

Minutes of the proceedings of the meeting of the Board of Directors of Reliance Communications Limited held on Friday, 7th February, 2014 at 3.00 p.m. at Board Room, 3rd Floor, Reliance Centre, Walchand Hirachand Marg, Ballard Estate, Mumbai – 400 001.

Directors Present

Shri Anil D. Ambani	-	Chairman
Prof. J. Ramachandran	-	Director
Shri Deepak Shourie	-	Director
Shri R. N. Bhardwaj	-	Director

In Attendance

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

Chairman

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

- 1. Leave of absence:** Leave of absence was granted to Shri A. K. Purwar, Director, who had requested for the same.
- 2. To peruse and approve the Minutes of the proceedings of the meeting of the Board of Directors of the Company held on 12th November, 2013.**
Minutes of the proceedings of the meeting of the Board of Directors of the Company held on 12th November, 2013, placed before the meeting, were confirmed by the Board and signed by the Chairman.
- 3. To peruse and note the Minutes of the proceedings of the meeting of the Audit Committee of the Board of Directors of the Company held on 12th November, 2013.**
Minutes of the proceedings of the meeting of the Audit Committee of the Board of Directors of the Company held on 12th November, 2013, placed before the meeting, was noted by the Board.
- 4. To peruse and note the Minutes of the proceedings of the meeting of the Shareholders/ Investors Grievance Committee of the Board of Directors of the Company held on 12th November, 2013.**
Minutes of proceedings of the meeting of the Shareholders/ Investors Grievance Committee of the Board of Directors of the Company held on 12th November, 2013, circulated to the Directors and placed before the meeting was noted by the Board.
- 5. To note the disclosure of Interest received from the Director/s.**
Disclosure under Section 305 of the Companies Act, 1956 received from the Directors for the changes in their directorship in other body corporate/s as placed before the meeting was noted by the Board and directed the Company Secretary to record the same in appropriate register(s).
- 6. To note the Audit Certificate of reconciliation of Capital of the Company made upto 31st December, 2013.**
A Certificate of Capital Integrity submitted to the Stock Exchanges, pursuant to SEBI Notification dated 31st 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 upto the quarter ended 31st December, 2013 issued by M/s. Haribhakti & Co., Chartered Accountants was perused and noted.

7. 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 31st December, 2013.

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 31st December, 2013 was placed before the Board.

The Board was informed that the transactions during the quarter ended 31st December, 2013, had resulted in net outflow of Rs.5.22 crore.

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 31st December, 2013, 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 Sandeep Garg, 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.”

8. 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 31st December, 2013 was placed before the Board. The Compliance Certificate, interalia confirmed the compliance of various laws by the Company as applicable from time to time.

The Board noted the same and took on record.

9. To consider and approve unaudited Consolidated financial results and Standalone financial results for the quarter and nine months ended 31st December, 2013.

The Board was informed that in terms of Clause 41 of the Listing Agreement of the Stock Exchanges, the Company required to approve and submit the Standalone and Consolidated Financial Results for the quarter and nine months ended 31st December, 2013 to the Stock Exchanges within 45 days from the end of quarter and publish the same in newspapers within 48 hours after the approval of the Board.

The Standalone and Consolidated unaudited Financial Results for the quarter and nine months ended 31st December, 2013 duly reviewed by the Audit Committee at their meeting held earlier on 7th February, 2014 were placed before the Board. The Board was informed that the unaudited consolidated financial Results were in respect of the Company and all its subsidiaries/ controlled companies and had been prepared in accordance with the requirements of the Accounting Standards prescribed under Companies (Accounting Standards) Rules, 2006 and amended from time to time.

The Board was informed that pursuant to internal restructuring of business organization, the Company has reorganized its segment reporting as 'India Operations' and 'Global Operations w.e.f: 1st July 2013 in compliance with the Accounting Standard 17.

Prof. J. Ramachandran, acting Chairman of the Audit Committee held today informed that the unaudited Standalone Financial Results and the unaudited Consolidated Financial Results for the quarter and nine months ended 31st December, 2013 were duly considered and reviewed by the Audit Committee at its meeting held earlier in the day and the Audit Committee had recommended the Board to approve the same.

Detailed presentation of the businesses of the Company highlighting the performance of the Company for the quarter and nine months ended 31st December, 2013 and outlook of the Company was made by Shri Gurdeep Singh, Wireless CEO and Shri Punit Garg, Enterprise CEO to the Board.

The brief highlights of consolidated financial performance of the Company for the quarter ended 31st December, 2013 were as follows:

- Revenue at Rs. 5,403 crore, up 1.9% from Rs. 5,301 crore in Q3 previous year,
- EBITDA at Rs. 1,845 crore, up 11.6% from Rs.1,653 crore in Q3 previous year. EBITDA margin at 34.2%, amongst the highest in the industry, with strong contribution from both India and Global businesses.
- Net Profit at Rs. 108 crore, up 2.7% from Rs.105 crore in Q3 previous year.

A certificate from Shri Prakash Shenoy, Company Secretary, Manager and Chief Executive Officer and Shri Manikantan Iyer, Chief Financial Officer of the Company, stating that the unaudited financial results of the Company for the quarter and nine months ended 31st December, 2013 do not contain any false or misleading statement or figures and do not omit any material fact, which may make the statements or figures contained therein misleading, was also placed on table for confirmation of the Board.

The Board was informed that the Company has opted to publish consolidated financial results for the year 2013-14 in the newspapers.

Shri Manikantan Iyer, Chief Financial Officer placed a Management Representation letter dated 7th February, 2014 to be given to the Auditors for the quarter and nine months ended 31st December, 2013. He further stated that the Audit Committee has recommended the Management Representation letter for issuance to the Auditors under the signature of any of Shri Manikantan Iyer, Chief Financial Officer or Shri Prakash Shenoy, Company Secretary. The Board discussed the contents of Management Representation letter and approved the same.

The Board deliberated performance and business related issues of the Company and after detail deliberation, passed the following resolutions:

(a) Unaudited Standalone Financial Results of the Company.

“RESOLVED THAT pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges, the unaudited Stand alone Financial Results of the Company for the quarter

and nine months ended 31st December, 2013, as per the statement placed before the meeting and as reviewed by the Audit Committee at their meeting held on 7th February, 2014 and as certified by Shri Prakash Shenoy, Chief Executive Officer and Shri Manikantan Iyer, Chief Financial Officer of the Company be and are hereby approved and that the same be signed by Shri Anil D. Ambani, Chairman and submitted to the Stock Exchanges, where the securities of the Company are listed.

RESOLVED FURTHER THAT Shri Prakash Shenoy, Company Secretary and Manager be and is hereby authorised to submit the said financial results to the Stock Exchanges and do everything necessary and incidental in this regard.”

(b) Unaudited Consolidated Financial Results of the Company.

“RESOLVED THAT pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges, the unaudited Consolidated Financial Results of the Company for the quarter and nine months ended 31st December, 2013, as per the statement placed before the meeting and as reviewed by the Audit Committee at their meeting held on 7th February, 2014, be and are hereby approved and that the same be signed by Shri Anil D. Ambani, Chairman and submitted to the Stock Exchanges, where the securities of the Company are listed.

RESOLVED FURTHER THAT Shri Prakash Shenoy, Company Secretary and Manager be and is hereby authorised to submit the said financial results to the Stock Exchanges, publish the same in the newspapers and do everything necessary and incidental in this regard.”

10. To peruse the Minutes of the proceedings of meetings of the Board of Directors of subsidiary companies of the Company.

Written Resolutions/ Minutes of proceedings of meetings of the Board of Directors held during the quarter ended 31st December, 2013 of all the subsidiaries of the Company, together with the list of subsidiaries, were placed before the Board. The statement containing details of significant transactions pertaining to loans, advances, investments and borrowing made by the subsidiary companies for the quarter ended 31st December, 2013 was also placed before the Board. The Board perused the information on the material transactions involving subsidiary company/ies and related parties particularly Investments made by them and noted the same.

11. To note status of Spectrum Bidding Application of the Company.

The Board was informed that the Company has submitted a spectrum bidding application to the Department of Telecommunication, Government of India for 1800 MHz band on 15th January, 2014 and has given Bank Guarantee for about Rs.200 crore, pursuant to the Bid applications invited by them.

The Board was also informed that the following telecommunication companies have also submitted their bidding applications for 900MHz and 1800 MHz bands:

a) M/s. Vodafone India Limited, (2) M/s. Bharti Airtel Limited, (3) M/s Aircel Limited, (4) M/s. Idea Cellular Limited, (5) M/s. Tata Teleservices Limited, (6) M/s. Reliance Jio Infocomm Limited and (7) M/s. Telewings Communications services Pvt. Ltd.

The Board was also informed that bidding process has started from 3rd February, 2014.

The Board was informed that as per the media reports, on the 4th day of telecom spectrum auctions, Delhi emerged the key focus circle for telecom companies. The demand for 900 MHz spectrum fell across circles. The aggregate demand for the Delhi circle was 10 MHz, for Mumbai, it was 5 MHz and for Kolkatta, demand stood 7 MHz. In the 1800 MHz band, there was excess demand for the Assam, Jammu and Kashmir, Madhya Pradesh, Uttar Pradesh (West) circles. The price of 1800 MHz spectrum increased the most in Assam followed by Gujarat, Uttar Pradesh (west), Maharashtra, Bihar West Bengal, Delhi, Madhya Pradesh and Uttar Pradesh East.

The Board discussed the matter in detailed and took note of the same.

12. To consider status report on 2G case filed by CBI in the matter of Reliance Telecom Limited and others.

A status report dated February 5, 2014 issued by M/s. Aggarwal Law Associates, Advocates, New Delhi was placed before the meeting. The Board was informed that the Trial, which commenced on 11.11.2011 before the Ld. CBI Special Judge, O.P. Saini has Cross-Examined all the prosecution witnesses by the Counsels for the accused. Now, the matter for recording the statement of the Accused is listed from 3rd March, 2014.

The Board was further informed that RTL had filed a Special Leave Petition (SLP) 6008 of 2013 before Hon'ble Supreme Court against the order issued by the Trial judge on 19th July, 2013 in the matter of summoning 17 additional witnesses in the on going Trial. The said order dated 19th July, 2013 was not stayed by the Hon'ble Supreme Court. Thus, pending the final hearing of the SLP, all the additional witnesses were summoned and examined by the Trial court. Thus, SLP has become infructuous.

The Board was further informed that vide order dated 9th October, 2013, the Delhi High Court had disposed of the writ petitions filed by RTL and three Executives against the Trial court's order on charge and charges framed, without adjudication of merits, based on the Hon'ble Supreme Court dismissed the IA and Writs on the ground that the directions in the order dated 11th April, 2011, that any application for staying or impeding the Trial shall be made before the Hon'ble Supreme Court only. Now, in view of the same, RTL and three executives have filed petitions before the Supreme Court and Supreme Court has issued notice in these petitions.

The Board took note of the same.

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

Chairman