

**Minutes of the proceedings of the meeting No. 02/2015-16 of the Board of Directors of Reliance Communications Limited held on Friday, the 6<sup>th</sup> November, 2015 at 2.30 p.m. at Board Room, 3<sup>rd</sup> Floor, Reliance Centre, Walchand Hirachand Marg, Ballard Estate, Mumbai – 400 001.**

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**Directors Present**

Shri Anil D. Ambani	-	Chairman
Prof. J. Ramachandran	-	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
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**Chairman**

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

1. **Leave of absence:** Leave of absence was granted to Shri Deepak Shourie, Director as he 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 2<sup>nd</sup> November, 2015.**

The Chairman informed the Board that due to urgency and for consideration of unpublished price sensitive matter, a meeting of the Board was convened on 2<sup>nd</sup> November, 2015 by shorter notice and said meeting had approved the minutes of the meetings held on 14<sup>th</sup> August, 2015. He further informed that in view of above, the present Board meeting required to approve the minutes of the Board meeting held on 2<sup>nd</sup> November 2015.

Then, Minutes of the proceedings of the meeting of the Board of Directors of the Company held on 2<sup>nd</sup> November, 2015, circulated to the Directors and 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 2<sup>nd</sup> November, 2015.**

The Chairman informed the Board that as stated in item No.2 above, at the Audit Committee meeting of the Board of Directors held on 2<sup>nd</sup> November, 2015 approved the Audit Committee minutes of the meeting held on 14<sup>th</sup> August, 2015. Minutes of the proceedings of the meeting of the Audit Committee of the Board of Directors of the Company held on 2<sup>nd</sup> November, 2015, circulated to the Directors and placed before the meeting, was noted by the Board.

4. **To note the Audit Certificate of reconciliation of Share Capital of the Company made upto 30<sup>th</sup> September, 2015.**

A Certificate of Capital Integrity 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 upto the quarter ended 30<sup>th</sup> September, 2015 issued by

M/s. Haribhakti & Co., Chartered Accountant and submitted to the Stock Exchanges and placed before the Board was perused and noted.

**5. 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 30<sup>th</sup> September, 2015.**

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 30<sup>th</sup> September, 2015 was placed before the Board.

The Board was informed that the transactions during the quarter ended 30<sup>th</sup> September, 2015, had resulted in net outflow of Rs. 7 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 30<sup>th</sup> September, 2015, 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.”

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

Disclosure under Section 189 of the Companies Act, 2013 received from a Director read at the meeting and noted by the Board. The Company Secretary was instructed to incorporate the same in appropriate Register/s maintained by the Company.

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

Minutes of the proceedings of meetings of the Board of Directors held during the quarter ended 30<sup>th</sup> September, 2015 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 during the quarter ended 30<sup>th</sup> September, 2015 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 and noted.

**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 30<sup>th</sup> September, 2015 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.

**9. To consider and approve unaudited consolidated financial results and standalone financial results for the quarter and half year ended 30<sup>th</sup> September, 2015.**

The Board was informed that in terms of Clause 41 of the Listing Agreement of the Stock Exchanges, the Company was required to approve and submit the Standalone and Consolidated Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2015 to the Stock Exchanges within 45 days from the end of quarter. In terms of Clause 41 of the Listing Agreement of the Stock Exchanges, the Company was also required to publish the same in the newspapers within 48 hours after the approval of the Board.

The Standalone and Consolidated unaudited Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2015 duly reviewed by the Audit Committee at their meeting held earlier on 6<sup>th</sup> November, 2015 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 / Joint Ventures/ controlled companies 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.

Prof. J. Ramachandran, Chairman of the Audit Committee informed that the unaudited Standalone Financial Results and the unaudited Consolidated Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2015 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 ended 30<sup>th</sup> September, 2015 and outlook of the Company was made by Shri Gurdeep Singh, CEO – Consumer Business and other business CEO's to the Board.

The brief highlights of consolidated financial performance of the Company for the quarter ended 30<sup>th</sup> September, 2015 were as follows:

- Net profit at Rs.156 crore, up 1.9% from Rs.153 crore in Q2 previous year.
- Consolidated Revenue & EBITDA: RCOM Q2 revenue at Rs.4,701 crore, up 0.4% from Rs.4,680 crore in Q2 previous year. Q2 EBITDA at Rs.1,605 crore down 2.5% from Rs. 1,827 crore in Q2 previous year.
- India Operations Revenue & EBITDA: Q2 revenue at Rs. 4,701 crore, up 0.4% from Rs. 4,680 crore in Q2 previous year. EBITDA at Rs. 1,605 crore, down 3.4% from Rs.1,663 crore in Q2 previous year.
- Global Operations Revenue & EBITDA: Q2 Revenues at Rs.1,062 crore, up by 5.5% from Rs.1,007 crore in Q2 previous year. Q2 EBIDTA at Rs.177 crore, up 7.2% from Rs.165 crore in Q2 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 half year ended 30<sup>th</sup> September, 2015 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 2015-16 in the newspapers.

Shri Manikantan Iyer, Chief Financial Officer placed a Management Representation letter dated 6<sup>th</sup> November, 2015 to be given to the Auditors for the quarter ended 30<sup>th</sup> September, 2015. He further stated that the Audit Committee has recommended the Management Representation letter for approval and issuance to the Auditors under the signature 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 half year ended 30<sup>th</sup> September, 2015, as per the statement placed before the meeting and as reviewed by the Audit Committee at their meeting held on 6<sup>th</sup> November, 2015 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 half year ended 30<sup>th</sup> September, 2015, as per the statement placed before the meeting and as reviewed by the Audit Committee at their meeting held on 6<sup>th</sup> November, 2015, 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 approve payment of audit fees to the Auditors.**

The Board was informed that the Board of Directors at their meeting held on 14<sup>th</sup> August, 2015 had approved payment of fees of Rs.50,00,000, exclusive of travelling and other out of pocket expenses, to each of the Auditors of the Company, i.e. Chaturvedi & Shah, Chartered Accountants and BSR & Co.LLP, Chartered Accountants, towards part Audit fees and for issuing the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2015. It was decided while approving said part audit fees that the audit fees for the quarter ended 30<sup>th</sup> September, 2015, 31<sup>st</sup> December, 2015 and for the financial year ending 31<sup>st</sup> March, 2016 will be decided later on. The Board was further informed that at the 11<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2015, the

shareholders of the Company had appointed Chaturvedi & Shah, Chartered Accountants and BSR & Co.LLP, Chartered Accountants as the Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company.

The Board was further informed that at the meeting of the Audit Committee of the Board of Directors held earlier on 6<sup>th</sup> November, 2015, has recommended for payment of fees of Rs.50 lac for each quarter to each of the Auditors i.e. Chaturvedi & Shah, Chartered Accountants and BSR & Co.LLP, Chartered Accountants, towards part of audit fees and issuance of limited review report for the quarter ended 30<sup>th</sup> September, 2015 and the quarter ending on 31<sup>st</sup> December, 2015 and that fees for the fourth quarter and financial year ending 31<sup>st</sup> March, 2016 will be decided later on

The Board of Directors considered above and passed the following resolution.

"RESOLVED THAT as recommended by the Audit Committee at its meeting held on 6<sup>th</sup> November, 2015, the Board do hereby approve payment of fees of Rs.50,00,000/- exclusive of travelling and other out of pocket expenses, to each of the Auditors of the Company, i.e. Chaturvedi & Shah, Chartered Accountants and BSR & Co. LLP, Chartered Accountants, towards part Audit fees and for issuing the Limited Review Report for the quarter ended on 30<sup>th</sup> September, 2015 and the quarter ending on 31<sup>st</sup> December, 2015 and that fees for the fourth quarter and the financial year ending 31<sup>st</sup> March, 2016 will be decided later on.

RESOLVED FURTHER THAT Shri Manikantan Iyer, Chief Financial Officer be and is hereby authorised to do all such acts and things necessary in the matter."

**11. To note outcome of the 11<sup>th</sup> Annual General Meeting of the members of the Company.**

The Board was informed that 11<sup>th</sup> Annual General Meeting (AGM) of the members of the Company was held on 30<sup>th</sup> September, 2015 at the Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai, and all the resolutions specified in the AGM Notice were approved with requisite majority by the members.

The members of the Board took note of the same.

**12. To update the status of stake sale in Reliance Infratel Limited.**

The Board was informed that as informed in last meeting of the Board, in order to reduce debt and de-leverage balance sheet of the Company, it is thought fit to divest majority stake in Tower Business of RITL. For the said purpose, the Company has appointed three investment bankers as advisors as well signed Non Disclosure Agreements with nine potential bidder.

The Board was further informed that the Company has so far received indicative bids with enterprise value upto Rs.27,000 crore. In addition to the interest in Tower Business, some of the bidders have shown interest to buy 100% stake of RITL, i.e. including Optic Fiber Business. Due diligence exercise by the bidders are going on in full swing. Management presentation with the bidders has been over and it is expected that the entire process of stake sale of RITL and de merger of Optic Fiber Business into another company will be completed before 31<sup>st</sup> March, 2016.

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

**13. To consider and note the requirements under SEBI (Listing Obligations and Disclosure requirements) Regulations 2015.**

The Board was informed that the Securities and Exchange Board of India (SEBI) vide its notification dated September 2, 2015, have introduced the SEBI (Listing Obligations and Disclosure requirements) Regulations 2015 (Regulations) under the SEBI Act 1992, read with Section 31 of the Securities Contracts (Regulation) Act 1956. Except two regulation – (1) Regulation 23(4) with respect to requirement of Ordinary resolution for approval of material Related Party Transactions (RPTs) and (ii) Regulation 31A i.e. Disclosure of class of shareholders and conditions for Reclassification, have become effective from September 2, 2015 and the other Regulations will come into operation w.e.f. December 1, 2015.

The Board was further informed that pursuant to the above Regulations, it will be necessary for the Company to enter into a fresh listing agreement with the stock exchanges. A draft of Listing Agreement was tabled at the meeting.

A brief presentation on synopsis of the Regulations was also made before the Board.

The Board of Directors considered above and passed the following resolutions.

**(A) Approving Policies**

“RESOLVED THAT the Company do hereby approve the following policies as per the drafts placed before the Board:

- a) Policy for Preservation of Documents; and
- b) Policy for Determination of Materiality of Events.”

RESOLVED FURTHER THAT Shri Prakash Shenoy, Company Secretary and Shri Manikantan Iyer, Chief Financial Officer of the Company be and are hereby severally authorised to discuss and finalise above policies and do all such acts and things necessary in the matter.”

**(B) Authority to deal with all matters relating to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

“RESOLVED THAT Shri Prakash Shenoy, Company Secretary and Shri Manikantan Iyer, Chief Financial Officer of the Company be and are hereby severally authorised to determine the materiality of any event or information and for the purposes of making disclosures to the Stock Exchanges, pursuant to regulation 30(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to sign on behalf of the Company, all intimations, agreements, deeds, documents, undertakings, forms and papers as may be necessary for the Company in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to affix the Common Seal of the Company, wherever necessary, in accordance with Articles of Association of the Company and to deal with all the matters arising out of or incidental to the above.”

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

A status report dated November 2, 2015 issued by M/s. Agarwal Law Associates, Advocates, New Delhi was placed before the meeting.

The Board was informed that the Trial, which commenced on 11<sup>th</sup> November, 2011 before the Ld. CBI Special Judge, O.P. Saini has closed its evidence as all

the prosecution witnesses have deposed. The statement of accused under section 313 of CrPC has been recorded. The defence is leading its evidence. Approximately 30 defence witnesses have been examined and the defence has closed its evidence.

In view of the Supreme Court order dated September 3, 2013, the Delhi High Court vide its order dated October 9, 2013 disposed of the Writ petitions filed by RTL and three executives against the Trial Courts' order-on-charges and charges framed, without adjudication of merits. In view of said order passed by the Delhi High Court, RTL and three executives have filed petitions before the Supreme Court against the order-on-charge and charges framed by the Trial Court.

The Supreme Court has issued notice in these quashing petitions. These quashing petitions are likely to be listed before the Supreme Court for final hearing on in November, 2015.

The Directors discussed the same and took note of the same.

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

The meeting concluded at 5.25 p.m.

**Entered on:** 23.11.2015  
**Signed on:**

**Chairman**