

Minutes of the proceedings of the meeting of the Board of Directors of Reliance Communications Limited held on Friday, the 13th February, 2015 at 2.00 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 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

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, 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 31st January, 2015.**
Minutes of the proceedings of the meeting of the Board of Directors of the Company, held on 31st January, 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 31st January, 2015.**
Minutes of the proceedings of the meeting of the Audit Committee of the Board of Directors of the Company held on 31st January, 2015, circulated to the Directors and placed before the meeting, was noted by the Board.
- 4. To take note of Circular Resolutions passed by the Committee of Board of Directors of the Company 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 24th 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 Resolution was as follows:

Date: 06.02.2015

"RESOLVED THAT the Committee of the Board do hereby approve issue of duplicate Equity Share Certificates to 2 (Two) shareholder holding 72 (Seventy 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.

5. To note the Audit Certificate of reconciliation of Share Capital of the Company made upto 31st December, 2014.

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, 2014 issued by M/s. Haribhakti & Co., Chartered Accountant and submitted to the Stock Exchanges and placed before the Board was perused and noted.

6. 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, 2014.

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, 2014 was placed before the Board.

The Board was informed that the transactions during the quarter ended 31st December, 2014, had resulted in net inflow of Rs. 8.93 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 31st December, 2014, 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.”

7. To note disclosure received from the Directors.

It was informed to the Board that during the last Board meeting and this Board meeting, no such disclosure was received by the Company.

8. 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 31st December, 2014 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 31st December, 2014 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 the same.

9. 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, 2014 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.

10. To consider and approve unaudited consolidated financial results and standalone financial results for the quarter and nine months ended 31st December, 2014.

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 nine months ended 31st December, 2014 to the Stock Exchanges within 45 days from the end of quarter.

The Board was further informed that in terms of Clause 41 of the Listing Agreement of the Stock Exchanges, the Company was also required to 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, 2014 duly reviewed by the Audit Committee at their meeting held earlier on 13th February, 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 nine months ended 31st December, 2014 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, 2014 and outlook of the Company was made by Shri Vinod Sawhny, CEO and other business CEO's to the Board.

The brief highlights of consolidated financial performance of the Company for the quarter ended 31st December, 2014 were as follows:

- Net profit at Rs.201 crore, up 31% from Rs.153 crore in Q2.
- Consolidated Revenue & EBITDA: RCOM Q3 revenue at Rs. 5,469 crore, up 1.2% from Rs. 5,403 crore in Q2. Q3 EBITDA at Rs. 1,851 crore, up 1.3% from Rs. 1,827 crore in Q2. EBITDA margin of 33.8% maintained at the same level as Q2.
- India Operations Revenue & EBITDA: Q3 revenue at Rs. 4,799 crore, up 2.5% from Rs. 4,680 crore in Q2 EBITDA at Rs. 1,705 crore, up 2.6% from Rs.1,662 crore in Q2.
- Global Operations Revenue & EBITDA: Q3 Revenues at Rs. 1,236 crore, up by 23% from Rs.1,007 crore in Q2. Q3 EBIDTA at Rs.146 crore, down by 11.5% from Rs.165 crore in Q2.

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, 2014 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 2014-15 in the newspapers.

Shri Manikantan Iyer, Chief Financial Officer placed a Management Representation letter dated 13th February, 2015 to be given to the Auditors for the quarter ended 31st December, 2014. 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 nine months ended 31st December, 2014, as per the statement placed before the meeting and as reviewed by the Audit Committee at their meeting held on 13th February, 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 nine months ended 31st December, 2014, as per the statement placed before the meeting and as reviewed by the Audit Committee at their meeting held on 13th February, 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.”

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

The Board was provided a copy of the status report dated February 10, 2015 issued by M/s. Agarwal Law Associates, Advocates, Supreme Court, New Delhi on 2G case filed by Central Bureau of Investigation.

The Board was informed that the Trial, which commenced on 11th November, 2011 before the Ld. CBI Special Judge, has cross examined all the prosecution witnesses by the Counsels for the accused. The statement of accused under Section 313 of the CPC has been recorded and 30 defence witnesses have been examined and defence has closed their evidence. The matter has been listed for final hearing from 18th February, 2015, but it may likely to be adjourned due to pendency of the examination of the additional witness.

Reliance Telecom Limited and three executives of the Group 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 quashing petitions. These quashing Petitions are listed before the Supreme Court for hearing on 24th February, 2015.

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

12. To consider and adopt revise Practice and procedure of fair disclosure of Unpublished price sensitive information (UPSI) Code as per SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Board was informed that the Securities and Exchange Board of India (SEBI) has introduced new Regulations – Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 vide their notification published in the official gazette on January 15, 2015. The Board was further informed that these Regulations shall come into force on the 120th day from the date of its publication, i.e., on May 15, 2015. The Board was also informed about important changes / amendments, which have been brought about in the said Regulations.

The Board was also informed about the disclosures as follows:

- (1) Initial disclosure will be provided by every promoter, Key Managerial Personnel (KMP) and Director of every listed company within 30 days from the date of notification of these regulations taking effect. Further, every person, who is appointed as KMP / Director or becomes a promoter of the company should disclose his share holding within seven days of appointment or upon becoming a promoter.
- (2) Continual Disclosures: Every promoter, KMP and Director should disclose to the company the number of securities acquired or disposed where the value of the securities traded in single transaction or series of transactions in any calendar quarter aggregates to a traded value of Rs.10 lac or more. Such disclosure shall be made within two trading days.
- (3) Upon receipt of such disclosure, the Company should inform the Stock Exchange within two trading days. The Company can also require other connected persons to disclose their share holding and trading in securities at such times as may be decided by the Board to comply with the regulations.
- (4) Code of Practice: A code of practice and procedure of fair disclosure of UPSI shall be laid out by every listed company. The code should be published on the Company's Website. The code shall set out the principles, which have been laid down in Schedule A of the Regulations. Any amendments to the Code should also be intimated to the Stock Exchange.

(5)Code of Conduct: The Board of Directors, market intermediary and every other person who has to handle UPSI in the course of their business activity should formulate a code of conduct. This shall be as per Schedule B of the Regulations and the code shall regulate, monitor and report on trading by employees and other connected persons

A Code for Practice and procedure of fair disclosure of UPSI (Code) was placed before the meeting.

The Board discussed the matter and passed the following resolution.

“RESOLVED THAT a “Code of practices and procedures and Code of conduct to regulate, monitor and report trading in securities and fair disclosure of unpublished price sensitive information” (Code) as placed before the meeting be and is hereby approved.

RESOLVED FURTHER THAT Shri Prakash Shenoy, Company Secretary be and is hereby authorised to modify / alter the Code with the new/ revise requirements as may be required in future and to do all such acts, deeds, matters and things and attend to all such matters as may be necessary in the matter.”

13. To consider and approve Appointment of Secretarial Auditor.

The Board was informed that pursuant to the provisions of Section 204 of the Companies Act, 2013 and the relevant Rules made thereunder, it is necessary for the company to carry out secretarial audit for the financial year 2014-15. The Secretarial audit will be conducted by a Company Secretary in practice and will cover audit of secretarial and other records of the Company. The report of the secretarial auditor shall also be annexed to the report of the Board to be circulated to the shareholders of the Company.

A List of Practicing Company Secretaries identified for the proposed appointment as Secretarial Auditor was placed before the Board.

The Board discussed the matter and passed the following resolution.

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013 and rules made there under, M/s. Kaushik M Jhaveri & Co., Practicing Company Secretary, be and is hereby appointed as the Secretarial Auditor of the Company to conduct secretarial audit for the Financial Year 2014-15 on annual fees as may be decided by Shri Prakash Shenoy, Company Secretary plus applicable service tax, in addition to reimbursement of traveling and other out-of-pocket expenses incurred incidental to their functions.

RESOLVED FURTHER THAT Shri Prakash Shenoy, Company Secretary, be and is hereby authorised to do all such acts and things necessary in the matter.”

14. Status of making Bid application for spectrum in 2100 MHz, 1800 MHz, 900 MHz and 800 MHz Bands.

The Board was informed that the Department of Telecommunications, Ministry of Communications & Information Technology, Government of India (“DoT”) has issued a Notice Inviting Applications (NIA) in the matter of bidding for spectrum in 2100 MHz, 1800 MHz, 900 MHz and 800 MHz Bands. As per NIA, Auction will be held on 4th March, 2015 and last date for submission of Application is 16th February, 2015. The Board further informed that at the last Board meeting held on 31st January, 2015, the matter was

discussed and necessary powers were given to the Company officials for making bid application/s.

The Board was further informed that the Government plans to sell the 2G and 3G radiowaves in an auction. Most of the spectrum being put up for the auction is presently held by Airtel, Vodafone, Idea Cellular and Reliance Telecom. Their licences are expiring in year 2015-16. Idea Cellular's 9 circles, Airtel's 6 circles and 7 circles each of Vodafone and Reliance Telecom are coming up for renewal. Overall there are 29 licences in 18 service areas, which will expire in 2015-16. These licences hold 184 MHz spectrum in the 900 MHz band and 34.2 MHz in 1800 MHz band. The exact information of the bidders will be available after February 16, 2015.

The Board was also informed about the proposed strategy in making bid for spectrum and final strategy will be decided based on the bidding.

The Board was also informed that Company may need to pay amount around Rs.1,500 crore as earnest money to DOT towards bid application/s based on existing plans of bidding.

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

15. To consider and approve the issue and allotment of Secured Redeemable Non-Convertible Debentures upto Rs.300 crore.

The Board was informed that for general corporate purpose of the Company, the Company proposed to borrow by way of issue of Secured Redeemable Non Convertible Debentures upto Rs.300 crore. The Board was further informed that in year 2009 and 2012, the Company had issued and allotted Secured Redeemable Non-Convertible Debentures aggregating Rs.5,000 crore, which are presently outstanding.

The Board was further informed that Standard Chartered Bank has shown interest in subscribing Secured Redeemable Non Convertible Debentures (Debentures) aggregating to Rs.300 crore. The Company has been in discussion with Standard Chartered Bank for finalising the terms and conditions of the Debentures.

The Board was further informed that the Shareholders of the Company had approved the issue of Non convertible Debentures and borrowings by the Company upto four times of the then paid up capital and free reserve of the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) vide resolution passed on 16th September, 2014. The proposed borrowings alongwith the existing borrowings of the Company would be within the borrowing limit as approved by the shareholders of the Company.

The Board discussed the Agenda Notes and passed the following resolutions unanimously:

"RESOLVED THAT pursuant to the provisions of Section 42, 71, 180(1)(a), 180(1)(c) and all other applicable provisions of the Companies Act, 2013 and subject to the provisions of the Articles of Association of the Company, the Company do borrow by way of issue not exceeding 300, Secured Redeemable Non Convertible Debentures of Rs.1,00,00,000 each aggregating to Rs.300 crore ("Debentures") in one or more tranches on Private Placement basis as per the terms and conditions mutually agreed between the Company and the subscribers of the said Debentures.

RESOLVED FURTHER THAT any of Shri Prakash Shenoy, Company Secretary and Manager, Shri Manikantan Iyer, Chief Financial Officer of the Company and Shri D. Viswanath, being the person authorised in this behalf, be and are hereby severally authorised to negotiate, finalise, approve and accept the terms and conditions in respect of the aforesaid offer of the Debentures as may be deemed fit by them and accept the sanction letter to be issued by them.

RESOLVED FURTHER THAT the Company do request Reliance Communications Infrastructure Limited, Reliance Telecom Limited and Reliance Infratel Limited, subsidiary companies for providing security in the form of mortgage/ hypothecation on its movable and/ or immovable assets, as the case may be, to secure the Debentures to be issued by the Company.

RESOLVED FURTHER that a Committee of the Board comprising Shri Anil D. Ambani, Chairman, Shri A. K. Purwar, Director and Shri R. N. Bhardwaj, Director, with quorum of any two Directors, be and are hereby constituted to finalise and make the allotment of Debentures, issue Letters of Allotment / Debenture certificates and to do all such acts, deeds, and things as may be necessary or thought fit and to give effect to this resolution and to settle any questions or difficulty that may arise in this regard.

RESOLVED FURTHER THAT any of Shri Prakash Shenoy, Company Secretary and Manager, Shri Manikantan Iyer, Chief Financial Officer of the Company and Shri D. Viswanath, being the person authorised in this behalf, be and are hereby severally authorised to:

- a. negotiate, finalise, approve and accept the terms and conditions in respect of the aforesaid offer of the Debentures as may be deemed fit by them, subject to the applicable and prevailing laws, rules and regulations;
- b. decide the amount of offer and the amount to be called with the application, in one or more call etc. as per the requirements of the Company.
- c. if require as per the terms of issue, take necessary steps for credit rating and to make application(s) and submit necessary application and documents to the National Stock Exchange of India Limited and / or BSE Limited for seeking permission to deal in and for official quotation of the said Debentures and comply with the requirements of the Stock Exchanges under the SEBI Guidelines.
- d. negotiate, finalise and approve the properties of Reliance Communications Infrastructure Limited, Reliance Telecom Limited and Reliance Infratel Limited, subsidiary companies or any other subsidiary companies to be mortgaged/ hypothecated and send request letter/s to concerned subsidiary company and create mortgage / Charge thereon for securing the said Debentures,
- e. appoint Trustees for the Debentureholders and finalise the Debenture Trust Deed and other documents and terms of their appointment as may be required,
- f. appoint Registrar to the issue, Manager to the issue and other professionals, if required, and to finalise the terms and conditions of their appointment and sign and execute necessary letters, deeds, documents and agreements as may be required,

- g. take all such actions and to give all such directions as may be necessary or desirable in regard to creation of offer, issue, allotment, security, terms and redemption of the Debentures etc;
- h. finalise Information Memorandum for issue of Debentures,
- i. execute, sign, send, submit all such deeds, letters, documents, promissory notes, writings Undertakings and declarations as may be required in connection with the offer, issue, allotment, rating, listing, creation of security and redemption of the Debentures as the case may be, from time to time; and to affix the Common Seal of the Company, if necessary, on any such document in terms of Articles of Association of the Company,
- j. pay interest on the application money received till the date of allotment,
- k. to make part payment/ repayment of Debentures as and when deem fit and to do all such acts, deeds and things as may be necessary or thought fit and to give effect to this resolution and to settle any questions or difficulty may arise in this regard.
- l. to further delegate authorities mentioned hereinabove and for that purpose to appoint any person(s) as authorised representative(s) / signatory(ies) on behalf of the Company and to give / revoke authority from time to time to such authorised representative(s) of the Company for all or any of the purposes, as referred above”.

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

Entered on: 16.02.2015
Signed on:

Chairman