,352,837	2,398,242	2,512,086
	<b>Total</b>	<b>4,522,492</b>	<b>3,851,800</b>	<b>4,512,642</b>

## **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 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. 8,125 lakh for realised and Rs. 70,628 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 Additions to Fixed Assets include Interest of Rs. 3,470 lakh relating to the year ending March 31, 2008.
- 4 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.
- 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 31<sup>st</sup> July, 2008 and the same are subjected to limited review by the Statutory Auditors of the Company.

**For Reliance Communications Limited**

Place: Mumbai  
Date: 31st July, 2008.

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