

BSR & Co.
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) 3983 6000

Chaturvedi & Shah
Chartered Accountants
714-715, Tulsiani Chambers,
212, Nariman Point,
Mumbai 400 021.
Telephone +91(22) 3021 8500

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 2012 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 8 November 2012. Our responsibility is to issue a report on these financial statements 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 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 2012, net exchange variations of ₹ 15 crores (gain) and ₹ 343 crores (loss) 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 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 profit for the quarter and loss for the half year ended 30 September 2012. Consequently, reported Reserves and Surplus, current liabilities, current assets and FCMITDA as at 30 September 2012 would have been ₹ 42,991 crore, ₹ 15,909 crore, ₹ 13,766 crore and ₹ 471 crore respectively.
4. Based on our review conducted as above, and subject to 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 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.



BSR & Co.
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) 3983 6000

Chaturvedi & Shah
Chartered Accountants
714-715, Tulsiani Chambers,
212, Nariman Point,
Mumbai 400 021.
Telephone +91(22) 3021 8500

For BSR & Co.
Chartered Accountants
Firm's Registration No: 101248W

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership Number: 042070

Date: 08 November 2011
Mumbai



For Chaturvedi & Shah
Chartered Accountants
Firm's Registration No: 101720W

C D Lala

C D Lala
Partner
Membership Number: 35671



Reliance Communications Limited

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 and Half year ended 30th September, 2012

PART I							(₹ in Crore)
Sl. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30-Sep-12	30-Jun-12	30-Sep-11	30-Sep-12	30-Sep-11	31-Mar-12
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
	(a) Net Income from Operations	2,755	2,615	2,843	5,370	5,676	11,107
	(b) Other Operating Income	-	1	-	1	2	3
	Total Income from Operations	2,755	2,616	2,843	5,371	5,678	11,110
2	Expenses						
	(a) Access Charges	680	601	702	1,281	1,421	2,664
	(b) License Fees	218	207	225	425	438	896
	(c) Employee Cost	81	81	142	162	286	476
	(d) Depreciation and Amortisation	480	488	391	968	763	1,741
	(e) Other Expenses	1,105	1,194	1,453	2,299	2,920	4,666
	Total Expenses	2,564	2,571	2,913	5,135	5,828	10,443
3	Profit / (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1 - 2)	191	45	(70)	236	(150)	667
4	Other Income	304	178	172	482	339	753
5	Profit / (Loss) before Finance Costs and Exceptional Items (3 + 4)	495	223	102	718	189	1,420
6	Finance Costs	486	475	201	961	560	1,265
7	Profit / (Loss) after Finance Costs and before Exceptional Items (5 - 6)	9	(252)	(99)	(243)	(371)	155
8	Exceptional Items	-	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before Tax (7 - 8)	9	(252)	(99)	(243)	(371)	155
10	Tax Expense	-	-	-	-	-	(1)
11	Net Profit / (Loss) from Ordinary Activities after Tax (9 - 10)	9	(252)	(99)	(243)	(371)	156
12	Extraordinary Items (net of tax expense)	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11 - 12)	9	(252)	(99)	(243)	(371)	156
14	Paid-up Equity Share Capital (Face Value of ₹ 5 each)	1,032	1,032	1,032	1,032	1,032	1,032
15	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	-	43,992
16	Earnings per Share (EPS) before and after Extraordinary Items (not annualised)						
	- Basic (₹)	0.05	(1.22)	(0.47)	(1.17)	(1.80)	0.76
	- Diluted (₹)	0.05	(1.22)	(0.47)	(1.17)	(1.80)	0.73
17	Debt Equity Ratio (Refer Note 4)				0.67	0.58	0.67
18	Debt Service Coverage Ratio (DSCR) (Refer Note 4)				0.99	0.20	0.70
19	Interest Service Coverage Ratio (ISCR) (Refer Note 4)				1.82	1.84	2.36

SIGNED FOR IDENTIFICATION

BY

B. H. Shimpale

For B S R & CO. (Registered.)



PART II							
Select Information							
A	Particulars of Shareholding						
1	Public Shareholding						
	-Number of Shares	663,318,324	663,318,324	663,318,324	663,318,324	663,318,324	663,318,324
	-Percentage of Shareholding	32.14%	32.14%	32.14%	32.14%	32.14%	32.14%
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	1,400,708,557	1,400,708,557	1,400,708,557	1,400,708,557	1,400,708,557	1,400,708,557
	- 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)	67.86%	67.86%	67.86%	67.86%	67.86%	67.86%

B	Investor Complaints	
	Particulars	Quarter ended 30-Sep-12
	Pending at the beginning of the quarter	Nil
	Received during the quarter	8
	Disposed off during the quarter	8
	Remaining unresolved at the end of the quarter	Nil

Segment wise Revenue, Results and Capital Employed (₹ in Crore)

Sl. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30-Sep-12	30-Jun-12	30-Sep-11	30-Sep-12	30-Sep-11	31-Mar-12
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	(a) Wireless	2,401	2,133	2,341	4,534	4,688	9,196
	(b) GEBU	1,103	1,087	1,302	2,190	2,560	4,857
	(c) Others / Unallocated	158	178	172	336	339	746
	Total	3,662	3,398	3,815	7,060	7,587	14,799
	Less: Inter segment revenue	(603)	(604)	(800)	(1,207)	(1,570)	(2,936)
	Income from Operations	3,059	2,794	3,015	5,853	6,017	11,863
2	Segment Results						
	Profit / (Loss) before Tax and Finance Charges from each segment						
	(a) Wireless	296	192	7	488	(20)	478
	(b) GEBU	115	66	111	181	237	748
	(c) Others / Unallocated	84	(35)	(16)	49	(28)	194
	Total	495	223	102	718	189	1,420
	Less : Finance Cost	486	475	201	961	560	1,265
	Less : Exceptional Items	-	-	-	-	-	-
	Total Profit / (Loss) before Tax	9	(252)	(99)	(243)	(371)	155
3	Capital Employed						
	(Segment assets - Segment liabilities)						
	(a) Wireless	29,921	30,396	30,384	29,921	30,384	31,755
	(b) GEBU	2,417	1,762	3,251	2,417	3,251	1,859
	(c) Others / Unallocated	41,804	43,792	40,646	41,804	40,646	41,376
	Total	74,142	75,950	74,281	74,142	74,281	74,990

SIGNED FOR IDENTIFICATION

BY

B. H. Thampali

For **B S R & CO.** (Registered.)



Standalone Statement of Assets and Liabilities		(₹ in Crore)	
	Particulars	As at	
		30-Sep-12 Unaudited	31-Mar-12 Audited
A	Equity and Liabilities		
1	Shareholder's Funds		
	(a) Share Capital	1,032	1,032
	(b) Reserves and Surplus	43,334	44,165
	Sub-total - Shareholders' Fund	44,366	45,197
2	Non-Current Liabilities		
	(a) Long Term Borrowings	22,717	23,365
	(b) Deferred Tax Liabilities (Net)	-	-
	(c) Other Long Term Liabilities	157	169
	(d) Long Term Provisions	4,898	4,339
	Sub-total - Non Current Liabilities	27,772	27,873
3	Current Liabilities		
	(a) Short Term Borrowings	4,852	4,506
	(b) Trade Payables	3,111	1,150
	(c) Other Current Liabilities	5,462	4,707
	(d) Short Term Provisions	2,344	2,572
	Sub-total - Current Liabilities	15,769	12,935
	Total Equity and Liabilities	87,907	86,005
B	Assets		
1	Non Current Assets		
	(a) Fixed Assets	37,284	38,149
	(b) Non Current Investments	31,889	31,889
	(c) Foreign Currency Monetary Item Translation Difference	623	299
	(d) Long Term Loans and Advances	4,294	4,318
	Sub-total - Non Current Assets	74,090	74,655
2	Current Assets		
	(a) Current Investment	32	-
	(b) Inventories	298	329
	(c) Trade Receivables	2,395	1,932
	(d) Cash and Bank balances	327	178
	(e) Short Term Loans and Advances	8,267	6,800
	(f) Other Current Assets	2,498	2,111
	Sub-total - Current Assets	13,817	11,350
	Total Assets	87,907	86,005

SIGNED FOR IDENTIFICATION

BY

B. H. Shimpale

For BSR & CO. (Registered.)



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 Mumbai, net exchange variations comprising of ₹ 74 crore (gain) and ₹ 191 crore relating to foreign currency monetary items other than long term foreign currency monetary items and ₹ 59 crore and ₹ 152 crore being amortization of the balance in "Foreign Currency Monetary item Translation Difference Account (FCMITDA)", during the quarter and half year ended September 30, 2012 respectively, are withdrawable from General Reserve. This treatment has no impact on the Statement of Profit and Loss of the quarter and half year ended on September 30, 2012 as the same have not been considered therein and the necessary effect, if any, consistent with the practice followed in earlier periods, 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, current assets and FCMITDA would have been ₹ 42,991 crore, ₹ 15,909 crore, ₹ 13,766 crore and ₹ 471 crore respectively as at 30th September, 2012.
3. The Company is operating with Wireless, GEBU 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. After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on November 8, 2012 and the same is subjected to limited review.

For Reliance Communications Limited



Anil D. Ambani
Chairman

Place: Mumbai
Date : November 8, 2012

SIGNED FOR IDENTIFICATION
BY



For B S R & CO. (Registered.)

