

**Minutes of the proceedings of the meeting No. 01/2016-17 of the Board of Directors of Reliance Communications Limited held on Tuesday, the 10<sup>th</sup> May, 2016 at 11.00 a.m. at Board Room, Ground Floor, Reliance Centre, Near Prabhat Colony, Off. Western Express Highway, Santacruz (E), Mumbai – 400 055.**

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**Directors Present**

Shri Anil D. Ambani	-	Chairman
Prof. J. Ramachandran	-	Director
Shri Deepak Shourie	-	Director
Shri A. K. Purwar	-	Director
Shri R. N. Bhardwaj	-	Director
Smt. Manjari Kacker	-	Director

**In Attendance**

Shri Prakash Shenoy	-	Company Secretary and Manager
Shri Manikantan Iyer	-	Chief Financial Officer

**Invitees**

Shri Gurdeep Singh	-	Chief Executive Officer– Consumer Business (For item No.16)
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**Chairman**

Shri Anil D. Ambani, Chairman of the Board, occupied the Chair.

- 1. Leave of absence:** All the members of the Board were present.
- 2. To peruse and approve the Minutes of the proceedings of the meeting of the Board of Directors of the Company held on 22<sup>nd</sup> January, 2016.**

The Minutes of the proceedings of the meeting of the Board of Directors of the Company held on 22<sup>nd</sup> January, 2016, circulated to the Directors and placed before the meeting, was confirmed by the Board and signed by the Chairman.
- 3. To peruse and note the Minutes of the proceedings of the meetings of the Audit Committee of the Board of Directors of the Company held on 22<sup>nd</sup> January 2016 and 26<sup>th</sup> March, 2016.**

Minutes of the proceedings of the meetings of the Audit Committee of the Board of Directors of the Company held on 22<sup>nd</sup> January, 2016 and 26<sup>th</sup> March, 2016, circulated to the Directors and placed before the meeting, were perused and noted by the Board.
- 4. To peruse and note the Minutes of the proceedings of the meeting of the Stakeholders Relationship Committee of the Board of Directors of the Company held on 22<sup>nd</sup> January, 2016.**

Minutes of the proceedings of the meeting of the Stakeholders Relationship Committee of the Board of Directors of the Company held on 22<sup>nd</sup> January, 2016, circulated to the Directors and placed before the meeting, was perused and noted by the Board.
- 5. To peruse and note the Minutes of the proceedings of the meeting of the Risk Management Committee of the Board of Directors of the Company held on 26<sup>th</sup> March, 2016.**

Minutes of the proceedings of the meeting of the Risk Management Committee of the Board of Directors of the Company held on 26<sup>th</sup> March, 2016, circulated to the Directors and placed before the meeting, was perused and noted by the Board.

**6. To take note of Circular Resolutions passed by the Committee of Board of Directors in the matter of issue of duplicate share certificates to the Shareholders of the Company.**

The Board was informed that at the meeting of the Board of Directors held on 24<sup>th</sup> June, 2014, a Committee of Directors consisting of Shri Anil D. Ambani, Chairman and Shri A. K. Purwar and Shri R. N. Bhardwaj, Directors was constituted for issue of duplicate share certificates and necessary powers were delegated to it. The said Committee had approved issue of duplicate share certificates by passing Circular Resolutions.

The text of the Circular Resolutions were as follows:

**Date: 13.01.2016**

"RESOLVED THAT the Committee of the Board do hereby approve issue of duplicate Equity Share Certificates to 23(Twenty Three) shareholders holding 4203 (Four Thousand Two Hundred Three only) equity shares of the Company as per the statement circulated to the members of the Committee of the Board and enclosed with this resolution.

RESOLVED FURTHER THAT Shri Prakash Shenoy, Company Secretary be and is hereby authorised to do all such acts, deeds, matters and things and attend to all such matters as may be necessary to give effect to this resolution."

**Date: 27.01.2016**

"RESOLVED THAT the Committee of the Board do hereby approve issue of duplicate Equity Share Certificates to 5 (Five) shareholders holding 452 (Four Hundred Fifty Two only) equity shares of the Company as per the statement circulated to the members of the Committee of the Board and enclosed with this resolution.

RESOLVED FURTHER THAT Shri Prakash Shenoy, Company Secretary be and is hereby authorised to do all such acts, deeds, matters and things and attend to all such matters as may be necessary to give effect to this resolution."

**Date: 09.02.2016**

"RESOLVED THAT the Committee of the Board do hereby approve issue of duplicate Equity Share Certificates to 4 (Four) shareholders holding 2130 (Two Thousand One Hundred Thirty only) equity shares of the Company as per the statement circulated to the members of the Committee of the Board and enclosed with this resolution.

RESOLVED FURTHER THAT Shri Prakash Shenoy, Company Secretary be and is hereby authorised to do all such acts, deeds, matters and things and attend to all such matters as may be necessary to give effect to this resolution."

**Date: 24.02.2016**

"RESOLVED THAT the Committee of the Board do hereby approve issue of duplicate Equity Share Certificates to 8 (Eight) shareholders holding 737 (Seven Hundred Thirty Seven only) equity shares of the Company as per the statement circulated to the members of the Committee of the Board and enclosed with this resolution.

RESOLVED FURTHER THAT Shri Prakash Shenoy, Company Secretary be and is hereby authorised to do all such acts, deeds, matters and things and attend to all such matters as may be necessary to give effect to this resolution."

**Date: 08.03.2016**

“RESOLVED THAT the Committee of the Board do hereby approve issue of duplicate Equity Share Certificates to 9 (Nine) shareholders holding 636 (Six Hundred Thirty Six only) equity shares of the Company as per the statement circulated to the members of the Committee of the Board and enclosed with this resolution.

RESOLVED FURTHER THAT Shri Prakash Shenoy, Company Secretary be and is hereby authorised to do all such acts, deeds, matters and things and attend to all such matters as may be necessary to give effect to this resolution.”

**Date: 23.03.2016**

“RESOLVED THAT the Committee of the Board do hereby approve issue of duplicate Equity Share Certificates to 8 (Eight) shareholders holding 626 (Six Hundred Twenty Six only) equity shares of the Company as per the statement circulated to the members of the Committee of the Board and enclosed with this resolution.

RESOLVED FURTHER THAT Shri Prakash Shenoy, Company Secretary be and is hereby authorised to do all such acts, deeds, matters and things and attend to all such matters as may be necessary to give effect to this resolution.”

**Date: 08.04.2016**

“RESOLVED THAT the Committee of the Board do hereby approve issue of duplicate Equity Share Certificates to 4 (Four) shareholders holding 542 (Five Hundred Forty Two only) equity shares of the Company as per the statement circulated to the members of the Committee of the Board and enclosed with this resolution.

RESOLVED FURTHER THAT Shri Prakash Shenoy, Company Secretary be and is hereby authorised to do all such acts, deeds, matters and things and attend to all such matters as may be necessary to give effect to this resolution.”

The Board took note of the same.

**7. To note the Certificate of Capital Integrity of the Company made upto 31<sup>st</sup> March, 2016.**

A Certificate of Capital Integrity to be submitted to the Stock Exchanges, pursuant to SEBI Notification dated 31<sup>st</sup> December, 2002, confirming reconciliation of total equity shares held with both the depositories, viz. NSDL and CDSL and in physical form with the total issued and paid up equity share capital of the Company made upto the quarter ended 31<sup>st</sup> March, 2016 issued by M/s. Haribhakti & Co., Chartered Accountant placed before the Board was perused and noted.

**8. To note the details of the Foreign Exchange Forward Contracts, Derivatives Contracts and Cash flow on forward and Derivatives Foreign Exchange contracts carried out by the Company for the quarter ended 31<sup>st</sup> March, 2016.**

A statement showing the Foreign Exchange Forward Contracts, Derivatives Contracts and Cash flow on forward and Derivatives Foreign Exchange contracts carried out by the Company in respect of Exchange Rate Risk and Liability as on 31<sup>st</sup> March, 2016 was placed before the Board.

The Board was informed that the transactions during the quarter ended 31<sup>st</sup> March, 2016, had resulted in net outflow of Rs. 57.69 lac.

The Board discussed the matter, took note and passed the following resolution unanimously:

“RESOLVED THAT the details of the Foreign Exchange Forward Contracts, Derivatives Contracts and Cash flow on forward and Derivatives Foreign Exchange contracts carried out by the Company in relation to Liability Management for the quarter ended 31<sup>st</sup> March, 2016, as per the statement and information placed before the meeting be and are hereby noted and that any of Shri Prakash Shenoy, Company Secretary, Shri Manikantan Iyer, Chief Financial Officer and Shri D. Viswanath, Authorised Signatory, be and are hereby severally authorised to file the details relating to said transactions, with the Reserve Bank of India and take necessary action as may be required in the matter.”

**9. To note disclosure received from the Directors and Manager.**

**(a) Disclosure of interest under Section 184 of the Companies Act, 2013.**

The general notice of disclosure of interest, pursuant to provisions of Section 184 of the Companies Act, 2013 in prescribed form and their shareholding in other companies, received from Shri Anil D. Ambani, Chairman, Prof. J. Ramachandran, Shri Deepak Shourie Shri A. K. Purwar, Shri R. N. Bhardwaj, and Smt. Manjari Kacker, Directors of the Company, were read at the meeting and noted by the Board. The Chairman directed the Company Secretary to record the same in the appropriate register(s).

**(b) Disclosures under Section 189 of the Companies Act, 2013.**

Disclosure under Section 189 of the Companies Act, 2013 received from the Directors and others for the changes in their directorship in other body corporate as placed before the meeting were noted by the Board and directed the Company Secretary to record the same in the appropriate register(s).

**(c) Disclosures in compliance of Section 164(2) of the Companies Act, 2013 and Declaration of Independence by the Independent Directors.**

The declarations received from all the Directors of the Company confirming compliance with conditions specified under Section 164(2) of the Companies Act, 2013 as placed before the meeting were noted by the Board. The Board was also informed that none of the Directors of the Company were disqualified in terms of Section 164(2) of the Companies Act, 2013.

Also all the independent directors of the Company furnished a declaration confirming that they comply with the conditions of their being independent.

All such declarations were placed before the Board and noted.

**10. To peruse the Minutes of the proceedings of meetings of the Board of Directors of subsidiaries of the Company.**

Minutes of the proceedings of the meetings of the Board of Directors of all the subsidiaries of the Company held during the quarter ended 31<sup>st</sup> March, 2016, together with the list of subsidiary companies, were placed before the Board. The statement containing details of significant transactions pertaining to loans, advances, investments and borrowing made by the subsidiary companies during the quarter ended 31<sup>st</sup> March, 2016 was also placed before the Board. The Board perused the information on the material transactions involving subsidiary companies and related parties particularly Investments made by them, discussed and noted.

**11. To note details of Investor Complaints received and resolved during the Quarter ended March 31, 2016.**

The Board was informed that pursuant to Regulation 13(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, it was necessary to file with the stock exchanges on a quarterly basis a statement giving the number of investor complaints received and disposed off during the quarter and those remaining unresolved at the end of the quarter, within twenty one days from the end of each quarter. Further, Regulation 13(4) provides that the above statement shall be placed before the Board on a quarterly basis.

The Board was informed that the Company had received total nine complaints during the quarter ended March 31, 2016 and all the complaints were resolved during the quarter. There was no pending complaint as on March 31, 2016.

The broad classification of complaints received by the Company was as follows:

<b>Sr. No.</b>	<b>Nature of Complaints</b>	<b>No. of Complaints</b>
1	Non Receipt of Annual Report	0
2	Non receipt of share certificate/s	4
3	Non receipt of Dividend warrants	4
	<b>Total</b>	<b>8</b>

The Board took note of the same.

**12. To note Corporate Governance Report for the quarter ended March 31, 2016.**

The Board was informed that pursuant to Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, it was necessary for the Company to submit a report on Corporate Governance in the format prescribed to the stock exchanges for every quarter within 15 days from the close of the quarter. A copy of the Corporate Governance Report for the quarter ended March 31, 2016 placed before the Board.

The Board was further informed that the Company has already filed Corporate Governance Report for the quarter ended March 31, 2016 to the stock exchanges before the due date.

The Board discussed and took note of the same.

**13. To note the statement showing holding of securities and shareholding pattern for the quarter ended March 31, 2016.**

The Board was informed that pursuant to the requirements of Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, it was necessary for the Company to file on a quarterly basis a statement showing the holding of securities and shareholding pattern with the stock exchanges within 21 days from the close of the quarter. A copy of the statement showing holding of securities and shareholding pattern for the quarter ended March 31, 2016 was placed before the Board. The Board was further informed that the Company has already filed the above report for the quarter ended March 31, 2016, to the stock exchanges.

The Board took note of the same.

**14. To review the legal compliance and take on record the Compliance certificate.**

A Compliance certificate issued by the Legal Department of the Company for the quarter ended 31<sup>st</sup> March, 2016 was placed before the Board. The Compliance Certificate, inter-alia confirmed the compliance of various laws by the Company as applicable from time to time.

The Board noted the same and took on record.

**15. To revise creation of charge over specified assets of the Company to secure various facilities taken by the Company and subsidiary companies including Redeemable Non convertible Debentures issued by the Company.**

The Board was informed that the Board at its meeting held on 14<sup>th</sup> August, 2014, had approved borrowings to be made by the Company and subsidiary companies, creation of charge and delegated powers for the same.

The Board was further informed that the Company needs to revise said limit for creation of charge on the assets of the Company in view of future expansion and borrowings and delegate requisite powers to the executives of the Company for the same.

The Board discussed the matter and passed the following resolutions:

**“RESOLVED THAT** pursuant to the powers granted under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 (the Act) by the shareholders of the Company vide resolution passed on 16<sup>th</sup> September 2014 and other applicable provisions of the Act and in partial modification to the resolution passed at the meeting of the Board of Directors held on 14<sup>th</sup> August 2014 and pursuant to the provisions of Section 179 and other applicable provisions of the Act, the Company do accept the requests of Reliance Communications Infrastructure Limited (RCIL), Reliance Telecom Limited (RTL) and Reliance Infratel Limited (RITL), subsidiary companies for providing security over movable/ immovable assets of the Company to secure various fund/ non fund based facilities( in Rupee or Foreign Currency), in one or more tranches, sanctioned/ to be sanctioned by various Banks/ financial Institutions/ Export Agencies/ Internationally recognized Banks and/ or any other Institutions/ Corporates to the RCIL, RTL and RITL from time to time.

**RESOLVED FURTHER THAT** pursuant to the powers granted under Section 180(1)(a) and other applicable provisions of the Act by the shareholders of the Company vide resolution passed on 16<sup>th</sup> September 2014, consent of the Board be and is hereby accorded for creation of charge on all or specified assets of the Company, both present and future, together with the power to take over the management of the business and concern of the Company in certain events of default, in favour of lenders and/ or security trustees appointed for the purpose for securing the borrowings availed/ to be availed by the Company, RCIL, RTL and RITL, subsidiary companies, from time to time, from Financial Institution(s)/Bank(s)/ Export Agencies/Working Capital Lenders or other entities in the form of Term Loan(s), Buyers' Credit Facilities, Working Capital Facility, Collateralised Borrowing and Lending Obligation (CBLO) facility including by issue of Non-Convertible Debentures or by any other means, in rupee or foreign amount for an amount not exceeding in the aggregate, at any one point of time, (including borrowings undertaken in the nature of refinancing) the sum upto Rs. 60,000 crore.

**RESOLVED FURTHER THAT** Shri Prakash Shenoy, Company Secretary and Manager or Shri Manikantan Iyer, Chief Financial Officer of the Company (referred as "Authorised Persons") be and are hereby severally authorised to:

- i. appoint, accept, request, letters, writings, modified request, finalise and provide assets as security, appoint Security trustee or any other agency, decide the terms and other related matters pertaining to the creation of security as well as for modification of charge including satisfaction of charge over the said assets of the Company;
- ii. make and execute all deeds, agreement(s), instruments, indenture(s), declaration (including declaration for creation of Equitable Mortgage), guarantee, undertakings, documents, applications to Income Tax Authority and other Statutory Authorities, certificates of incumbency, letters of authority / power of attorney, disbursement requests and other writings on behalf of the Company as may be required in connection with aforesaid purposes.
- iii. deliver and deposit the title deeds in respect of "Identified Specified Properties" for the aforesaid purpose with Security Trustee(s) and to attend from time to time designated Branch of Security Trustee(s) to create/ modify hypothecation/ mortgage as stated above.
- iv. sign and file all letters, returns, forms and take all other steps necessary for registration of the security to be created, if required, in favour of the Security Trustee(s), and file with the Registrar of Companies and/or any other Registration Authority; as may be required,
- v. do all such acts, deeds and things and deal with all such other matters and take all such steps as may be necessary to give full effect to this resolution.

**RESOLVED FURTHER THAT** the aforementioned Authorised Persons be and are hereby severally authorised to delegate authority from time to time, to any person as they deem fit as Authorised Person of the Company for any of the purposes as stated above, towards completion of the transactions authorised pursuant to this resolution.

**RESOLVED FURTHER THAT** the Common Seal of the Company, if required, be affixed to the facility documents such as the Agreement(s), Deed(s) of Hypothecation and/or any other deed, paper, document as may be required to be executed for the purpose, in the presence of any of the abovementioned Authorised Persons including persons delegated with powers pursuant to this resolution, by the Authorised Person, such persons and or Authorised Persons shall sign the same in authentication thereof, in accordance with the provisions of the Company's Articles of Association.

**RESOLVED FURTHER THAT** certified true copy of this resolution be furnished to the concerned and the concerns are requested to act upon the same."

**16. To grant an approval to the Key Managerial Personnel of the Company for continuance as Director in the Company's subsidiaries.**

The Board was informed that Shri Manikantan Iyer, Chief Financial Officer of the Company has been appointed as a Director of Global Cloud Xchange Limited, Bermuda, a subsidiary of the Company, w.e.f. 31<sup>st</sup> March 2016.

The Board was further informed that first proviso under Section 203(3) of the Companies Act, 2013, provides that, if any Key Managerial Personnel of the

Company is acting as a Director of any other Company, it would be necessary for the Board to grant its permission to enable him to continue to hold Directorships in the other companies.

The Board discussed the matter and passed the following resolution:

**“RESOLVED THAT** pursuant to the requirements of Section 203(3) of the Companies Act, 2013, the Board be and is hereby approve and ratify the appointment of Shri Manikantan Iyer, Chief Financial Officer of the Company, Key Managerial Personnel of the Company, to hold office as a Director of Global Cloud Xchange Limited, Bermuda, subsidiary of the Company.”

#### **17. Presentation on Wireless Business of the Company.**

Shri Gurdeep Singh, CEO- Wireless Business made presentation on wireless business of the Company.

The presentation covered Industry Overview, Global and India 4G outlook and Company's positioning, CDMA transition, combination of wireless business of the Company with Aircel etc.

Shri Gurdeep Singh stated that 3G has had an unsuccessful run for all the operators with low adoption even after 5 years of launch. However, 4G will see a different trajectory; ecosystems have matured and operators have learnt from the 3G experience resulting in 5x faster 4G adoption than 3G.

He further stated that faster growth in 4G adoption will be more than compensating the falling voice revenue. Indian operators aggressively executing 4G. Future investments are expected in 4G (700 MHz) as well as for re-farming of spectrum. 4G handset penetration expected to increase to 70% by 2020.

He further stated that the Company and Reliance Jio Infocomm Limited (RJio) have superior spectrum holding for LTE in sub-1 GHz spectrum band. The Company has best competitive positioning in LTE among top Indian telecom operators. The Company will no need to acquire any spectrum in the upcoming auction.

On CDMA migration, he stated that focus on Platinum and Gold Customer's up gradation is key to sustain Ebitda. Win-win relationship with RJio since Company's traffic would be critical to increase Jio's network utilization and provide substantial revenues through ICR. He stated that 4G launch for GSM customers will take about 90 to 120 days time and Company will position its 4G brand as superior network experience to customers.

On RCOM – Aircel Combination (MergedCo), he stated that MergedCo will have significant spectrum advantage and a competitive network footprint. Also MergedCo would have a unique advantage in having access to RJio's infra and ecosystem. Aircel spectrum valid till 2026 vs RCOM's valid till 2021. RCOM will need to liberalize only ~ 18 MHz of spectrum. Merged Entity will have significant synergies leading to improvement in cash flow generating capability through optimization of resources.

The Board felt that Company should make use of 4G launch as a big opportunity to re brand its image and experience to the customers and work overnight on the same in view of limited time availability for 4G launch. Prof J Ramachandran stated that the Company should use external agency to make research of its brand position, brand strength, acceptance by customers and populate data for its 4G launch. Shri Deepak Shourie stated that 4 months time for brand building is difficult unless management make proper research, advertisement etc. for its 4G launch.

Shri A. K. Purwar enquired Company's strategy on RJio entering the market and aggressive pricing for its customers. Shri Gurdeep Singh stated that RJio launch may not disrupt the market and will decide strategy at that time based on actions taken by other operators.

The Board advised the Management to hold a separate meeting in the month of June, 2016 to assess the wireless business and human resource strategies of the Company hence presentation on Human Resource of the Company was postponed.

There being no further business to transact, the meeting ended with a vote of thanks to the Chair.

The meeting concluded at 1.35 p.m.

**Chairman**

**Entered on : 25.05.2016**

**Signed on :**