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 and Six months ended 30th September, 2010

(₹ in Lakh - Except EPS and Share data)

	1	(₹ in Lakh - Except EPS and Share data) Previous					
SI. No.	Particulars	Quarter ended		Six months ended		Accounting Year ended	
		30-Sep-10	30-Sep-09	30-Sep-10	30-Sep-09	31-Mar-10	
		Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	a) Net Income from Operations	497,259	535,236	998,755	1,085,784	2,068,505	
	b) Other Operating Income	5,040	14,389	10,394	48,136	81,133	
	Net Income from Operations	502,299	549,625	1,009,149	1,133,920	2,149,638	
2	Expenditure						
	a) Access Charges	65,717	47,722	131,820	95,831	213,773	
	b) License Fee	30,333	29,128	61,351	59,471	114,511	
	c) Employee Cost	35,964	38,163	71,314	79,285	150,007	
	d) Depreciation and Amortisation	95,528	71,437	192,005	182,880	374,652	
	e) Other Expenditure	213,869	252,419	429,114	501,223	952,888	
	Total	441,411	438,869	885,604	918,690	1,805,831	
3	Profit from Operations before Other Income, Financial Charges and	60,888	110,756	123,545	215,230	343,807	
	Exceptional Items (1 - 2)						
4	Other Income	9,531	20,631	13,601	50,853	63,590	
5	Amortisation of Compensation under	-	-	-	-	-	
6	Employee Stock Option Scheme Profit before Financial Charges and						
-	Exceptional Items (3 + 4 - 5)	70,419	131,387	137,146	266,083	407,397	
7	Financial Charges (Net)	27,970	66,357	71,937	5,199	(118,633)	
8	Profit after Financial Charges but before Exceptional Items (6 - 7)	42,449	65,030	65,209	260,884	526,030	
9	Exceptional Items	-	285	-	1,396	3,747	
10	Profit from Ordinary Activities before	42,449	64,745	65,209	259,488	522,283	
11	Tax (8 - 9) Tax Expenses	(6,609)	(17.393)	(13,795)	5,280	44,539	
12	Profit from Ordinary Activities after Tax		(11		,	· · · · · ·	
	(10 - 11)	49,058	82,138	79,004	254,208	477,744	
13	Extraordinary Items (net of tax expense)	-	-	-	-	-	
14	Net Profit for the period (12 - 13)	49,058	82,138	79,004	254,208	477,744	
15 16	Share of Minority Interest Share of Associates	4,382 84	8,048 60	9,273 50	16,366 154	<u>11,925</u> 319	
17	Net Profit after Adjustment of share of	04	00	50	154	513	
	Minority Interest and Associates (14 -	44,592	74,030	69,681	237,688	465,500	
18	15 - 16) Paid-up Equity Share Capital (Face Value						
10	of Rs. 5 each)	103,201	103,201	103,201	103,201	103,201	
19	Paid up Debt Capital	-		300,000	300,000	300,000	
20	Reserves excluding Revaluation Reserves as per Balance Sheet of previous	-	-	-	_	4,232,863	
	accounting year					1,202,000	
21	Debenture Redemption Reserve	-	-	8,194	4,456	8,194	
22	Earning per Share (EPS) after						
	Extraordinary Items (not annualised)	2.16	3.50	2.29	11 50	22.55	
	- Basic (Rs.)	2.16	3.59	3.38	11.52	22.55	
23	- Diluted (Rs.)	2.07	3.44	3.24	11.04 0.59	21.62	
	Debt Equity Ratio (Refer note 4) Debt Service Coverage Ratio (DSCR)	-	-	0.95	0.59	0.56	
24	(Refer note 4)	-	-	5.26	0.30	0.92	
25	Interest Service Coverage Ratio (ISCR)	-	-	7.78	2.94	7.49	
	(Refer note 4)						
26	Public Shareholding	666 206 821	67 66 95 901	666 206 821	67.66.9E.901	660 106 921	
	Number of Shares	666,296,821	67,66,85,821	666,296,821 32.28%	67,66,85,821	669,106,821 32.42%	
	Percentage of Shareholding Promoters and Promoter Group	32.28%	32.78%	32.28%	32.78%	32.42%	
27	Shareolding						
	a) Pledged / Encumbered						
	- Number of Shares	Nil	159,181,411	Nil	159,181,411	Nil	
	 Percentage of Shares (as a % of the total shareholding of promoters and 	NA	11.47%	NA	11.47%	NA	
	Promoter Group)						
	- Percentage of Shares (as a % of the	NA	7.71%	NA	7.71%	NA	
	total share capital of the company) b) Non -encumbered						
	- Number of Shares	1,397,730,060	1,228,159,649	1,397,730,060	1,228,159,649	1,394,920,060	
	 Percentage of Shares (as a % of the total shareholding of promoters and 	100.009/	00 520/	100.009/	00 500/	100.009/	
	total snareholding of promoters and Promoter Group)	100.00%	88.53%	100.00%	88.53%	100.00%	
	- Percentage of Shares (as a % of the	67.72%	59.50%	67.72%	59.50%	67.58%	
	total share capital of the company)	01.12/0	J3.50 %	01.12%	39.00%	07.30%	

Segment wise Revenue, Results and Capital Employed

SI. No.	Particulars	Quarter	ended	Six mont	Six months ended	
		30-Sep-10	30-Sep-09	30-Sep-10	30-Sep-09	31-Mar-10
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
28	Segment Revenue					
a	a) Wireless	416,129	400,999	831,405	880,307	1,663,961
k	b) Global	183,914	226,432	365,283	414,873	831,868
(c) Broadband	66,170	76,996	133,798	145,421	283,855
(d) Investments	637	5,976	3,406	13,816	20,949
e	e) Others / Unallocated	39,204	21,628	69,899	44,099	96,781
	Total	706,054	732 031	1 /03 701	1 /08 516	2,897,414
	Less: Inter segment revenue	(194,224)	732,031 (161,775)	1,403,791 (381,041)	1,498,516 (313,742)	(684,186
	Less. Intel segment levenue	(134,224)	(101,773)	(301,041)	(313,742)	(004,100)
I	Income from Operations	511,830	570,256	1,022,750	1,184,774	2,213,228
29	Segment Results					
	Profit / (Loss) before Tax and Financial					
	charges from each segment a) Wireless	71,349	102,509	139,517	216,484	375,496
	b) Global	10,299	28,203	20,651	50,047	75,405
	c) Broadband	12,630	20,205	25,672	39,009	68,139
	d) Investments	637	5,977	3,406	13,816	20,949
	e) Others / Unallocated	(24,496)	(25,808)	(52,100)	(53,273)	(112,592)
	Total	(24,490) 70,419	,	,		
	Less : Amortisation of Compensation under	- 10,419	131,387	137,146 -	266,083	427,397
	Employee Stock Option Scheme					
	Less : Financial Charges (Net)	27,970	66,357	71,937	5,199	(118,633)
[Less : Exceptional Items	-	285	-	1,396	23,747
1	Total Profit before Tax	42,449	64,745	65,209	259,488	522,283
30 (Capital Employed					
	(Segment assets - Segment liabilities)					
	a) Wireless b) Global	5,433,580 724,745	5,018,449 887,204	5,433,580 724,745	5,018,449 887,204	4,809,038 749,398
	c) Broadband	426,359	464,728	426,359	464,728	452,672
	d) Investments	894,901	394,962	894,901	394,962	471,708
e	e) Others / Unallocated	983,136	724,389	983,136	724,389	900,534
	Total	8,462,721	7,489,732	8,462,721	7,489,732	7,383,350
			(₹in Lakh)			
31 9	Statement of Assets and Liabilities Particulars	30-Sep-10	30-Sep-09			
						Unaudited
	i <mark>hareholders' Funds</mark> a) Capital				103,201	103,201
	b) Reserves and Surplus	4,198,310				
	linority Interest	75,776	86,885			
	oan Funds Deferred Tax Liability	4,071,633 13,801	3,096,682			
	TOTAL	8,462,721	7,489,732			
	ixed Assets	7,705,772	7,202,53			
	Boodwill	489,286 805,378	508,607 371,953			
	Current Assets, Loans and Advances	,				
	a) Inventories	54,138 325,380	54,939 451,170			
	b) Sundry Debtors c) Cash and Bank Balances	68,005	80,43			
	d) Other Current Assets	193,209 576,913	205,75			
	e) Loans and Advances					714,715 1,507,01
	ess : Current Liabilities and Provisions	1,217,645				
	a) Current Liabilities	1,362,264 393,096	1,723,523 376,846			
	b) Provisions					2,100,36
	let Current Assets	1,755,360 (537,715)	(593,359			
N						

Notes

- 1. Figures of the previous period have been regrouped and reclassified, wherever required.
- 2. Profit for the quarter ended 30th September, 2010 would have been higher by Rs. 73,507 lakh at Rs. 1,18,100 lakh except for adjustment of Foreign Exchange losses of Rs. 77,995 lakh pertaining to the previous quarter. Losses, if any, would be adjusted by withdrawal from General Reserve at the end of the year in terms of Schemes of Arrangement approved by the Hon'ble High Court of Bombay on 19th June, 2009 and 18th July, 2009 respectively.
- 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".
- 4. Formula used for the computation of ratios:
 - i) Debt Equity Ratio = Debt/ Equity;
 - ii) Debt Service Coverage Ratio (DSCR) = Earnings before depreciation, interest, tax/ (Interest + Principal repayment);
 - iii) Interest Service Coverage Ratio (ISCR) = Earnings before depreciation, interest, tax/ (Interest expense)
- 5. The Company has opted to publish Consolidated financial results for the year 2010 11. Standalone financial results, for the quarter and half year ended 30th September, 2010 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.

Additional information on standalone basis is as follows:

(₹ in Lakh)

	Quarter ended		Six months ended		Year ended
Particulars	30.09.2010	30.09.2009	30.09.2010	30.09.2009	31.03.2010
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total Income	308,963	306,100	627,554	625,807	1,251,172
Profit / (Loss) before tax	(47,647)	(17,788)	(96,728)	25,212	61,947
Profit / (Loss) after tax	(47,647)	(11,788)	(96,728)	25,212	47,893

- 6. No complaint from Investors was pending for redressal at the beginning and end of the quarter. During the quarter, 7 complaints were received and all the complaints were resolved.
- 7. After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on 13th November, 2010.

For Reliance Communications Limited

Place: Mumbai Date: 13th November, 2010 Anil D. Ambani Chairman