

**Minutes of the proceedings of the meeting No. 06/2015-16 of the Board of Directors of Reliance Communications Limited held on Friday, the 22<sup>nd</sup> January, 2016 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 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.9)
Shri Punit Garg	-	President- Regulatory and Corporate Affairs (For item Nos.11 to 13)

**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> December, 2015.**  
The Minutes of the proceedings of the meeting of the Board of Directors of the Company held on 22<sup>nd</sup> December, 2015, circulated to the Directors and placed before the meeting, was confirmed by the Board and signed by the Chairman.
- 3. To take note of Circular Resolutions passed by the Committee of the 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 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: 10.11.2015**

“RESOLVED THAT the Committee of the Board do hereby approve issue of duplicate Equity Share Certificates to 9 (Nine) shareholders holding 1956 (One Thousand Nine Hundred Fifty 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: 02.12.2015**

“RESOLVED THAT the Committee of the Board do hereby approve issue of duplicate Equity Share Certificates to 5 (Five) shareholders holding 465 (Four Hundred Sixty Five 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.

**4. To note the Audit Certificate of reconciliation of Share Capital of the Company made upto 31<sup>st</sup> December, 2015.**

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 upto the quarter ended 31<sup>st</sup> December, 2015 issued by M/s. Haribhakti & Co., Chartered Accountant 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 31<sup>st</sup> December, 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 31<sup>st</sup> December, 2015 was placed before the Board.

The Board was informed that the transactions during the quarter ended 31<sup>st</sup> December, 2015, had resulted in net outflow of Rs. 7.53 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> December, 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, if any, 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 the meetings of the Board of Directors held during the quarter ended 31<sup>st</sup> December, 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 31<sup>st</sup> December, 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 31<sup>st</sup> December, 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 nine months ended 31<sup>st</sup> December, 2015.**

The Board was informed that vide notification dated September 2, 2015, SEBI has introduced the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 under the SEBI Act 1992, read with Section 31 of the Securities Contracts (Regulation) Act 1956 effective from December 1, 2015 (hereinafter referred as Listing Regulations). In terms of Regulation 33 of the Listing Regulations, the Company required to approve and submit the unaudited financial results for the quarter and nine months ended 31<sup>st</sup> December, 2015, to the BSE and NSE and publish the specified format in the newspapers within 48 hours after the approval of the Board.

The Standalone and Consolidated unaudited financial results duly reviewed by the Audit Committee at their meeting held earlier on 22<sup>nd</sup> January, 2016 were placed before the Board. Observations of the Audit Committee were informed to the Board at the meeting. A presentation on the Financial Results of the Company was also made to the Board at the meeting.

The Consolidated financial results are in respect of the Company and all its subsidiaries/ controlled companies have been prepared in accordance with the requirements of the prescribed Accounting Standards issued by the Institute of Chartered Accountants of India. The Stand alone and Consolidated Financial Results have been subjected to a "Limited Review" by the Company's Auditors as per Regulations 33 of the Listing Regulations.

As per Clause 41 of the erstwhile Listing Agreement, the Company has opted to publish consolidated financial results in the newspapers.

The Board was further informed that after the Board approval, the same will be submitted to the Stock Exchanges and will be published extract of the financial results in the newspapers as required under the Listing Regulations.

Accordingly, following unaudited financial results were placed before the Board in the meeting:

- (a) Unaudited Consolidated financial results of the Company for the quarter and nine months ended 31<sup>st</sup> December, 2015.

(b) Unaudited Standalone financial results of the Company for the quarter and nine months ended 31<sup>st</sup> December, 2015.

Detailed Presentation of the businesses of the Company, highlighting the performance of the Company for the quarter and nine months ended 31<sup>st</sup> December, 2015 and outlook of the Company was made to the Board by Shri Gurdeep Singh, CEO – Consumer Business.

The brief highlights of consolidated financial performance of the Company for the quarter ended 31<sup>st</sup> December, 2015 were as follows:

- Net profit at Rs.171 crore, up 9.6% from Rs.156 crore in Q2.
- Consolidated Revenue & EBITDA: RCOM Q3 revenue at Rs.5,298 crore, down 1.1% from Rs.5,355 crore in Q2. Q3 EBITDA at Rs.1,803 crore up 1.2% from Rs. 1,782 crore in Q2.
- India Operations Revenue & EBITDA: Q3 revenue at Rs. 4,651 crore, down 1.1% from Rs. 4,701 crore in Q2. EBITDA at Rs. 1,620 crore, up 0.9% from Rs.1,605 crore in Q2. Revenue decline is on account of 2G license expiry in 5 circles. We have successfully migrated the profitable customers to 3G in these 5 circles and achieved significant improvement in network coverage and quality through ICR arrangements with Vodafone and Aircel..
- Global Operations Revenue & EBITDA: Q3 Revenues at Rs.1,106 crore, up by 4.1% from Rs.1,062 crore in Q2. Q3 EBIDTA at Rs.183 crore, up 3.8% from Rs.177 crore in Q2.

A certificate from Shri Prakash Shenoy, Chief Executive Officer and Shri Manikantan Iyer, Chief Financial Officer of the Company stating that the above unaudited financial results 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.

As per Regulation 33(3)(c) of the SEBI Regulations, in case the listed entity opts to submit unaudited financial results – Standalone or Consolidated, they shall be subject to limited review by the statutory auditors of the Company and shall be accompanied by the limited review report. Accordingly, the limited review reports on the Standalone and Consolidated unaudited Financial Results for the quarter and nine months ended 31<sup>st</sup> December, 2015, as reviewed by the Audit Committee, were also placed before the meeting for its review and approval.

Shri Manikantan Iyer, Chief Financial Officer placed a Management Representation letter dated 22<sup>nd</sup> January, 2016 to be given to the Auditors for the quarter ended 31<sup>st</sup> December, 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 as well as Limited Review Reports as reviewed by the Audit Committee and after detail deliberation, passed the following resolutions:

**(a) Unaudited Consolidated Financial Results, Limited Review Report and Report thereon.**

“RESOLVED THAT pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure requirements) Regulations 2015, the unaudited Consolidated financial results of the Company for the quarter and nine months ended 31<sup>st</sup> December, 2015, and the quarterly report thereon as per the statement placed before the meeting as reviewed by the Audit Committee at their meeting held on 22<sup>nd</sup> January, 2016, and as certified by Shri Prakash Shenoy, Chief Executive Officer and Shri Manikantan Iyer, Chief Financial Officer 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 Limited Review Report on Consolidated financial results of the Company issued by the Statutory Auditors for the quarter and nine months ended 31<sup>st</sup> December, 2015 as placed before the meeting be and is hereby approved.

RESOLVED FURTHER THAT an extract of Consolidated Financial Results as per Annexure XI of the SEBI circular dated November 30, 2015 be and is hereby approved.

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

**(b) Unaudited Standalone Financial Results Limited and Review Report of the Company.**

“RESOLVED THAT pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, the unaudited Standalone Financial Results of the Company for the quarter and nine months ended 31<sup>st</sup> December, 2015, as per the statement placed before the meeting and as reviewed by the Audit Committee at their meeting held on 22<sup>nd</sup> January, 2016 and as certified by Shri Prakash Shenoy, Chief Executive Officer and Shri Manikantan Iyer, Chief Financial Officer, 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 Limited Review Report on Standalone financial results of the Company issued by Statutory Auditors for the quarter and nine months ended 31<sup>st</sup> December, 2015 as placed before the meeting be and is hereby approved.

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

**10. To consider and authorise sending of notes to the agenda relating to Unpublished Price Sensitive Information at a shorter notice.**

The Board was informed that the Ministry of Corporate Affairs (“MCA”) vide letter no.1/3/2014/CL/I dated April 10, 2015 has accorded its approval under Section 118(10) of the Companies Act, 2013 (“Act”) to the Secretarial Standards (“SS”) specified by the Institute of Company Secretaries of India, namely – (i) SS - 1: Meetings of the Board of Directors, and (ii) SS-2: General Meetings.

The Secretarial Standards have been notified by The Institute of Company Secretaries of India in the Official Gazette and has effected from July 1, 2015. Prior to promulgation of the Companies Act, 2013, the secretarial standards were recommendatory in nature.

The Board was further informed that the Company is in compliance with the requirement of Secretarial Standards notified by The Institute of Company Secretaries of India.

The Board was further informed that as per the Secretarial Standards, the Board agenda shall be given to the Directors at least seven days before the date of the Meeting. However, in case of certain agenda of business, which are in the nature of Unpublished Price Sensitive Information, Notes on items of Agenda may be given at a shorter period of time than stated above, with the consent of the majority of the Directors. The Company can accordingly take General consent for giving Notes on items of Agenda, which are in the nature of Unpublished Price Sensitive Information at a shorter Notice, which may be taken in the first Meeting of the Board held in each financial year. For this purpose, "unpublished price sensitive information" means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: – (i) financial results; (ii) dividends; (iii) change in capital structure; (iv) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; (v) changes in key managerial personnel; and (vi) material events in accordance with the listing agreement.

The Board was further informed that last year at its meeting held on May 29, 2015, the Board had accorded its approval to issue of notices for meetings of the Board and Committees at a shorter notice of time less than seven days for circulation of Agenda items of business which are in the nature of unpublished price sensitive information. The above approval is valid for the financial year 2015-16.

Accordingly, approval of the Board was being sought again, in terms of Clause 1.3.7 of the Secretarial Standards on "Meeting of the Board of Directors", to the issue of notices for meetings of the Board at a shorter notice of time less than seven days for circulation of Agenda items of business which are in the nature of unpublished price sensitive information.

The Board discussed the matter and passed the following resolutions.

"RESOLVED THAT pursuant to Clause 1.3.7 of the Secretarial Standards on "Meeting of the Board of Directors", approval of the Board be and is hereby given for sending Notes on items of Agenda at a shorter notice or placing the same at the time of meeting for following items related to unpublished price sensitive information:

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other related transactions;
- (v) changes in key managerial personnel; and
- (vi) material events in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015."

**11. To note status of sale of Tower assets of Reliance Infratel Limited, a subsidiary company.**

Sh.Punit Garg informed the Board that in order to reduce debt and de-leverage balance sheet of the Company, it was thought fit to divest majority stake in Tower Business of Reliance Infratel Limited, a subsidiary company (RITL) as informed at the earlier Board Meetings . For the said purpose, the Company has appointed investment bankers as advisors as well signed Non Disclosure Agreements with potential bidders.

He further stated that on 4<sup>th</sup> December, 2015, the Company had signed a Non Binding Term Sheet with Tillman Global Holdings LLC, New York and TPG Aisa, Inc. The exclusivity agreement with the above parties is valid till 15<sup>th</sup> January, 2016 and can be extended further by the mutual consent of parties. The proposed Transaction is subject to final due diligence, definitive documentation, applicable regulatory and other approvals and certain other terms and conditions.

He presented to the Board, the progress of the ongoing due diligence exercise and stated that Company is hopeful to sign definitive agreement with the parties by February 2016.

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

**12. To note the status of Scheme of Arrangement with Sistema Shyam Teleservices Limited.**

Sh.Punit Garg informed the Board that at their meeting held on 2<sup>nd</sup> November, 2015, the Board had approved signing of merger agreement amongst the shareholders of the Company, Sistema Shyam Teleservices Limited ("SSTL"), Sistema JSFC ("Sistema") and other entities. The Board was further informed that the Board had also approved a Scheme of Arrangement for demerger i.e. transfers and vesting of Wireless Telecom Business Undertaking of Sistema Shyam Teleservices Limited into the Company. The proposed Transaction is subject to applicable regulatory and other approvals and certain other terms and conditions.

He informed that the Company had filed all documents with the Stock Exchanges for their Observation letter on draft Scheme of Arrangement under Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Securities and Exchange Board of India and Stock exchanges had considered draft Scheme of Arrangement and issued their Observation letter on January 13, 2016. The Board was further informed that at the time of issue of Observation letter, they had considered major items of the Scheme and suggested the Company for modification of Clause 9.7 of the Scheme, which the Company has done as follows:

**"Clause 9.7**

Immediately upon issue, allotment and listing of New Equity Shares, the Transferor Company shall have an option to exchange the New Equity Shares held by it with its Swap Shareholders in the ratio provided hereinafter, in lieu of the shares of the Swap Shareholders held in the Transferor Company getting cancelled, as a result of which certain reduction of share capital of the Transferor Company will take place. The board of the Transferor Company has approved that the Swap Shareholders will have an option to swap or exchange their shares in the Transferor Company for New Equity Shares held by the Transferor Company in the ratio of 11.5:1, i.e., for every 11.5 equity shares of Transferor Company held by a Swap Shareholder, the Swap Shareholder will be entitled to get from the Transferor Company one New Equity Share. Such swap or exchange is not mandatory,

but can be exercised at the option of each of the Swap Shareholders at any time within three months of the issuance, allotment and listing of the New Equity Shares on the Stock Exchanges in accordance with the process as notified by the Transferor Company to the Swap Shareholders. The Transferee Company shall, as per applicable law, record in the register of its members the transfer of shares pursuant to the aforesaid swap or exchange.”

The Board was further informed that the Company has filed an application on 19<sup>th</sup> January, 2016 to the Bombay High Court for necessary orders in the matter.

He further informed that Company has also filed an application with the Competition Commission of India on 2<sup>nd</sup> December 2015 and with Department of Telecommunication on 15<sup>th</sup> January, 2016 for their approval.

He appraised the Board the time line of the broad activity.

The Board took note of the same.

**13. To note the potential combination of Wireless Business of the Company with Aircel.**

Sh.Punit Garg informed the Board that at their meeting held on 22<sup>nd</sup> December, 2015, the Board had approved signing of a non binding term sheet with Maxis Communications Berhad (MCB) and Sindya Securities and Investments Private Limited, the shareholders of Aircel Limited (“Aircel”), in the matter of potential combination of the Indian wireless business of the Company and Aircel to mutually derive substantial benefits of in-country consolidation, including opex and capex synergies and revenue enhancement. The exclusivity period is for 90 days. The Company has signed a Non binding Term sheet on 22<sup>nd</sup> December, 2015. Presently, both the companies are doing due diligence of wireless business of each other. He presented to the Board on the due diligence exercise.

The Board discussed and took note of the same.

**14. To note details of Investor Complaints received and resolved during the Quarter ended December 31, 2015.**

The Board was informed that pursuant to Regulation 13(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, which have become operational from December 1, 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 31<sup>st</sup> December, 2015 and all the complaints were resolved during the quarter. There was no pending complaint as on 31<sup>st</sup> December, 2015.

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	7
2	Non receipt of share certificate/s	0
3	Non receipt of Dividend warrants	2
	<b>Total</b>	<b>9</b>

The Board took note of the same.

**15. To note Corporate Governance Report for the quarter ended December 31, 2015.**

The Board was informed that pursuant to Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, which has become operational from December 1, 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 December 31, 2015 placed before the Board.

The Board was further informed that the Company has already filed the report on the above for the quarter ended December 31, 2015, to the stock exchanges before the due date.

The Board discussed and took note of the same.

**16. To note the statement showing holding of securities and shareholding pattern for the quarter ended December 31, 2015.**

The Board was informed that pursuant to the requirements of Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, which has become operational from December 1, 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 December 31, 2015 placed before the Board. The Board was further informed that the Company has filed the above report for the quarter ended December 31, 2015, to the stock exchanges.

The Board took note of the same.

**17. Approval to the Audit Committee for enabling it to grant Omnibus approval to Related Party Transactions to be entered into by the Company during financial year 2016-17.**

The Board was informed that pursuant to the provisions of the listing agreement with the stock exchanges which have since been substituted with effect from December 1, 2015, by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), the Audit Committee (Committee) grants its omnibus approval for transactions entered into with related parties by the Company subject to the following conditions:-

1. The criteria for granting omnibus approval is in line with its policy on related party transactions as laid down by the Committee and such approval shall be applicable in respect of transactions which are repetitive in nature.
2. It had satisfied itself about the need for such omnibus approval in the interest of the Company.

The omnibus approval given by the Committee specifies:-

- a) The name(s) of the related party, nature of the transaction, period of the transaction and maximum amount of transaction that can be entered into;
- b) The indicative base price/ current contracted price and the formula for variation in the price, if any;
- c) Such other conditions as the Committee may deem fit.

In respect of the transactions which cannot be foreseen and the details as above are not available, the Committee has been authorised for grant of omnibus approvals for such transactions, subject to their value not exceeding Rs. 1 crore per transaction.

The Board was further informed that based on the above parameters, the Audit Committee had granted omnibus approval in respect of certain types of related party transactions at its meetings held earlier.

The Board was further informed that the Ministry of Corporate Affairs, vide its notification dated December 14, 2015, has introduced certain amendments to the Companies (Meetings of Board and its Powers) Rules, 2014 (Rules). Rule 6A has been inserted in the Rules by the said notification, in terms of which it would be necessary now, *inter alia*, for the Audit Committee to specify the criteria for making omnibus approvals for related party transactions, only after obtaining the approval of the Board.

As per the above amendment, it was necessary for the Audit Committee to specify the criteria for providing its omnibus approval for related party transactions. The criteria shall be determined after considering the following:-

- a) Maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year;
- b) The maximum value per transaction which can be allowed;
- c) Extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
- d) Review at such intervals, as the Committee may deem appropriate, related party transaction entered into by the Company pursuant to each of the omnibus approvals made;
- e) Transactions which cannot be subjected to omnibus approval by the Committee.

The Committee shall also need to consider the following factors while specifying the criteria for making omnibus approval:-

- (i) Repetitiveness of the transactions both in the past or in the future;
- (ii) Justification for the need for omnibus approval.

The Committee shall also satisfy itself on the need for omnibus approval for transactions which are of a repetitive nature. Such approvals shall be in the interest of the Company.

The omnibus approval granted by the Committee shall contain or indicate the following:-

1. Name of the related parties;
2. Nature and duration of the transaction;
3. Maximum amount of transaction that can be entered into;
4. The indicative base price or current contracted price and the formula for variation in the price, if any;
5. Such other information which is relevant or important to the Committee to enable it to take a decision on the proposed transaction.

In case a need for a related party transaction cannot be foreseen and the above details are not available, the Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs. 1 crore per transaction.

The Board was also informed that the omnibus approval granted by the Audit Committee shall not be valid for more than one financial year and it shall seek fresh approval upon expiry of such financial year. Omnibus approval shall not be taken in respect of transactions involving sale or disposal of the undertaking of the Company.

The Board was also informed that for the purposes of promoting and facilitating the execution of various works undertaken by subsidiaries and subsidiaries, the holding Company has to infuse from time to time into said companies, funds either by way of contribution to the capital of the subsidiaries or as inter corporate loans and to provide reimbursements of the expenditure incurred for meeting operational expenditures etc. Some of such financial accommodation is provided on interest free terms to ensure that the subsidiaries are not subjected to a financial burden. Such accommodation is also provided on a need basis.

The Board discussed the matter and passed the following resolution.

“RESOLVED THAT pursuant to notification dated December 14, 2015, issued by the Ministry of Corporate Affairs in terms of which certain amendments have been made by way of the Companies (Meetings of Board and its Powers) Second Amendment Rules 2015, approval of the Board be and is hereby accorded to the Audit Committee of the Board to make omnibus approvals for related party transactions proposed to be entered into by the Company with related parties during the financial year 2016-17 based on a policy to be developed/ developed by the Committee which shall consider the provisions contained in the aforesaid Amendment Rules.”

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

The Board was provided a copy of the status report dated 16<sup>th</sup> January, 2016 issued by M/s. Aggarwal Law Associates, Advocates, Supreme Court, New Delhi on 2G case filed by Central Bureau of Investigation (CBI).

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 evidences 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 with this, the defence has closed its evidence. Meanwhile, the CBI moved an application under Section 311 of the CrPC for summoning additional witnesses and the same was allowed by the Court. All additional witnesses have also been examined.

The final argument commenced on 22<sup>nd</sup> July, 2015 and completed on 22<sup>nd</sup> December 2015. The defence argument will start from 1<sup>st</sup> February, 2016.

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 for hearing before the Supreme Court. As on today, no date is specified.

The Board took note of the same.

**19. To note resignation and approval of appointment of Internal Auditor.**

The Board was informed that pursuant to the requirements under Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, the Company had appointed Shri Sunil Kumar, a Chartered Accountant as Vice President – Management Audit as Internal Auditor of the Company.

The Board was further informed that Shri Sunil Kumar has tendered his resignation as Internal Auditor and will be relieved w.e.f. 29<sup>th</sup> February, 2016. Shri Sunil H. Patel, Chartered Accountant has given his consent for appointment as an Internal Auditor of the Company w.e.f. 8<sup>th</sup> March, 2016. Shri Sunil Patel is BCom, LLB, CA from ICAI and CS from ICSI. He has a rich experience of around 29 years in Food, Chemical, Manufacturing, Pharmaceuticals & Textile industry. Presently, Shri Sunil is working with Frigerio Conserva Allana Ltd. as Director - Finance based at Mumbai. In his previous experience he has worked with Hindalco, Bayer House, A F Ferguson and many other renowned organizations.

The Board was further informed that the Audit Committee has recommended the appointment of Shri Sunil H. Patel as Internal Auditor of the Company in place of Shri Sunil Kumar w.e.f. 8<sup>th</sup> March, 2016 at their meeting held earlier today. The Board considered his terms and conditions for appointment as Internal Auditor.

After discussion, the Board pass the following resolution unanimously:

“RESOLVED THAT Shri Sunil H. Patel, Chartered Accountant be and is hereby appointed as the Internal Auditor of the Company w.e.f. 8<sup>th</sup> March, 2016 in place of Shri Sunil Kumar as per the terms and conditions of his employment in compliance with Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014.”

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

The meeting concluded at 5.35 p.m.

**Chairman**

**Entered on : 22.02.2016**

**Signed on :**