

Certificate

The Board of Directors,
 Reliance Communications Limited,
 H Block, 1st Floor,
 Dhirubhai Ambani Knowledge City,
 Navi Mumbai – 400 710
 India

Certificate of non-applicability of requirements prescribed in Para 5.16(a) of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with Para 7 of SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 in respect of Proposed Scheme of Arrangements:

1. In connection with the Proposed Scheme of Arrangement between Reliance Communications Limited (the “Company”), Sistema Shyam Teleservices Limited and their respective shareholders and creditors in terms of the provisions of section 391 to 394 read with section 100 to 103 and other relevant provisions of the Companies Act, 1956 and the Companies Act, 2013 read with SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 (“Original SEBI Circular”) and the SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 (“Revised SEBI Circular”), the Company is required to submit an undertaking as per the Revised SEBI Circular (“the Undertaking”), duly certified by the statutory auditors, with BSE Limited and National Stock Exchange of India Limited (together referred to as ‘Stock Exchanges’) towards non applicability of conditions mentioned in Point no. 7 of the Revised SEBI Circular amending Paragraph 5.16 of the Original SEBI Circular.
2. In connection with the requirement as stated in Paragraph 1 above, we have been provided by the Company a certified copy of the Proposed Scheme (as attached herewith) and certified copy of the Undertaking as per Revised SEBI Circular (as attached herewith). We have relied on the above details and have performed no further procedures in this regard.
3. The preparation of the Undertaking is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting the contents of the Proposed Scheme. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Undertaking. The Management is also responsible for ensuring that the Company complies with the requirements of the aforesaid SEBI Circulars and the Companies Act, 1956 and Companies Act, 2013, In relation to the Proposed Scheme and for providing all the information to the Securities Exchange Board of India (SEBI) and the Stock Exchanges. Our responsibility is to provide the certificate on the said Undertaking to certify whether the conditions mentioned in Paragraph 5.16 of the



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Original SEBI Circular read with Point no. 7 of the Revised SEBI Circular (in relation to the voting by public shareholders) are applicable to the Company or not.

4. We conducted our examinations in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. Our scope of work did not involve us performing any audit tests in the context of our examination. We have not performed an audit, the objective of which would be to express an opinion on the specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion. Further our examination did not extend to any aspects of a legal or propriety nature in the aforesaid Scheme other than the matters referred to in this certificate.

5. On the basis of verification of the Undertaking given by the company and the proposed scheme and according to the information and explanations given to us and specific representations received by us from the management, we certify that the conditions prescribed in paragraph 5.16 of the original SEBI Circular read with point no. 7 of the revised SEBI Circular (in relation to the voting by Public Shareholders) are not applicable to the proposed Scheme based on the following grounds:
 - a) The proposed Scheme does not entitle the Promoter/ Promoter Group, Related parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of the Company to any additional shares, compared to the entitlement to other public shareholders;

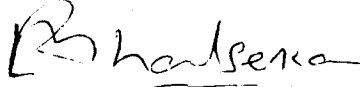
 - b) The proposed Scheme does not involve any other entity involving Promoter/ Promoter Group, Related parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group; and

 - c) The company has not acquired equity shares of the subsidiary, by paying consideration in cash or in kind in the past to any of the shareholders of the subsidiary who may be Promoter/ Promoter Group, Related parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of the parent listed company and there is no merger of any such companies, which is proposed under the proposed Scheme.



6. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the aforesaid SEBI Circulars. Our obligations in respect of this certificate are entirely separate from and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this certificate nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.
7. This certificate is intended solely for the purpose of submission to the Stock Exchanges in connection with the proposed Scheme as mentioned in Paragraph 1 above and should not be used for any other purpose or distributed to any other party.

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No. 101720W



Lalit R. Mhalsekar
Partner
Membership No. 103418

Place: Mumbai
Date: November 2, 2015



Date: November 2, 2015.

To
Charturvedi & Shah
Chartered Accountants
714-715, Tulsiani Chambers
212, Nariman Point,
Mumbai 400 021

UNDERTAKING IN RELATION TO NON APPLICABILITY OF PARAGRAPH 5.16(a) OF SEBI CIRCULAR NO. CIR/CFD/DIL/5/2013 DATED 4 FEBRUARY 2013 (AS MODIFIED BY PARAGRAPH 7 OF SEBI CIRCULAR NO. CIR/CFD/DIL/8/2013 DATED 21 MAY 2013)

This is with reference to the proposed demerger of the Transferred Undertaking of Sistema Shyam Teleservices Limited ("**Transferor Company**") into the Company ("**Transferee Company**"), under the provisions of Sections 391 - 394 the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 or Companies Act, 2013, as the case may be.

Capitalized terms appearing herein, unless expressly stated, shall have the meaning ascribed to them in SEBI Circular No. CIR/CFD/DIL/5/2013 dated 4 February 2013 (as modified by SEBI circular no. CIR/CFD/DIL/8/2013 dated 21 May 2013) ("**SEBI Circulars**") wherein SEBI has mandated all the listed companies to ensure that the scheme submitted with the Hon'ble High Court for sanction, provides for voting by Public Shareholders through postal ballot and e-voting in certain cases, in terms of Paragraphs 5.16(a) of SEBI Circulars.

As per the scheme of arrangement ("**Scheme**"), in consideration of transfer of the Transferred Undertaking the Transferee Company shall issue and allot fully paid up equity shares of the Transferee Company to the Transferor Company and is also required to perform its obligations undertaken under the Earn Out Deed. In terms of Paragraph 5.16(b) of the SEBI Circulars, the Company hereby undertakes that the requirements of Paragraph 5.16(a) of the SEBI Circulars pertaining to voting by Public Shareholders through postal ballot and e-voting are not applicable to the Company for the following reasons:

(i) Paragraph 5.16(a)(i)

"Where additional shares have been allotted to Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the listed company,"

Reason for non-applicability

This Clause of the SEBI Circular is not applicable as the Scheme does not contemplate issue and allotment of any additional shares to the Promoters/Promoter Group, Related Parties of the Promoter/Promoter Group, Associates of Promoters/Promoter Group, and Subsidiary of the Promoter or Promoter Group of the Company.



RELIANCE

Pursuant to the Scheme, upon the Scheme coming into effect, the Transferor Company would be entitled to receive 27,65,53,305 (Twenty seven crore sixty five lakh fifty three thousand three hundred five) fully paid up equity share of INR 5 (Indian Rupees Five only) each of Transferee Company.

(ii) Paragraph 5.16(a)(ii)

"Where the Scheme of Arrangement involves the listed company and any other entity involving Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/Promoter Group, Subsidiary/(s) of Promoter / Promoter Group;"

Reason for non-applicability

This Clause of the SEBI Circular is not applicable to the Scheme as the Scheme involves demerger of the Transferred Undertaking of the Transferor Company into the Transferee Company and does not involve any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter /Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.

(iii) Paragraph 5.16(a)(iii)

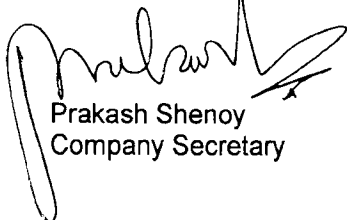
"Where the parent listed company, has acquired the equity shares of the subsidiary, by paying consideration in cash or in kind in the past to any of the shareholders of the subsidiary who may be Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of the parent listed company, and if that subsidiary is being merged with the parent listed company under the Scheme."

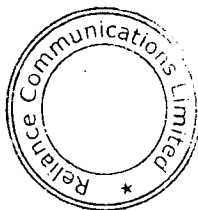
Reason for non-applicability

This Clause of the SEBI Circular is not applicable to the Scheme as the Transferor Company is not the subsidiary of the Transferee Company.

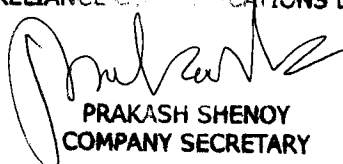
In view of the aforesaid and pursuant to paragraph 7 of the Revised SEBI Circular No. CIR/CFD/DIL/8/2013 dated 21 May 2013, the requirement stated at paragraph 5.16(a) of the SEBI Circular No. CIR/CFD/DIL/5/2013 dated 4 February 2013 is not applicable to the proposed Scheme of Arrangement.

For Reliance Communications Limited


Prakash Shenoy
Company Secretary



CERTIFIED TRUE COPY
FOR RELIANCE COMMUNICATIONS LIMITED


PRAKASH SHENOY
COMPANY SECRETARY