

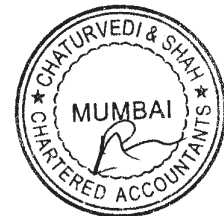
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Review report

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

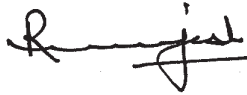


Review report (Continued)**Reliance Communications Limited**

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



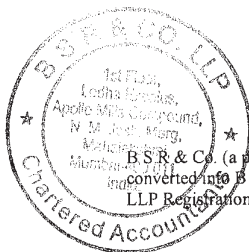
Rajesh Mehra
Partner
Membership Number: 103145

14 November 2014
Mumbai

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



Lalit R Mhalsekar
Partner
Membership Number: 103418



B S R & Co. (a partnership firm with registration no. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181), with effect from October 14, 2013

