



"Interregional Distribution Grid Company of Centre", Joint-Stock Company

127018, Russia, Moscow, 2nd Yamskaya, 4
Tel.: Contact Centre +7(495) 747 92 92, +7(495) 747 92 96; Fax: +7 (495) 747 92 95
Direct Power Hot Line: 8 800 50 50 115, Trust Line: 8 800 100 9000;
e-mail: posta@mrsk-1.ru; <http://www.mrsk-1.ru>
Primary State Registration Number (OGRN) 1046900099498
Taxpayer Identification Code (INN) 6901067107

MINUTES

of the meeting of the Committee for Audit
of the Board of Directors of IDGC of Centre
(in the form of absent voting)

March 24, 2014

Moscow

No. 03/14

Form of the meeting: **absent voting.**

Total number of members of the Committee for Audit: **5 persons.**

Participants of the voting: **O.V. Shatokhina, S.A. Demin, M.M. Saukh, R.A. Filkin, A.V. Shevchuk.**

Members who did not provide questionnaires: **none.**

The quorum is present.

Absence of objections concerning the materials and draft decisions from I.V. Shmakov, an expert of the Committee for Audit of the Board of Directors of the Company, was taken into account while drawing up the minutes.

Date of the minutes: **25.03.2014.**

AGENDA:

1. On the annual accounting (financial) statements of the Company under RAS for 2013.
2. On submittal to the Committee for Audit commentaries on the main issues of the accounting (financial) statements under RAS for 2013 by an external auditor.
3. On evaluation of Auditor's Opinion on the accounting (financial) statements of the Company under RAS for 2013 by the Committee for Audit.
4. Consideration of the report «On the key risks of the Company in 2013».

Item 1: On the annual accounting (financial) statements of the Company under RAS for 2013.

Decision:

1. To take into consideration the annual accounting (financial) statements of IDGC of Centre under RAS for 2013, in accordance with Appendix # 1 to this decision of the Committee for Audit of the Board of Directors of the Company.
2. To mark a significant increase in the amount of provisions for doubtful debts of 8,028.5 mln RUB or 3.6 times compared with 2012. To recommend to General Director of the Company to submit to the Committee for Audit of the Company information on planned and completed activities in order to collect overdue receivables until 31.05.2014.
3. To mark a negative fact of cost growth (including selling expenses) (by 37%) compared to revenue growth (by 33.9%).
4. To recommend to General Director of the Company to identify the reasons for the increased cost (including selling expenses) and to develop a set of measures aimed at optimizing costs. A report on work performed is to provide to the Committee for Audit together with the consideration of the item "About a draft of accounting (financial) statements of the Company, prepared in accordance with RAS for the 1st half of 2014".
5. Secretary of the Committee for Audit to inform the Board of Directors of the Company on the main trends in changes of the Company's financial position in accordance with Appendix # 2 to this decision of the Committee for Audit of the Board of Directors of the Company.

Voting results:

Oxana Vladimirovna Shatokhina	- «FOR»
Sergey Alexandrovich Demin	- «FOR»
Maxim Mikhailovich Saukh	- «FOR»
Roman Alexeyevich Filkin	- «FOR»
Alexander Viktorovich Shevchuk	- «FOR»

Total:

«FOR»	- «5»
«AGAINST»	- «0»
«ABSTAINED»	- «0»

Decision is taken.

Item 2: On submittal to the Committee for Audit commentaries on the main issues of the accounting (financial) statements under RAS for 2013 by an external auditor.

Decision:

To take into consideration the commentaries on the main issues of the accounting (financial) statements under RAS for 2013 by the external auditor.

Voting results:

Oxana Vladimirovna Shatokhina	- «FOR»
Sergey Alexandrovich Demin	- «FOR»
Maxim Mikhailovich Saukh	- «FOR»
Roman Alexeyevich Filkin	- «FOR»
Alexander Viktorovich Shevchuk	- «FOR»

Total:

«FOR»	- «5»
«AGAINST»	- «0»
«ABSTAINED»	- «0»

Decision is taken.

Item 3: On evaluation of Auditor's Opinion on the accounting (financial) statements of the Company under RAS for 2013 by the Committee for Audit.

Decision:

1. To recognize the auditor's opinion and the procedures, performed by ZAO KPMG in the audit of accounting (financial) statements of the Company for 2013, compliant with provisions of the agreement and the requirements of the Russian Federation legislation.
2. To approve the Evaluation of the Committee for Audit of the Board of Directors of IDGC of Centre of the auditor's opinion issued by ZAO KPMG on the accounting statements of the Company for 2013 prepared under the Russian accounting standards in accordance with Appendix # 3 to this decision of the Committee for Audit of the Board of Directors of the Company.
3. To recommend including the Evaluation of the Committee for Audit on the auditor's opinion, issued by ZAO KPMG, into the information (materials) to the Annual General Meeting of Shareholders of the Company, in accordance with Appendix # 3 to this decision of the Committee for Audit of the Board of Directors of the Company.

Voting results:

Oxana Vladimirovna Shatokhina	- «FOR»
Sergey Alexandrovich Demin	- «ABSTAINED»
Maxim Mikhailovich Saukh	- «FOR»
Roman Alexeyevich Filkin	- «FOR»
Alexander Viktorovich Shevchuk	- «FOR»

Total:

«FOR»	- «4»
«AGAINST»	- «0»
«ABSTAINED»	- «1»

Decision is taken.

Item 4: Consideration of the report «On the key risks of the Company in 2013».

Decision:

1. To take into consideration the report on the key risks of IDGC of Centre in 2013.
2. To recommend to the Board of Directors of IDGC of Centre to approve the report on the key risks of the Company in 2013.
3. To recommend to General Director of the Company to ensure submitting the following information for consideration to the Committee for Audit of the Board of Directors of the Company until 01.05.2014:
 - about actual risks of the Company, related to the performance/loss of the status of a supplier of last resort in the Bryansk, Kursk, Orel, Tver and Smolensk regions;
 - on losses incurred, including the write-off of receivables, the transfer of fixed assets acquired to perform the functions of a supplier of last resort, and the termination of employment contracts with the retail subdivision;
 - on the dynamics of receivables on the retail activity;
 - on the level of compensation for losses of the Company, incurred in performing the functions of a supplier of last resort, through the establishment of a retail surcharge;
 - on planned and completed activities to minimize the risk of the Company in connection with the loss of the status of a supplier of last resort.

Voting results:

Oxana Vladimirovna Shatokhina	- «FOR»
Sergey Alexandrovich Demin	- «FOR»
Maxim Mikhailovich Saukh	- «FOR»
Roman Alexeyevich Filkin	- «FOR»
Alexander Viktorovich Shevchuk	- «FOR»

Total:

«FOR»	- «5»
«AGAINST»	- «0»
«ABSTAINED»	- «0»

Decision is taken.**Appendices:**

1. The annual accounting (financial) statements of IDGC of Centre under RAS for 2013 (Appendix # 1).
2. The main trends in changes of the Company's financial position (Appendix # 2).
3. The Evaluation of the Committee for Audit of the Board of Directors of IDGC of Centre of the auditor's opinion issued by ZAO KPMG on the accounting statements of the Company for 2013 prepared under the Russian accounting standards (Appendix # 3).

**Chairperson of the Committee for Audit
of the Board of Directors of IDGC of Centre**

O.V. Shatokhina

**Secretary of the Committee for Audit
of the Board of Directors of IDGC of Centre**

A.A. Varlamov