

# RELIANCE

**Reliance Communications Limited**  
Dhirubhai Ambani Knowledge City  
Navi Mumbai 400 710.

Tel : +91 022 3038 6286  
Fax: +91 022 3037 6622  
www.rcom.co.in

November 24, 2014

The General Manager  
Corporate Relationship Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort,  
Mumbai 400 001  
Fax No.: 2272 2037/39/41/61/3121/3719

The Manager  
National Stock Exchange of India Ltd.  
Exchange Plaza, C/1, Block G  
Bandra - Kurla Complex, Bandra (East)  
Mumbai 400 051  
Fax No.: 2659 8237 / 38/8347/48 /  
66418124/25/26

**BSE Scrip Code: 532712**

**NSE Symbol: RCOM**

Dear Sir,

**Sub: Proposed issue of foreign currency denominated Notes.**

Reliance Communications Limited (the "Company") is contemplating issuing debt instruments in the form of US Dollar denominated senior secured notes (the "Notes"). The Notes, if issued, will be listed on the Singapore Stock Exchange.

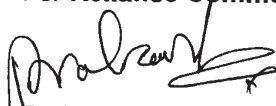
The Notes proceeds will be used to repay existing foreign currency debt of USD 255 Million to avail longer maturity redemption period and there will be no increase in the aggregate borrowing of the Company following issuance of the Notes and repayment of the existing debt.

A draft preliminary Offering Circular ("OC") has been prepared and shall be made available to the prospective investors in relation to the contemplated issue of Notes. The Notes will not be offered or sold in India or in the United States of America.

The OC contains certain financial information about the Company. We are enclosing herewith the Limited Review Report for the Quarter ended 30<sup>th</sup> June 2014 along with financials for the said period which has been included as part of the disclosure made in the OC.

Kindly inform your members accordingly.

Yours faithfully  
For **Reliance Communications Limited**

  
Prakash Shenoy  
Company Secretary

Encl: as above.



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**B S R & Co. LLP**  
Chartered Accountants  
Lodha Excelus, 1st Floor,  
Apollo Mills Compound, N.M.Joshi Marg,  
Mahalakshmi, Mumbai 400 011.  
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**Chaturvedi & Shah**  
Chartered Accountants  
714-715, Tulsiani Chambers,  
212, Nariman Point,  
Mumbai 400 021.  
Telephone + 91 (22) 3021 8500  
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**Independent Auditors' Review Report on Unaudited Condensed Interim Consolidated Financial Statement**

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

**Introduction**

- 1 We have reviewed the accompanying unaudited condensed interim consolidated balance sheet of Reliance Communications Limited ("the Company") and its subsidiaries and associates as of June 30, 2014 and the related unaudited condensed interim consolidated statement of profit and loss and the unaudited condensed interim consolidated cash flow statement and notes for three months ended June 30, 2014 (collectively referred to as 'the Unaudited Condensed Interim Consolidated Financial Statement') prepared by the management.

**Management's Responsibility for the Consolidated Financial Statement**

- 2 Management is responsible for the preparation and presentation of these unaudited condensed interim consolidated financial statement in accordance with the requirements of Accounting Standards referred to in section 133 of the Companies Act, 2013. Management's responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of the unaudited condensed interim consolidated financial statement that are free from material misstatement due to fraud or error. Our responsibility is to express our conclusion on these unaudited condensed interim consolidated financial statement based on our review.

**Scope of review**

- 3 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 ('ICAI'). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statement are free of material misstatement. A review of unaudited condensed interim consolidated financial statement consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**Conclusion**

- 4 Based on our review as aforesaid, and on consideration of reports of other auditors on the separate financial statements, nothing has come to our attention that causes us to believe that the accompanying unaudited condensed interim consolidated financial statement are not

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prepared, in all material respects, in accordance with the requirements of the accounting standards generally accepted in India.

### Emphasis of Matter

5 Without qualifying our report, we draw your attention to:

- (i) Note 7 (ii) of the unaudited condensed interim consolidated financial statement, regarding the Scheme of Arrangement ('the Scheme') sanctioned on 03 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 three months ended 30 June 2014, the Company has withdrawn Rs 294 crore to offset additional depreciation on account of fair valuation of certain assets.
- (ii) Note 7 (i) of the unaudited condensed interim consolidated financial statement, regarding the Schemes of Arrangement ('the Schemes') sanctioned by the Hon'ble High Court of Judicature at Mumbai, the Schemes permit the Company and two of its subsidiaries, namely, Reliance Communications Infrastructure Limited and Reliance Infratel Limited to adjust expenses and/or losses identified by the respective Board of the Company and that of its two subsidiaries, which are required to be debited/ credited to the statement of profit and loss by a corresponding withdrawal or credit from/to General Reserve, which is considered to be an override to 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 and its two subsidiaries have identified exchange variations incurred during the three months ended 30 June 2014 of Rs 7 crore, depreciation on exchange losses capitalised of Rs 96 crore and amortization of Foreign Currency Monetary Items Translation Difference Account (FCMITDA) of Rs 88 crore, as in the opinion of the respective Boards, such exchange loss and costs are considered to be of an exceptional nature and accordingly, these expenses have been disclosed as having been adjusted against a corresponding withdrawal from General Reserve for the purpose of these unaudited condensed interim consolidated financial statement.
- (iii) Had the depreciation (referred to in paragraph (i) above amounting to Rs 294 crore and write off of expenses and losses (referred to in paragraph (ii) above) amounting to Rs 191 crore, not been adjusted by withdrawal from General Reserve, the unaudited condensed interim consolidated financial statement would have reflected a loss after tax of Rs 353 crore and the consequential effect of this on the consolidated profit after tax would have been of Rs 485 crore.
- (iv) Note 6 (iv) of the unaudited condensed interim consolidated financial statement, regarding investigations by an investigating agency and framing of preliminary charges by a Trial Court in October, 2011 against a subsidiary company and one of its directors. The subsidiary company has filed a writ petition in October, 2013 against the said order in Hon'ble Supreme Court of India, which is pending for hearing as set out in the aforesaid note.

### Other matters

- 6 The Company has computed goodwill on consolidation by comparing the cost of investments with the equity of subsidiaries as on date on which investments were made by Reliance Industries Limited ('the transferor company') prior to demerger instead of considering the date of demerger as the date of investment.
- 7 We did not review the financial statements and other financial information of certain subsidiaries. The financial statements of these subsidiaries for the three months ended

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**B S R & Co. LLP****Chaturvedi & Shah**

June 30, 2014 have been reviewed by other auditors whose reports have been furnished to us and our report, in so far as it relates to the amounts included in respect of subsidiaries, is based solely on these review reports. The attached unaudited condensed interim consolidated financial statements include assets of Rs 10,256 crore as at June 30, 2014, revenues of Rs 961 crore and cash inflows amounting to Rs 30 crore in respect of the aforementioned subsidiaries for the three months then ended.

- 8 The financial statements of certain subsidiaries for the three months ended June 30, 2014 have been reviewed by one of the joint auditors, Chaturvedi & Shah, Chartered Accountants. The attached unaudited condensed interim consolidated financial statement include assets of Rs 28,712 crore as at June 30, 2014, revenues of Rs 2,050 crore and cash inflows amounting to Rs 88 crore in respect of the aforementioned subsidiaries for the three months then ended.
- 9 We have relied on the unaudited financial statements of the subsidiaries and associates whose financial statements reflect total assets of Rs 1,773 crore as at June 30, 2014, total revenue of Rs 170 crore and cash inflows amounting to Rs 4 crore for the three months ended June 30, 2014. These unaudited financial statements have been certified by the management of these subsidiaries, and our report in so far as it relates to the amounts included in respect of the subsidiaries and associates is based solely on such management certified financial statements.

For **B S R & Co. LLP**  
*Chartered Accountants*  
Firm's Registration No: 101248W/W-100022

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

**Rajesh Mehra**  
*Partner*  
Membership No: 103145

**Lalit Mhalsekar**  
*Partner*  
Membership No: 103418

Mumbai  
November 23, 2014

Mumbai  
November 23, 2014



# Reliance Communications Limited

## Unaudited Condensed Interim Consolidated Balance Sheet as at June 30, 2014

(₹ in Crore)

	As at June 30, 2014		As at March 31, 2014	
	Unaudited		Audited	
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' Funds</b>				
Share Capital	1,021		1,021	
Reserves and Surplus	31,078	32,099	31,388	32,409
<b>Minority Interest</b>		783		743
<b>Non Current Liabilities</b>				
(a) Long Term Borrowings	24,431		27,913	
(b) Deferred Tax Liabilities	1,803		1,803	
(c) Other Long Term Liabilities	849		915	
(d) Long Term Provisions	1,031	28,114	1,031	31,662
<b>Current Liabilities</b>				
(a) Short Term Borrowings	9,505		8,909	
(b) Trade Payables	3,985		3,516	
(c) Other Current Liabilities	14,749		11,856	
(d) Short Term Provisions	1,252	29,491	1,257	25,538
<b>TOTAL</b>		<b>90,487</b>		<b>90,352</b>

## ASSETS

### Non Current Assets

(a) Fixed Assets				
(i) Tangible Assets	43,372		43,934	
(ii) Intangible Assets	18,795		19,319	
(iii) Capital Work in Progress	3,179		3,190	
	65,346		66,443	
(b) Goodwill	5,313		5,300	
(c) Non Current Investments	119		118	
(d) Deferred Tax Asset	1,488		1,488	
(e) Long Term Loans and Advances	3,894		3,542	
(f) Other Non Current Assets	76	76,236	84	76,975

### Current Assets

(a) Current Investments	608		605	
(b) Inventories	403		415	
(c) Trade Receivables	4,373		3,919	
(d) Cash and Bank Balances	616		504	
(e) Short Term Loans and Advances	5,809		5,828	
(f) Other Current Assets	2,442	14,251	2,106	13,377

### TOTAL

**90,487**                      **90,352**

For Chaturvedi & Shah  
Chartered Accountants  
Firm Reg. No. 101720W

For B S R & Co LLP  
Chartered Accountants  
Firm Reg. No. 101248W/  
W-100022

For Reliance Communications Limited

Anil D. Ambani  
Chairman

Lalit Mhalsekar  
Partner  
Membership No : 103418  
Place : Mumbai  
Date : November 23, 2014

Rajesh Mehra  
Partner  
Membership No : 103145

Manikantan Iyer  
Chief Financial Officer

Prakash Shenoy  
Company Secretary  
and Manager





**Reliance Communications Limited**

**Unaudited Condensed Interim Consolidated Statement of Profit and Loss for the quarter ended June 30, 2014**

(₹ in Crore)

**For the quarter ended  
June 30, 2014**

**Unaudited**

**INCOME**

Revenue from Operations	5,354
Other Income	169
<b>Total Revenue</b>	<b>5,523</b>

**EXPENDITURE**

Access Charges, License Fees and Network Expenses	2,741
Employee Benefits Expenses	275
Finance Costs	767
Depreciation, Impairment and Amortisation	1,225
<b>Depreciation adjusted by/transfer from :</b>	
General Reserve	(294)
Sales and General Administration Expenses	644
<b>Total Expenses</b>	<b>5,358</b>

**Profit before Exceptional Items, Adjustments and Tax** **165**

**Exceptional Items**

Depreciation on account of change in exchange rate	96
Equivalent amount withdrawn from General Reserve	(96)
Foreign Currency Exchange Fluctuation Loss (net)	95
Equivalent amount withdrawn from General Reserve	(95)

**Profit Before Tax (before adjustment of Minority Interest/ Associates)** **165**

Provision for:

- Current Tax	1
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**Profit After Tax (before adjustment of Minority Interest/ Associates)** **164**

Less: Share of Profit transferred to Minority 32

Less: Share of Loss / (Profit) of Associates (0)

**Profit After Tax (after adjustment of Minority Interest/ Associates)** **132**

**Earnings per Share of ₹ 5 each fully paid up (before and after Exceptional Items)**

- Basic (Rs.)	0.64
- Diluted (Rs.)	0.64

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Reg. No. 101720W

**For B S R & Co LLP**  
Chartered Accountants  
Firm Reg. No.101248W/  
W-100022

**For Reliance Communications Limited**

**Anil D. Ambani**  
Chairman

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Partner  
Membership No : 103418  
Place : Mumbai  
Date : November 23, 2014

**Rajesh Mehra**  
Partner  
Membership No : 103145

**Manikantan Iyer**  
Chief Financial Officer

**Prakash Shenoy**  
Company Secretary  
and Manager



# RELIANCE COMMUNICATIONS LIMITED

Unaudited Condensed Interim Consolidated Cash Flow Statement for the quarter ended June 30,2014

(₹ in Crore)

	For the Quarter ended June 30,2014 Unaudited
A. Cash Flow From Operating Activities	1,367
B. Cash Flow used in Investing Activities	(645)
C. Cash Flow used in Financing Activities	<u>(609)</u>
Net Increase/ (Decrease) in Cash and Cash Equivalents ( A + B + C)	113
Cash and Cash Equivalents at beginning of quarter	504
Effect of Exchange Gain/(Loss) on Cash and Cash Equivalents	(1)
Cash and Cash Equivalents at end of quarter	<u>616</u>

(a) Cash and Cash Equivalents includes cash on hand, cheques on hand, remittances- in-transit and bank balance including Fixed Deposits with Banks.

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Reg. No. 101720W

**For B S R & Co LLP**  
Chartered Accountants  
Firm Reg. No.101248W/  
W-100022

**For Reliance Communications Limited**

**Anil D. Ambani**  
Chairman

**Lalit Mhalsekar**  
Partner  
Membership No : 103418  
Place : Mumbai  
Date : November 23, 2014

**Rajesh Mehra**  
Partner  
Membership No : 103145

**Manikantan Iyer**  
Chief Financial Officer

**Prakash Shenoy**  
Company Secretary  
and Manager





## Reliance Communications Limited

### Notes to Unaudited Condensed Interim Consolidated Financial Statements for the quarter ended June 30, 2014

#### 1. Background

Reliance Communications Limited (the Company) is registered as a Telecom Company. The Company along with its Subsidiaries and associates (the Group) is broadly engaged in Wireless, Wire line, Telecom Network, Broadband and DTH Business.

#### 2. Basis of Preparation

- a. The Company has prepared and presented the Unaudited Condensed Interim Consolidated Financial Statement for the proposed offering of the Senior Notes of the Company, as mentioned in Note b below.

The Unaudited Condensed Interim Consolidated Financial Statement is prepared under historical cost convention in accordance with the generally accepted accounting principles in India, the provisions of the Companies Act, 2013 (to the extent notified) read with the Companies (Accounting Standards) Rules, 2006, the applicable pronouncements of the Institute of Chartered Accountants of India (ICAI) and the accounting treatment prescribed under the schemes approved by the High Court. The figures for the year ended 31 March, 2014 are in compliance with the provisions of Companies Act, 1956, to the extent applicable.

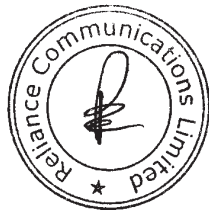
These Unaudited Condensed Interim Consolidated Financial Statement does not disclose comparative Statement of Profit and Loss, Balance Sheet and Cashflow for the preceding quarter ended June 30, 2013, as this is the first occasion of presentation of reviewed Unaudited Condensed Interim Consolidated Financial Statements.

The preparation and presentation of Consolidated Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised.

- b. These Unaudited Condensed Interim Consolidated Financial Statement is prepared for inclusion in the Offer Circular (hereinafter referred to as the "Offer Circular") to be prepared in connection with the proposed offering of the Senior Notes of the Company for the listing on the Singapore Exchange Securities Trading Limited.

#### 3. Significant Accounting policies

The group has followed the same set of accounting policies as similar to those followed in the preparation of the annual accounts for the year ended March 31, 2014



## Reliance Communications Limited

### Notes to Unaudited Condensed Interim Consolidated Financial Statement for the quarter ended June 30, 2014

#### 4. Consolidated Segment Information:

The Company has identified geographic segments as primary segments and disclosed segment information, for the period, as "India Operations" and "Global Operations". The segment has been identified and reported taking into account its internal financial reporting, performance evaluation and organisational structure by geographical locations of its operations, where its service rendering activities are based. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company with following additional policies for segment reporting.

( a ) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

( b ) Segment assets and liabilities represent the assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Primary Segment Information Particulars	( ₹ in crore )				
	India Operations	Global Operations	Unallocable	Eliminations	Total
<b>Segment Revenue</b>					
External Revenue	4,583	940	-	-	5,523
Inter Segment Revenue	135	133	-	(268)	-
Total Revenue	4,718	1,073	-	(268)	5,523
<b>Segment Result before Exceptional and non recurring items, interest &amp; taxes</b>	883	49	-	-	932
Less: Finance Expense	-	-	767	-	767
<b>Segment Result before Exceptional and non recurring items, taxes</b>	883	49	(767)	-	165
Less: Provision for Taxation	-	-	1	-	1
Segment Result after Tax	883	49	(768)	-	164
<b>Other Information</b>					
Segment Assets	76,779	10,673	3,987	(952)	90,487
Segment Liabilities	10,874	3,589	43,807	(665)	57,605
Capital Expenditure	456	19	-	-	475
Depreciation	810	121	-	-	931

(c) The reportable Segments are further described below:

- The India Operations includes operations of the Company and its subsidiaries in India, Reliance Communications Infrastructure Limited, Reliance Telecom Limited, Reliance Infratel Limited, Reliance Webstore Limited, Reliance Big TV Limited, Reliance Infocomm Infrastructure Private Limited, Reliance Tech Services Private Limited and Reliance IDC Limited.
- The Global Operations includes the retail operations outside India of Reliance Communications (UK) Limited, Reliance Communications International Inc., Reliance Communications Canada Inc., Reliance Communications (Australia) Pty. Limited, Reliance Communications (New Zealand) Pte. Limited and wholesale operations outside India of its subsidiary viz. Reliance Globalcom BV and its subsidiaries.



**Reliance Communications Limited**

**Notes to Unaudited Condensed Interim Consolidated Financial Statement for the quarter ended June 30, 2014**

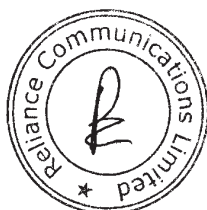
5. Basic and diluted earnings per share :

The Computation of earnings per share is set out below:

Particulars	( ₹ in crore )	
	For the Quarter ended June 30, 2014	
(a) Profit attributable to Equity Shareholders (₹ in crore) (used as numerator for calculating EPS)		132
(b) Weighted average number of Equity Shares (used as denominator for calculating Basic EPS)		2,064,026,881
(c) Profit attributable to Equity Shareholders (₹ in crore) (used as numerator for calculating Diluted EPS)		132
(d) Weighted average number of Equity Shares (used as denominator for calculating Diluted EPS)		2,064,026,881
(e) Basic Earnings per Share of ₹ 5 each (₹)		0.64
(f) Diluted Earnings per Share of ₹ 5 each (₹)		0.64

6. Contingent Liabilities and Capital Commitment (As Certified by the Mangement)

Contingent Liabilities	( ₹ in crore )	
	As at June 30, 2014	As at March 31, 2014
(i) Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for	635	708
(ii) Disputed Liabilities not provided for Sales Tax, VAT, Custom, Excise, Service Tax, Entry Tax, Octroi, Income Tax and Other Litigations including Regulatory	7,971	6,410
(iii) Guarantees given including on behalf of other companies for business purpose	130	132
(iv) Consequent to the investigations by an investigative agency (CBI) in relation to the entire telecom sector in India, certain preliminary charges have been framed by a Trial Court in October, 2011 against Reliance Telecom Limited (RTL), a Wholly Owned Subsidiary of the Company, and three of the executives of the Group. The charges so framed are preliminary in nature based on investigations only, and the persons named are presumed to be innocent, till their alleged guilt is established after a fair trial. As legally advised, the persons so named deny all charges, and a writ petition is filed in October, 2013 in the Hon'ble Supreme Court against charges framed by the Trial Court, which is pending for hearing. These preliminary charges have no impact on the business, operations, and/ or licenses of RTL and of the Company and, even more so, are not connected in any manner to any other listed group companies.		
(v) Demand already raised by Department of Telecommunications (DoT) for License fee on non telecom income has been challenged, which is pending for hearing before Hon'ble Telecom Disputes Settlement and Appellate Tribunal (TDSAT) and accordingly, no additional provision is required in this regard.		



## Reliance Communications Limited

### Notes to Unaudited Condensed Interim Consolidated Financial Statement for the quarter ended June 30, 2014

- 7 (i) Pursuant to the Schemes of Arrangement ("the Schemes") sanctioned by the Hon'ble High Court of Judicature at Bombay, exchange 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 Rs. 191 crore for the quarter ended June 30, 2014, are withdrawable from General Reserve. In earlier years, such differences withdrawable from General Reserve were withdrawn as at year end. The Company continues to follow the same practice of withdrawal at the year end during the current financial year. However, for the purpose of presentation of this condensed interim consolidated financial statement as at June 30, 2014, the aforesaid amount aggregating to Rs. 191 crore has been depicted as withdrawal from General Reserve so as to represent the result as it would be declared at the year end.
- (ii) The Company has, as permitted under one of above mentioned Schemes, adjusted additional depreciation of Rs. 294 crore arising on fair value of the assets for the quarter ended June 30, 2014, by withdrawing an equivalent amount from General Reserve, which is in line with the practice consistently followed in earlier periods.
- 8 Pursuant to the provision of Schedule II of the Companies Act, 2013 (the Act), the Company and a subsidiary have considered useful life of 20 years for certain Telecom equipments instead of 18 years and a subsidiary company has considered useful life of 35 years for optic fiber cables instead of 20 years, applied hitherto.
- 9 The Scheme of Arrangement for merger of Reliance Infratel Limited ("RITL"), a subsidiary of Reliance Communications Infrastructure Limited (RCIL) into RCIL, wholly owned subsidiary of the Company is pending for approval of Shareholders and/ or the Hon'ble High Court of Judicature at Mumbai. The Scheme will be given effect to upon receipt of all approvals. Pending approval of the said Scheme, no tax provision has been made in the financial statements as at June 30, 2014 of aforesaid subsidiaries.
- 10 During the quarter, the Company undertook Qualified Institutional Placement (QIP), as authorised by the Board of Directors, at its meeting held on June 24, 2014, for issuance of 33,82,86,197 Equity Shares of face value of ₹ 5/- each to Qualified Institutional Buyers at a price of ₹ 142.14 per Equity Share, including share premium of ₹ 137.14 per Equity Share, aggregating to ₹ 4,808.40 crore in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 (SEBI ICDR Regulations) and Section 42 of the Companies Act, 2013 and the Rules made thereunder. The QIP issue was closed on June 27, 2014 and consequently, the said Equity Shares were allotted on July 2, 2014.

Further, as approved at the Extraordinary General Meeting (EGM) of the members of the Company held on July 24, 2014, the Committee of Directors has, on August 7, 2014, allotted 8,66,66,667 Warrants entitling for subscription of equivalent number of Equity Shares of Rs.5/- each at a price of Rs.150/- per Warrant (including share premium of Rs 145 per Equity Share) (up to ₹ 1,300 crore) under preferential allotment, to the Promoter Group entity, as per the applicable provisions of the SEBI ICDR Regulations. 50% of the issue price has been received on the date of allotment of the said Warrants and the balance 50% will be receivable on or before March 31, 2015.

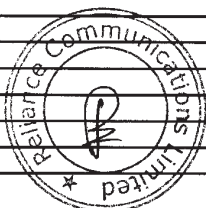


**Reliance Communications Limited**

**Notes to Unaudited Condensed Interim Consolidated Financial Statement for the quarter ended June 30, 2014**

11. The Subsidiaries/ Associates Companies considered in the condensed consolidation financial statement with the proportion of ownership are as under:

Sr. No.	List of Subsidiaries	Country of Incorporation	Period Ending	Proportion of ownership (interest)
1	Reliance WiMax Limited	India	June 30, 2014	100.00%
2	Reliance Digital Home Services Limited	India	June 30, 2014	100.00%
3	Reliance Webstore Limited	India	June 30, 2014	100.00%
4	Reliance Infocomm Infrastructure Limited	India	June 30, 2014	100.00%
5	Campion Properties Limited	India	June 30, 2014	100.00%
6	Reliance Big TV Limited	India	June 30, 2014	100.00%
7	Reliance Tech Services Limited	India	June 30, 2014	100.00%
8	Reliance Telecom Limited	India	June 30, 2014	100.00%
9	Reliance Communications Infrastructure Limited	India	June 30, 2014	100.00%
10	Reliance IDC Limited	India	June 30, 2014	100.00%
11	Reliance Infratel Limited	India	June 30, 2014	90.45%
12	Reliance Mobile Commerce Limited	India	June 30, 2014	100.00%
13	Reliance BPO Private Limited	India	June 30, 2014	100.00%
14	Reliance Globalcom Limited	India	June 30, 2014	99.95%
15	Reliance Globalcom B.V.	The Netherlands	June 30, 2014	100.00%
16	Reliance Communications (UK) Limited	United Kingdom	June 30, 2014	100.00%
17	Reliance Communications (Hong Kong) Limited	Hong Kong	June 30, 2014	100.00%
18	Reliance Communications (Singapore) Pte. Limited	Singapore	June 30, 2014	100.00%
19	Reliance Communications (New Zealand) Pte Limited	New Zealand	June 30, 2014	100.00%
20	Reliance Communications (Australia) Pty Limited	Australia	June 30, 2014	100.00%
21	Anupam Global Soft (U) Limited	Uganda	June 30, 2014	90.00%
22	Gateway Net Trading Pte Limited	Singapore	June 30, 2014	100.00%
23	Reliance Globalcom Limited	Bermuda	June 30, 2014	99.95%
24	FLAG Telecom Singapore Pte. Limited	Singapore	June 30, 2014	99.95%
25	FLAG Atlantic UK Limited	United Kingdom	June 30, 2014	99.95%
26	Reliance FLAG Atlantic France SAS	France	June 30, 2014	99.95%
27	FLAG Telecom Taiwan Limited	Taiwan	June 30, 2014	59.97%
28	Reliance FLAG Pacific Holdings Limited	Bermuda	June 30, 2014	100.00%
29	FLAG Telecom Group Services Limited	Bermuda	June 30, 2014	100.00%
30	FLAG Telecom Deutschland GmbH	Germany	June 30, 2014	99.95%
31	FLAG Telecom Hellas AE	Greece	June 30, 2014	99.95%
32	FLAG Telecom Asia Limited	Hong Kong	June 30, 2014	99.95%
33	FLAG Telecom Nederland B.V.	The Netherlands	June 30, 2014	99.95%
34	Reliance Globalcom (UK) Limited	United Kingdom	June 30, 2014	99.95%
35	Yipes Holdings Inc.	USA	June 30, 2014	100.00%
36	Reliance Globalcom Services Inc.	USA	June 30, 2014	100.00%
37	YTV Inc.	USA	June 30, 2014	100.00%
38	Reliance Infocom Inc.	USA	June 30, 2014	100.00%
39	Reliance Communications Inc.	USA	June 30, 2014	100.00%
40	Reliance Communications International Inc.	USA	June 30, 2014	100.00%
41	Reliance Communications Canada Inc.	USA	June 30, 2014	100.00%
42	Bonn Investment Inc.	USA	June 30, 2014	100.00%
43	FLAG Telecom Development Limited	Bermuda	June 30, 2014	99.95%
44	FLAG Telecom Development Services Company LLC	Egypt	June 30, 2014	99.95%
45	FLAG Telecom Network Services Limited	Ireland	June 30, 2014	99.95%
46	Reliance FLAG Telecom Ireland Limited	Ireland	June 30, 2014	99.95%
47	FLAG Telecom Japan Limited	Japan	June 30, 2014	99.95%
48	FLAG Telecom Ireland Network Limited	Ireland	June 30, 2014	99.95%
49	FLAG Telecom Network USA Limited	USA	June 30, 2014	99.95%
50	FLAG Telecom Espana Network SAU	Spain	June 30, 2014	99.95%
51	Reliance Vanco Group Limited	United Kingdom	June 30, 2014	100.00%
52	Euronet Spain SA	Spain	June 30, 2014	100.00%
53	Net Direct SA (Proprietary) Ltd. (Under liquidation)	South Africa	June 30, 2014	100.00%
54	Vanco (Shanghai) Co Ltd.	China	June 30, 2014	100.00%
55	Vanco (Asia Pacific) Pte. Limited	Singapore	June 30, 2014	100.00%
56	Vanco Australasia Pty. Ltd.	Australia	June 30, 2014	100.00%
57	Vanco Sp Zoo	Poland	June 30, 2014	100.00%
58	Vanco GmbH	Germany	June 30, 2014	100.00%
59	Vanco Japan KK	Japan	June 30, 2014	100.00%
60	Vanco NV	Belgium	June 30, 2014	100.00%
61	Vanco SAS	France	June 30, 2014	100.00%
62	Vanco South America Ltda	Brazil	June 30, 2014	100.00%





Reliance Communications Limited

Notes to Unaudited Condensed Interim Consolidated Financial Statement for the quarter ended June 30, 2014

Sr. No.	List of Subsidiaries	Country of Incorporation	Period Ending	Proportion of ownership
63	Vanco Srl	Italy	June 30, 2014	100.00%
64	Vanco Sweden AB	Sweden	June 30, 2014	100.00%
65	Vanco Switzerland AG	Switzerland	June 30, 2014	100.00%
66	Vanco Deutschland GmbH	Germany	June 30, 2014	100.00%
67	Vanco BV	The Netherlands	June 30, 2014	100.00%
68	Vanco Benelux BV	The Netherlands	June 30, 2014	100.00%
69	Vanco UK Ltd	United Kingdom	June 30, 2014	100.00%
70	Vanco International Ltd	United Kingdom	June 30, 2014	100.00%
71	Vanco Row Limited	United Kingdom	June 30, 2014	100.00%
72	Vanco Global Ltd	United Kingdom	June 30, 2014	100.00%
73	VNO Direct Ltd	United Kingdom	June 30, 2014	100.00%
74	Vanco US LLC	USA	June 30, 2014	100.00%
75	Vanco Solutions Inc	USA	June 30, 2014	100.00%
76	Seoul Telenet Inc.	Korea	June 30, 2014	48.98%
77	FLAG Holdings (Taiwan) Limited	Taiwan	June 30, 2014	49.97%
78	Reliance Telecom Infrastructure (Cyprus) Holdings Limited *	Cyprus	June 30, 2014	0.00%
79	Lagerwood Investments Limited *	Cyprus	June 30, 2014	0.00%
80	Reliance Communications Tamilnadu Limited	India	June 30, 2014	90.45%
81	Global Cloud Xchange Limited	Bermuda	June 30, 2014	100.00%
82	GCX Limited	Bermuda	June 30, 2014	100.00%

\* - Board Control

Sr. No.	List of Associates	Country of Incorporation	Period Ending	Proportion of ownership interest
1	Warf Telecom International Private Limited	Maldives	June 30, 2014	20.00%
2	Mumbai Metro Transport Private Limited	India	June 30, 2014	26.00%

For Reliance Communications Limited

Anil D. Ambani  
Chairman

Manikantan Iyer  
Chief Financial Officer

Prakash Shenoy  
Company Secretary  
and Manager

Place : Mumbai  
Date : November 23, 2014

