

**ReLIANCE**

Communications

# Annual Report 2014-15



## **Dhirubhai H. Ambani**

(28th December, 1932 – 6th July, 2002)

Reliance Group – Founder and Visionary

# Profile

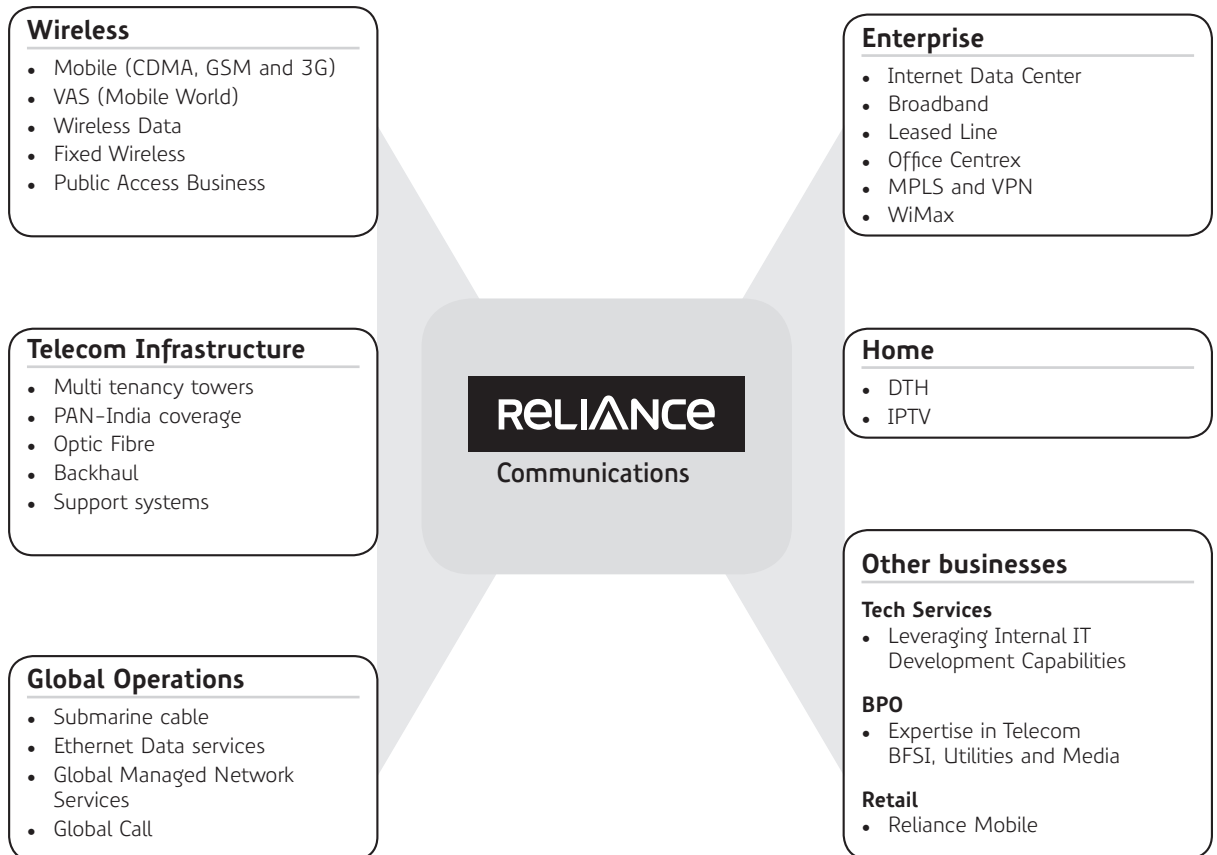
Reliance Communications Limited is the flagship Company of Reliance Group, one of the leading business houses in India.

Reliance Communications is India's foremost and truly integrated telecommunications service provider. The Company has a customer base of about 118 million including over 2.6 million individual overseas retail customers. Reliance Communications corporate clientele includes over 39,000 Indian and multinational corporations including small and medium enterprises and over 290 global, regional and domestic carriers.

Reliance Communications has established a pan-India, next generation, integrated (wireless and wireline), convergent (voice, data and video) digital network that is capable of supporting best-of-class services spanning the entire communications value chain, covering over 21,000 cities and towns and over 400,000 villages. Reliance Communications owns and operates the world's largest next generation IP enabled connectivity infrastructure, comprising over 280,000 kilometers of fibre optic cable systems in India, USA, Europe, Middle East and the Asia Pacific region.

## Mission: Excellence in Communication Arena

- To attain global best practices and become a world-class communication service provider – guided by its purpose to move towards greater degree of sophistication and maturity.
- To work with vigour, dedication and innovation to achieve excellence in service, quality, reliability, safety and customer care as the ultimate goal.
- To earn the trust and confidence of all stakeholders, exceeding their expectations and make the Company a respected household name.
- To consistently achieve high growth with the highest levels of productivity.
- To be a technology driven, efficient and financially sound organisation.
- To contribute towards community development and nation building.
- To be a responsible corporate citizen nurturing human values and concern for society, the environment and above all, the people.
- To promote a work culture that fosters individual growth, team spirit and creativity to overcome challenges and attain goals.
- To encourage ideas, talent and value systems.
- To uphold the guiding principles of trust, integrity and transparency in all aspects of interactions and dealings.



## Board of Directors

Shri Anil Dhirubhai Ambani – Chairman  
 Prof. J. Ramachandran  
 Shri Deepak Shourie  
 Shri A. K. Purwar  
 Shri R. N. Bhardwaj  
 Smt. Manjari Kacker

## Company Secretary and Manager

Shri Prakash Shenoy

## Auditors

M/s. Chaturvedi & Shah  
 M/s. B S R & Co. LLP

## Registered Office

H Block, 1<sup>st</sup> Floor  
 Dhirubhai Ambani Knowledge City  
 Navi Mumbai 400 710, India  
 CIN: L45309MH2004PLC147531  
 Phone: +91 22 3038 6286  
 Fax: +91 22 3037 6622  
 E-mail: Rcom.Investors@relianceada.com  
 Website: www.rcom.co.in

## Registrar and Transfer Agent

Karvy Computershare Private Limited  
 Karvy Selenium, Tower – B, Plot No. 31 & 32,  
 Survey No. 116/22, 115/24, 115/25,  
 Financial District, Nanakramguda,  
 Hyderabad 500 032, Telangana, India.  
 Website: www.karvy.com

## Investor Helpdesk

Toll free no (India) : 1800 4250 999  
 Telephone no. : +91 40 6716 1500  
 Fax no. : +91 40 6716 1791  
 E-mail : rcom@karvy.com

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**11<sup>th</sup> Annual General Meeting on Wednesday, September 30, 2015 at 12.00 noon or soon after conclusion of the Annual General Meeting of Reliance Capital Limited convened on the same day, whichever is later, at Birla Matushri Sabhaagar, 19, New Marine Lines, Mumbai 400 020**

## Letter to Shareowners



My dear fellow Shareowners,

In the recent past, the outlook for the Indian economy has greatly improved on the back of various policy initiatives taken by the new Government to reinvigorate the infrastructure and manufacturing sectors, including inter alia the Prime Minister's 'Make in India' and 'Skill India' Initiatives. Business confidence has revived and a moderately paced recovery is already underway. Investment flows have also improved significantly, with higher foreign capital flows in equity and debt markets.

The financial year 2014-15 witnessed renewed activity in the telecom sector, with significant increased investments by all players. The Prime Minister's Digital India initiative is expected to act as a major catalyst for the next phase of growth in the entire telecom space. During the year, the Government of India successfully conducted auction of spectrum in all operational bands and garnered over ₹ 1 lakh crore in sale proceeds.

Currently, the Industry has around 970 million wireless subscribers with approximately 75 per cent unique users. With overall wireless penetration of over 77 per cent and rural India penetration at 48 per cent, the voice market provides an opportunity to add another at least 200 – 300 million new subscribers. The telecom sector in India is witnessing a significant shift from voice usage to a rising trend in data usage, which is clearly the next growth frontier. India currently has approximately 250 million wireless data users and only 84 million wireless broadband users. The wireless data penetration is nearly 25 per cent while the wireless broadband penetration is just above 8 per cent of wireless subscribers. This clearly reflects the exponential growth potential for data in the coming years.

Keeping this in mind and in line with global trends, we believe that 4G is the future of telecom growth in India, as it will change the entire experience for consumers. We have, as part of our growth strategy, future-proofed our portfolio by adding more 800 MHz spectrum to our holding in the recent auction, and have now become a pan-India LTE capable operator in one of the most technologically efficient bands.

RCOM now has 5MHz or more spectrum in the 800/850 MHz band in 21 circles, up from 12 circles earlier. This places the Company in an unparalleled position in the Indian telecommunication space, as sub-1 GHz spectrum band is recognized as most suited for providing LTE services.

### Performance review

The key financial highlights for the year under review on a consolidated basis are:

- Total revenue of ₹ 22,098 crore (US\$ 3,536 million)
- Net profit after tax ₹ 620 crore (US\$99 million)

- Total operating expenditure ₹ 14,580 crore (US\$2,333 million)
- Total assets of ₹ 91,284 crore (US\$14,605 million)
- Shareholders equity was ₹ 37,936 crore (US\$6,070 million), while net debt (excluding cash and cash equivalents) was ₹ 37,150 crore (US\$5,944 million), giving a net debt to equity ratio of 0.98 times.

### Funds raised

In the largest ever private sector QIP in the history of corporate India, the Company raised ₹ 4,808 crore in its maiden offering during the year. This reflects the confidence of marquee international institutional investors in the Company's long term business growth potential. The funds from the QIP issuance have been used to strengthen the financial position of the Company. The Promoter group also infused ₹ 1,300 crore as new equity capital, at a premium to the price paid by the institutional investors in the QIP.

The Company also raised US\$300 million (₹ 1,909 crore) by issuing offshore bonds at 6.5 per cent interest per annum, with a maturity of five and a half years. The bonds were rated at the same level as Issuer ratings given by Moody's and Fitch i.e. Ba3 (Stable Outlook) by Moody's and BB- (Stable Outlook) by Fitch Ratings. A stable outlook signifies that the Company is in a better position to manage its balance sheet and sustain as a long term player in the telecommunications industry.

Our subsidiary, Global Cloud Xchange (formerly Reliance Globalcom) successfully debuted in the global capital market and raised US\$350 million (₹ 2,100 crore) through fixed rate notes maturing in 2019, extending the maturity of its debt profile. The notes were priced at 100 per cent with a coupon yielding 7 per cent.

### Brand Recognition

During the year, RCOM was ranked among the top 10 most reputed companies in India, according to AC Nielson's Corporate Image Monitor (CIM). It was also ranked 14<sup>th</sup> among the top 20 most exciting brands in 2015, according to the Economic Times Brand Equity.

### Operating Segments

RCOM is a leading integrated and converged telecommunications operator in India, and, through international subsidiaries, we are one of the leading global data communications service providers.

As on March 31, 2015, RCOM had a customer base of over 118 million, including 109.5 million wireless customers (including

## Letter to Shareowners

33.7 million data subscribers, of which 17.4 million were 3G subscribers), 1.2 million wireline customers, over 2.6 million overseas retail customers and 4.9 million DTH customers. Our Enterprise clientele includes over 39,000 Indian and multinational corporations, including SMEs and over 290 global, regional and domestic carriers.

From an operational perspective, our business is organised into two strategic segments: the India Operations and the Global Operations.

### 1) India Operations

Our India operations segment comprises: (i) wireless telecommunications services to retail customers through CDMA and GSM technology based networks across India, including 3G services in 18 Circles, which also include the metropolitan Circles of Delhi, Mumbai and Kolkata. We provide a diverse array of mobile and fixed wireless voice, data, and value-added services in our wireless telecommunications business; (ii) voice, long-distance services and broadband access to enterprise customers; (iii) managed Internet Data Centre services; and (iv) DTH business.

We have taken various business initiatives like "One India, One Rate plan", free unlimited access to social networking sites, launch of "Reliance MyStore" up-sell portal and unveiling of "TalkLoan" facility. These initiatives are aimed at driving higher data growth and to provide a substantial value proposition to our customers.

Recently, RCOM launched its next-generation content and cloud delivery network in five cities across India. Reliance's Cloud Xchange nodes will deliver applications on a virtualized infrastructure and will enable automated deployment of cloud services in India and globally across the world's largest private sub-sea cable system.

### 2) Global Operations

The Global Business Unit offers the most comprehensive portfolio of Enterprise, IT infrastructure and International long distance voice, video and data network services on an integrated and highly scalable platform across the globe. Our business segments comprise Carrier, Enterprise and Consumer Business units. We provide carrier's carrier voice, carrier's carrier bandwidth, enterprise data and consumer voice services.

Our International Data business is underpinned by ownership of the largest private submarine cable system in the world, directly connecting 40 countries from the East coast of the United States to Europe, Middle East, India, South and East Asia, through Japan. The network seamlessly interconnects with our ~190,000 Kilometres fibre optic cables within India. RCOM has 650 enterprise customers globally in developed markets of the US, UK, France, Germany, Benelux, Singapore and Australia.

RCOM has a very strong and rapidly growing enterprise business segment outside India. We are one of the leading managed Ethernet service providers in the United States and have an established position in the global enterprise data market.

### Corporate Governance

RCOM has always maintained the highest governance standards and practices by adopting, as is the norm for all constituent companies of the Group, the "Reliance Group – Corporate Governance Policies and Code of Conduct". These Policies and Code prescribe a set of systems, processes and principles, which conform to the highest international standards and are reviewed periodically to ensure their continuing relevance, effectiveness and responsiveness to the needs of investors, both local and global, and all other stakeholders.

### Social Commitments

RCOM, being a responsible corporate, truly believes that growth and success cannot be achieved in isolation and it is resultant of combined efforts of each stakeholder and support from every segment of the society.

The Company has been taking up several initiatives like PRAYAG, VIDYA, CyberWomen, etc. in the field of education, employability, economic empowerment, environment and health to support inclusive growth and equitable development towards the larger goal of nation building.

### Our Commitment

We are confident that the telecom sector in India will witness continued strong growth and contribute to economic development of the country. The Prime Minister's Digital India mission and development of 100 smart cities will give a flip to the telecom sector, aided by high speed wireless broadband and LTE deployments in the coming years. The Company's fundamentals remain strong and the opportunities at hand point to a strong growth path, supporting the positive outlook.

Our emphasis on innovation will help us to achieve faster growth in years to come, by offering a unique value proposition to our customers in terms of our product and service portfolio, network experience and customer service. Our founder, the legendary Shri Dhirubhai Ambani, gave us a simple mantra: to aspire to the highest global standards of quality, efficiency, operational performance and customer care. We remain committed to upholding that vision and creating ever greater value for all our stakeholders.



**Anil Dhirubhai Ambani**  
Chairman

# Reliance Communications Limited

## Notice

Notice is hereby given that the 11<sup>th</sup> Annual General Meeting of the Members of **Reliance Communications Limited** will be held on Wednesday, September 30, 2015 at 12.00 noon or soon after conclusion of the Annual General Meeting of Reliance Capital Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020, to transact the following business:

### Ordinary Business:

1. To consider and adopt:
  - a) the audited financial statement of the Company for the financial year ended March 31, 2015 and the reports of the Board of Directors and Auditors thereon, and
  - b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2015 and the reports of the Auditors thereon.
2. To appoint a Director in place of Smt. Manjari Kacker (DIN 06945359), who retires by rotation under the provisions of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration No. 101720W) and M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors."

### Special Business:

#### 4. Private Placement of Non-Convertible Debentures

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, the Listing Agreements entered into by the Company with the Stock Exchanges where the securities of the Company are listed and / or any other Rules / Regulations / Guidelines, if any, prescribed by the Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges and / or any other statutory / regulatory authority / body, and subject to the provisions of the Memorandum and Articles of Association of the Company, the Board of Directors of

the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), be and is hereby authorised to create, offer, invite to subscribe, issue and allot, from time to time, in one or more tranches and / or in one or more series, secured / unsecured / redeemable Non-Convertible Debentures (hereinafter referred to as the "NCDs"), on private placement basis, for such amount(s) as the board may in its absolute discretion determine; provided that the aggregate amount of such NCDs shall be within the overall borrowing limits of the Company, as approved by the Members from time to time under Section 180(1)(c) and all other applicable provisions of the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to determine in its absolute discretion the terms and quantum of issue of each NCDs series including the consideration and utilisation of proceeds, class of investors and to do all such acts and things and deal with all such matters and take all such steps as may be necessary."

#### 5. Payment of remuneration to Cost Auditors for the financial year ending March 31, 2016

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force)("the Act"), M/s. V. J. Talati & Co., Cost Accountants (Firm Registration Number 00213) Cost Auditors of the Company for auditing the cost accounting records of the Company for the financial year ending March 31, 2016, be paid remuneration of ₹ 2.50 lac (Rupees two lac fifty thousand only) excluding service tax and out of pocket expenses, if any.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors

Prakash Shenoy  
Company Secretary

Registered Office:  
H Block, 1<sup>st</sup> Floor  
Dhirubhai Ambani Knowledge City  
Navi Mumbai 400 710  
CIN:L45309MH2004PLC147531  
Website: www.rcom.co.in  
May 29, 2015



Notice

Notes:

1. Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the special business to be transacted at the Annual General Meeting (the "Meeting") is annexed hereto.
2. **A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll, instead of herself / himself and the proxy need not be a member of the Company. The instrument appointing the Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before commencement of the Meeting. A Proxy form is sent herewith.**
3. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of their board resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.
5. Members / Proxies are requested to bring their duly filled attendance slip sent herewith along with their copy of the annual report to the Meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold share(s) in physical form are requested to write their folio number in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.
8. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays between 11:00 A.M. and 1:00 P.M. up to the date of the Meeting. The certificate from the Auditors of the Company confirming the compliance of the Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014 with respect to the Company's ESOS Plans will be available for inspection at the Meeting.
9. The Company's Register of Members and Transfer Books will remain closed from Saturday, September 19, 2015 to Wednesday, September 30, 2015 (both days inclusive) for the purpose of Annual General Meeting.
10. Members are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. The Company or its Registrar and Transfer Agent cannot change bank particulars or bank mandates for shares held in electronic form.
11. Members holding shares in physical form are requested to advise any change of address or bank mandates immediately to the Company / Registrar and Transfer Agent, Karvy Computershare Private Limited.
12. As Section 125 of the Companies Act, 2013 has not yet been notified, pursuant to the provisions of Section 205C of the Companies Act, 1956, the Company has transferred, the unpaid or unclaimed dividend for the financial year ended March 31, 2007 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The unpaid or unclaimed dividend for the financial year ended March 31, 2008 will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government within stipulated period of time during the current financial year. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts of dividend lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 30, 2014 (date of last Annual General Meeting) on the website of the Company ([www.rcom.co.in](http://www.rcom.co.in)), as also on the Ministry of Corporate Affairs' website.
13. Non-Resident Indian members are requested to inform Karvy Computershare Private Limited immediately on:
  - a. the change in the residential status on return to India for permanent settlement; and
  - b. the particulars of the bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank, if not furnished earlier.
14. Re-appointment of a Director:  
At the ensuing Meeting, Smt. Manjari Kacker, Director of the Company retires by rotation under the provision of the Companies Act, 2013 and being eligible, offer herself for re-appointment. The details pertaining to Smt. Manjari Kacker pursuant to the requirements of Clause 49 of the listing agreement are furnished in the statements on Corporate Governance forming part of this Annual Report.
15. Members are advised to refer to the section titled "Investor Information" provided in this Annual Report.
16. Members are requested to fill in and submit online the Feedback Form provided in the 'Investor Relations' section on the Company's website [www.rcom.co.in](http://www.rcom.co.in) to aid the Company in its constant endeavour to enhance the standards of service to investors.
17. The Statement containing the salient features of the balance sheet, the statement of profit and loss and auditors' report on the Abridged Financial Statement, is sent to the members, along with the Abridged Consolidated Financial Statement. Any member interested in obtaining a copy of the full Annual Report, may write to the Registrar and Transfer Agent of the Company.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Transfer Agent.

## Notice

19. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form SH 13 duly filled in to Karvy Computershare Private Limited, Karvy Selenium, Tower – B, Plot No. 31 & 32, Survey No. 116/22, 115/24, 115/25, Financial District, Nanakramguda, Hyderabad 500 032, Telangana, India or call on Tel: +91 40 6716 1500; Fax No. +91 40 6716 1791 Toll Free No. 1800 4250 999 / E-mail: rcom@karvy.com. The prescribed form in this regard may also be obtained from Karvy Computershare Private Limited at the address mentioned above. Members holding shares in electronic form are requested to contact their Depository Participant directly for recording their nomination.
20. Members who hold shares in physical form, in multiple folios, in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Transfer Agent for consolidation into a single folio.
21. Members who have not registered their E-mail addresses so far are requested to register their E-mail address so that they can receive the Annual Report and other communications from the Company electronically.
22. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rules made thereunder and Clause 35B of the Listing Agreement, the Company is offering e-voting facility to all Members of the Company through Notice dated May 29, 2015 (remote e-voting).

A person, whose name is recorded in the register of members or in the register of beneficial owner (in case of electronic shareholding) maintained by the depositories as on the cut-off date i.e. September 23, 2015 only shall be entitled to avail the facility of remote e-voting/voting. Karvy Computershare Private Limited, our Registrar and Transfer Agent will be facilitating remote e-voting to enable the Members to cast their votes electronically. The Members can cast their votes online from 10.00 A.M. on September 27, 2015 to 5.00 P.M. on September 29, 2015. The Members shall refer to the detailed procedure on remote e-voting given in the e-voting instruction slip.

The facility for voting shall also be available at the meeting. The members who have cast their votes by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their votes again at the meeting.

The Board of Directors have appointed Shri Anil Lohia, Partner, M/s. Dayal & Lohia, Chartered Accountants as Scrutiniser to scrutinise the voting process in a fair and transparent manner. The Scrutiniser will submit his report to the Chairman after completion of the scrutiny and the results of voting will be announced after the meeting of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting. The result of the voting will be submitted to the Stock Exchanges, where the shares of the Company are listed and posted on the website of the Company at [www.rcom.co.in](http://www.rcom.co.in) and posted on the website of Karvy Computershare Private Limited.

## Statement pursuant to Section 102 (1) of the Companies Act, 2013 to the accompanying Notice dated May 29, 2015

### Item No. 4 Private Placement of Non-Convertible Debentures

As per the provisions of Section 42 of the Companies Act, 2013 read with the Rules made there under ("the Act"), a Company offering or making an invitation to subscribe to Securities on a private placement basis is required to obtain the approval of the Members by way of a Special Resolution. The Act provides that such approval can be obtained once in a year for all the offers or invitations for Non-Convertible Debentures (NCDs) to be issued during the year.

In order to augment long term resources in the ordinary course of business for such purposes as may be deemed necessary including for general corporate purpose, the Company may offer or invite subscriptions for secured / unsecured, redeemable NCDs, in one or more series / tranches, on private placement basis.

Accordingly, consent of the Members is sought by way of a Special Resolution as set out in Item No. 4 of the accompanying Notice. This resolution will enable the Board of Directors of the Company to offer or invite subscription for NCDs, as may be required by the Company, from time to time, for a year from the date of the said resolution coming into effect.

None of the Directors, Manager, Key Managerial Personnel and their relatives is concerned or interested financially or otherwise in this resolution.

The Board accordingly recommends the Special Resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members.

### Item No. 5 Payment of remuneration to Cost Auditors for the financial year ending March 31, 2016

The Board of Directors on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s. V. J. Talati & Co., Cost Accountants (Firm Registration No.00213), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending March 31, 2016, at a remuneration of ₹ 2.50 lac (Rupees two lac and fifty thousand only) excluding service tax and out of pocket expenses, if any. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor needs to be ratified by the Members of the Company.

None of the Directors, Manager, Key Managerial Personnel and their relatives is concerned or interested financially or otherwise in this resolution.

The Board accordingly recommends the Ordinary Resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members.

By Order of the Board of Directors

Prakash Shenoy  
Company Secretary

Registered Office:  
H Block, 1<sup>st</sup> Floor  
Dhirubhai Ambani Knowledge City  
Navi Mumbai 400 710  
CIN:L45309MH2004PLC147531  
Website: [www.rcom.co.in](http://www.rcom.co.in)  
May 29, 2015