

November 14, 2014

The General Manager
Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001

The Manager
National Stock Exchange of India Ltd.
Exchange Plaza, C/1, Block G
Bandra - Kurla Complex,
Bandra (East)
Mumbai 400 051

Fax No.: 2272 2037/39/41/61/3121/3719

Fax No.: 2659 8237 / 38/ 8347/ 8348/
66418124/ 25/ 26

BSE Scrip Code: 532712

NSE Symbol: RCOM

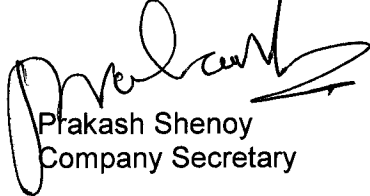
Dear Sir,

Sub: Limited Review Report for the quarter and half year ended September 30, 2014.

Further to our letter dated November 14, 2014, we enclose herewith Limited Review Report accompanied with unaudited financial result for the quarter and half year ended September 30, 2014, issued by the Auditors of the Company in terms of Clause 41 of the Listing Agreement.

Kindly acknowledge the receipt of the same.

Yours faithfully
For Reliance Communications Limited



Prakash Shenoy
Company Secretary

Encl.: As above.

B S R & Co. LLP

Chartered Accountants

Lodha Excelus

1st Floor, Apollo Mills Compound

N. M. Joshi Marg, Mahalakshmi

Mumbai 400 011.

Telephone +91(22) 3989 6000

Fax + 91(22) 3090 2511

Chaturvedi & Shah

Chartered Accountants

714-715, Tulsiani Chambers,

212, Nariman Point,

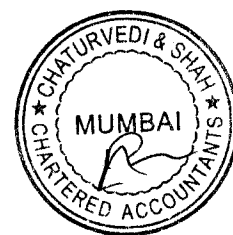
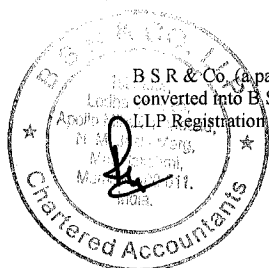
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Review report**To the Board of Directors of
Reliance Communications Limited**

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Reliance Communications Limited ('the Company') for the quarter and the half year ended 30 September 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 14 November 2014. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We draw attention to Note 2 of the Statement regarding the Scheme of Arrangement ("the Scheme") sanctioned on 3 July, 2009 by the Hon'ble High Court of Judicature at Mumbai, the Company is permitted to adjust additional depreciation, expenses and/or losses, which have been or are required to be debited to the statement of profit and loss by a corresponding withdrawal or credit from/to General Reserve, as determined by the Board of Directors. During the quarter and half year ended 30 September 2014, net exchange variations of ₹ 167 crore (loss) (corresponding previous period loss of ₹ 220 crore) and ₹ 286 crore (loss) (corresponding previous period loss of ₹ 470 crore) respectively are in the opinion of the Board, considered to be of an exceptional nature and are withdrawable from General Reserve as per the Scheme mentioned above. Consistent with the practice followed in earlier periods, the withdrawal from General Reserve for exchange variations, if any, relating to foreign currency monetary items other than long-term foreign currency monetary items, depreciation on exchange losses capitalised and amortization of Foreign Currency Monetary Item Translation Difference Account (FCMITDA) would be done at the year-end. Above treatment has no impact on the reported loss for the quarter and loss for the half year ended 30 September 2014. Consequently, reported Reserves and Surplus, current liabilities, current assets and non-current assets as at 30 September 2014 would have been ₹ 32,914 crore (corresponding previous period ₹ 30,331 crore), ₹ 19,794 crore (corresponding previous period ₹ 16,432 crore), ₹ 16,705 crore (corresponding previous



Review report (Continued)**Reliance Communications Limited**

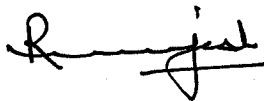
period ₹ 14,049 crore), and ₹ 61,977 crore (corresponding previous period ₹ 63,021 crore) respectively.

4. Based on our review conducted as above, and except for our comments in paragraph 3 above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006, which continue to apply under Section 133 of the Companies Act, 2013, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 29 of the Listing Agreement for debt securities and Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 2 of the Statement whereby pursuant to the Scheme as sanctioned by the Hon'ble High Court of Judicature at Mumbai vide Court Order dated 03 July, 2009, the Company is permitted to adjust additional depreciation which has been or is required to be debited to the statement of profit and loss by a corresponding withdrawal or credit from General Reserve, as determined by the Board of Directors. During the quarter and half year ended 30 September 2014, consistent with the practice followed in earlier periods and the exercise of choice by the Company in accordance with the Court Order dated 03 July, 2009, which may be considered to override the relevant provisions of Accounting Standard 5 (AS 5) 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies', the Company has withdrawn ₹ 294 crore and ₹ 588 crore respectively from General Reserve to offset additional depreciation on account of fair valuation of certain assets. Had such withdrawal not been made, the reported loss for the quarter and half year ended 30 September 2014 would have been higher by ₹ 294 crore and ₹ 588 crore respectively. Our review report is not qualified in respect of this matter.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022


Rajesh Mehra

Partner

Membership Number: 103145

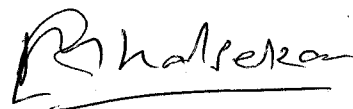
14 November 2014

Mumbai

For Chaturvedi & Shah

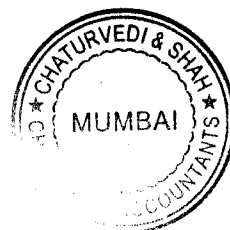
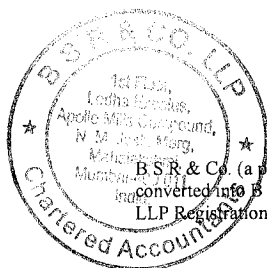
Chartered Accountants

Firm's Registration No: 101720W


Lalit R Mhalsekar

Partner

Membership Number: 103418



Reliance Communications Limited

website: www.rcom.co.in

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

CIN-L45309MH2004PLC147531

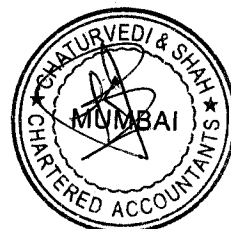
Unaudited Financial Results (Standalone) for the Quarter and Half year ended September 30, 2014

PART I							
(₹ in crore)							
Sl. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
	(a) Net Income from Operations	2,649	2,671	2,868	5,320	5,688	11,176
	(b) Other Operating Income	-	-	-	-	-	-
	Total Income from Operations	2,649	2,671	2,868	5,320	5,688	11,176
2	Expenses						
	(a) Access Charges	732	697	699	1,429	1,403	2,882
	(b) License Fees	184	212	211	396	424	851
	(c) Employee Cost	73	79	37	152	113	286
	(d) Depreciation and Amortisation	502	470	505	972	991	2,048
	(e) Other Expenses	1,488	1,443	1,340	2,931	2,497	5,340
	Total Expenses	2,979	2,901	2,792	5,880	5,428	11,407
3	Profit / (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1 - 2)	(330)	(230)	76	(560)	260	(231)
4	Other Income	200	149	604	349	765	1,269
5	Profit / (Loss) before Finance Costs and Exceptional Items (3 + 4)	(130)	(81)	680	(211)	1,025	1,038
6	Finance Costs (net)	441	455	599	896	1,172	1,796
7	Profit / (Loss) after Finance Costs and before Exceptional Items (5 - 6)	(571)	(536)	81	(1,107)	(147)	(758)
8	Exceptional Items	-	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before Tax (7 - 8)	(571)	(536)	81	(1,107)	(147)	(758)
10	Tax Expense	-	-	-	-	-	(1,488)
11	Net Profit / (Loss) from Ordinary Activities after Tax (9 - 10)	(571)	(536)	81	(1,107)	(147)	730
12	Extraordinary Items (net of tax expense)	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	(571)	(536)	81	(1,107)	(147)	730
14	Paid-up Equity Share Capital (Face Value of ₹ 5 each) (Refer Note 4)	1,191	1,021	1,032	1,191	1,032	1,021
15	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	-	29,769
16	Earnings per Share (EPS) before and after Extraordinary Items (not annualised)						
	- Basic (₹)	(2.38)	(2.60)	0.39	(4.96)	(0.71)	3.54
	- Diluted (₹)	(2.38)	(2.60)	0.39	(4.96)	(0.71)	3.54
17	Debt Equity Ratio (Refer Note 6)				0.89	1.07	1.06
18	Debt Service Coverage Ratio (DSCR) (Refer Note 6)				0.23	0.68	0.87
19	Interest Service Coverage Ratio (ISCR) (Refer Note 6)				0.85	1.77	1.88

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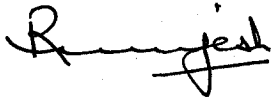
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For BSR & CO. LLP



PART II							
Select Information							
Sl. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	Particulars of Shareholding						
1	Public Shareholding						
	- Number of Shares	1,003,003,901	664,717,704	664,718,324	1,003,003,901	664,718,324	664,717,704
	- Percentage of Shareholding	41.75%	32.20%	32.20%	41.75%	32.20%	32.20%
2	Promoters and Promoter Group Shareholding						
	(a) Pledged / Encumbered						
	- Number of Shares	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total shareholding of promoters and Promoter Group)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	- Percentage of Shares (as a % of the total share capital of the company)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	(b) Non -encumbered						
	- Number of Shares	1,399,309,177	1,399,309,177	1,399,308,557	1,399,309,177	1,399,308,557	1,399,309,177
	- Percentage of Shares (as a % of the total shareholding of promoters and promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of Shares (as a % of the total share capital of the company)	58.25%	67.80%	67.80%	58.25%	67.80%	67.80%
B	Investor Complaints						
	Particulars	Quarter ended 30-Sep-14					
	Pending at the beginning of the quarter	Nil					
	Received during the quarter	7					
	Disposed off during the quarter	7					
	Remaining unresolved at the end of the quarter	Nil					

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For B S R & CO. LLP

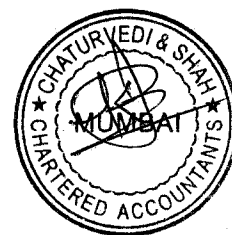


Standalone Statement of Assets and Liabilities		(₹ in crore)	
	Particulars	As at	
		30-Sep-14	31-Mar-14
		Unaudited	Audited
A	Equity and Liabilities		
1	Shareholders' Funds		
	(a) Share Capital	1,191	1,021
	(b) Reserves and Surplus (Net of ₹ 380 crore relating to *)	33,106	30,359
	(c) Money Received against Share Warrants	650	-
	Sub-total - Shareholders' Funds	34,947	31,380
2	Non Current Liabilities		
	(a) Long Term Borrowings	21,307	22,795
	(b) Deferred Tax Liabilities (Net)	-	-
	(c) Other Long Term Liabilities	78	194
	(d) Long Term Provisions	2,749	3,288
	Sub-total - Non Current Liabilities	24,134	26,277
3	Current Liabilities		
	(a) Short Term Borrowings	5,733	7,332
	(b) Trade Payables	4,707	2,076
	(c) Other Current Liabilities	6,281	5,653
	(d) Short Term Provisions	3,054	4,159
	Sub-total - Current Liabilities	19,775	19,220
	Total Equity and Liabilities	78,856	76,877
B	Assets		
1	Non Current Assets		
	(a) Fixed Assets	34,191	35,154
	(b) Non Current Investments	21,779	21,042
	(c) Deferred Tax Assets (Net)	1,488	1,488
	(d) Long Term Loans and Advances	4,717	4,494
	Sub-total - Non Current Assets	62,175	62,178
2	Current Assets		
	(a) Current Investments	441	-
	(b) Inventories	232	269
	(c) Trade Receivables	2,050	1,994
	(d) Cash and Bank balances	220	127
	(e) Short Term Loans and Advances	10,366	9,375
	(f) Other Current Assets	3,372	2,934
	Sub-total - Current Assets	16,681	14,699
	Total Assets	78,856	76,877

* 21,279,000 nos of equity shares held by ESOS Trust

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For **BSR & CO. LLP**



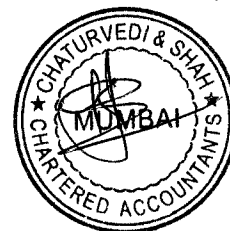
Notes

1. Figures of the previous period have been regrouped and reclassified, wherever required.
2. Pursuant to the Schemes of Arrangement ("the Schemes") sanctioned by the Hon'ble High Court of Judicature at Bombay, variation on account of changes in exchange rates including amortisation of the balance in "Foreign Currency Monetary Item Translation Difference Account (FCMITDA)" and depreciation consequent to addition of exchange differences to the cost of capitalised assets aggregating to ₹ 167 crore and ₹ 286 crore during the quarter and half year ended on September 30, 2014 respectively are withdrawable from General Reserve. These withdrawable items are not considered in the accounts for the quarter and half year ended on September 30, 2014 and consequently no withdrawal has been made. The necessary effects, if any, will be carried out at the year end. This matter has been referred to by the Auditors in their Limited Review Report. Consequently, reported Reserve and surplus, current liabilities, non-current assets and current assets would have been ₹ 32,914 crore, ₹ 19,794 crore, ₹ 61,977 crore and ₹ 16,705 crore respectively as at September 30, 2014. The Company has, as permitted under the said Schemes, adjusted additional depreciation of ₹ 294 crore and ₹ 588 crore, arising on fair value of the assets, for the quarter and half year ended on September 30, 2014 respectively, by withdrawing an equivalent amount from General Reserve.
3. Pursuant to the Companies Act, 2013 (the Act) becoming effective from April 1, 2014, the Company has adopted estimated useful life of fixed assets as stipulated under Schedule II to the Act, except in case of some of its telecommunication equipments, as legally advised and as permitted by the said Schedule, where, based on condition of such telecommunication equipments, regular maintenance schedule, material of construction and past experience the Company has considered useful life of 20 years instead of 18 years.
4. The paid up share capital of the Company is net of 21,279,000 no. of equity shares, of ₹ 5/- each, ₹ 11 crore being the face value of such equity shares. The Company has consolidated financial statements of the RCOM ESOS Trust as at 31st March, 2014 with Standalone financial results of the Company in terms of SEBI (ESOS and ESPS) Guidelines, 1999 and recent opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI).
5. The Company has identified geographic segment as primary segments. As a result, the Company has single geographical segment as "India Operations". Hence, no separate disclosure of segment information in line with Accounting Standard (AS) 17 "Segment Reporting" is required.
6. 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);

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For B S R & CO. LLP



- iii) Interest Service Coverage Ratio (ISCR) = Earnings before depreciation, interest, tax/
(Interest expense)
7. After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on November 14, 2014 and the same is subjected to limited review.

For Reliance Communications Limited

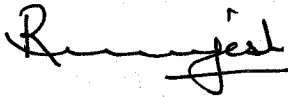


Anil D. Ambani
Chairman

Place: Mumbai

Date: November 14, 2014

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For **BSR & CO. LLP**

