



Reliance

Industrial Infrastructure  
Limited

Twenty First Annual Report  
2008-2009



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## Company Information

### Board of Directors

Mahesh K. Kamdar	Chairman
Chandra Raj Mehta	
Sandeep H. Junnarkar	
S. C. Malhotra	
Dilip V. Dherai	Executive Director

### Company Secretary

Swatantra Kumar Sethi

### Audit Committee

Chandra Raj Mehta	Chairman
Sandeep H. Junnarkar	
S. C. Malhotra	

### Shareholders' / Investors' Grievance Committee

Chandra Raj Mehta	Chairman
Mahesh K. Kamdar	
Sandeep H. Junnarkar	

### Remuneration Committee

Chandra Raj Mehta	Chairman
Sandeep H. Junnarkar	
S. C. Malhotra	

### Auditors

Chaturvedi & Shah

### Solicitors & Advocates

Kanga & Co.

### Bankers

HDFC Bank Limited

ICICI Bank Limited

IDBI Bank Limited

Syndicate Bank

### Registered Office

NKM International House, 5th Floor,  
178 Backbay Reclamation,  
Behind LIC Yogakshema Building,  
Babubhai Chinai Road,  
Mumbai - 400 020, India  
Phone : +91 22 6767 1871  
Fax : +91 22 6663 1074  
e-mail : investor\_relations@riil.in  
Website : <http://www.riil.in>

### Share Transfer Agent

#### Karvy Computershare Private Limited

"Karvy House", 46, Avenue 4, Street No.1,  
Banjara Hills, Hyderabad - 500 034, India  
Phone : +91 40 2332 0666/0711/3031/3037  
Fax : +91 40 2332 3058  
e-mail : [riilnkm@karvy.com](mailto:riilnkm@karvy.com)  
Website : <http://www.karvy.com>

**21st Annual General Meeting on Tuesday, 1st September, 2009 at 11.30 a.m.  
at 4th Floor, Walchand Hirachand Hall, Indian Merchants' Chambers,  
IMC Marg, Churchgate, Mumbai – 400 020.**

# Notice

Notice is hereby given that the Twenty First Annual General Meeting of the Members of Reliance Industrial Infrastructure Limited will be held on Tuesday, 1st September, 2009 at 11.30 a.m., at 4th Floor, Walchand Hirachand Hall, Indian Merchants' Chambers, IMC Marg, Churchgate, Mumbai – 400 020, to transact the following businesses :

## Ordinary Business :

1. To consider and adopt the audited Balance Sheet as at 31st March 2009, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of one retiring by rotation.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :  
“RESOLVED THAT Messrs Chaturvedi & Shah, Chartered Accountants, be and are hereby appointed as 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 :

5. To re-appoint Shri Dilip V. Dherai as Whole-time Director designated as Executive Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :  
“RESOLVED THAT in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded to the re-appointment of Shri Dilip V. Dherai, as a Whole-time Director, designated as Executive Director of the Company, for a period of 5 (Five) years with effect from 1st July, 2009, on the terms and conditions including remuneration payable to him as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of the said appointment and/or remuneration subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 including any statutory modification(s) or re-enactment thereof;  
RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors

Swatantra Kumar Sethi  
Company Secretary

Mumbai  
30th July, 2009

Registered Office :  
NKM International House, 5th Floor,  
178 Backbay Reclamation,  
Behind LIC Yogakshema Building,  
Babubhai Chinai Road,  
Mumbai - 400 020, India

## NOTES :

1. **A Member entitled to attend and vote at the Annual General Meeting (the Meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The Instrument appointing the Proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**
2. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. In terms of the Article 143 of the Articles of Association of the Company, Shri Mahesh K. Kamdar, Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Brief resume of Shri Mahesh K. Kamdar, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, his shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report. The Board of Directors of the Company commends his re-appointment.
4. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
6. Members who hold shares in dematerialised form are requested to write their DP ID and Client ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
7. 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.
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. upto the date of the Meeting.
9. (a) The Company has already notified closure of Register of Members and Transfer Books from Monday, 17th August 2009 to Saturday, 22nd August, 2009 (both days inclusive) for determining the names of Members eligible for dividend on Equity Shares.  
(b) The dividend on Equity Shares, if declared at the Meeting, will be paid on or after 1st September, 2009 to those

Members whose names shall appear on the Company's Register of Members on 16th August, 2009; in respect of shares held in dematerialised form, the dividend will be paid to Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

10. (a) In order to provide protection against fraudulent encashment of dividend warrants, Members who hold shares in physical form are requested to intimate the Company's Share Transfer Agent, Karvy Computershare Private Limited, under the signature of the Sole/First joint holder, the following information to be incorporated on dividend warrants :
- (i) Name of the Sole/First joint holder and the Folio Number.
  - (ii) Particulars of Bank Account, viz. :
    - Name of the Bank;
    - Name of the Branch;
    - Complete address of the Bank with Pin Code Number;
    - Account type, whether Savings Account (SA) or Current Account (CA); and
    - Bank Account Number.
  - (b) Members who hold shares in dematerialised form may kindly note that their Bank Account details, as furnished by their Depositories to the Company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for deletion of or change in such Bank Account details. Further, instructions, if any, already given by such Member in respect of shares held in physical form will not be automatically applicable to shares held in electronic form. **Members who wish to change such Bank Account details are, therefore, requested to advise their Depository Participants about such change with complete details of Bank Account.**
  - (c) To avoid loss of dividend warrants in transit and undue delay in respect of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through the Electronic Clearing System (ECS). The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the cities and towns. Members holding shares in physical form and desirous of availing this facility are requested to contact the Company's Share Transfer Agent, Karvy Computershare Private Limited.
11. All unclaimed dividends declared upto the financial year ended 31st March, 1994 have been transferred to the General Revenue Account of the Central Government as required under the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 (the Rules). Members who have not so far claimed or collected their dividends declared upto the aforesaid financial year are requested to claim

such dividends from the Registrar of Companies, Maharashtra, CGO Complex, 2nd Floor, "A" Wing, CBD-Belapur, Navi Mumbai - 400 614, Telephone +91 22 2757 6802, by making an application in Form II of the Rules.

12. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the financial years from 1994-95 to 2001-02 to the **Investor Education and Protection Fund (IEPF)** established by the Central Government.

Dividends for the financial year ended 31st March, 2003 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the date they became due for payment will be transferred by the Company to IEPF. **Information in respect of such unclaimed dividends and the last date for claiming the same are provided in the Shareholders' Referencer, forming part of the Annual Report.** Members who have not so far encashed the dividend warrant(s) for the aforesaid years are requested to seek issue of duplicate warrant(s) by writing to the Company's Share Transfer Agent, Karvy Computershare Private Limited, immediately.

It may be noted that the Company had sent reminders to the Members in this regard. **Members are requested to note that no claim shall lie against the Company or IEPF in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.**

13. 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 Company's Share Transfer Agent, Karvy Computershare Private Limited, for consolidation into a single folio.
14. Non-resident Indian Members are requested to inform the Company's Share Transfer Agent, Karvy Computershare Private Limited, immediately of :
- (a) Change in their Residential status on return to India for permanent settlement;
  - (b) Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.
15. Members may please note that the Company has **not issued any new share certificate** consequent to change in name of the Company from **Chembur Patalganga Pipelines Limited** to **CPPL Limited** (with effect from 11th September, 1992) and thereafter to **Reliance Industrial Infrastructure Limited** (with effect from 16th March, 1994) but has sent change of name stickers to be affixed on the share certificates. Members holding shares in physical form who have not received these stickers may please write to the Share Transfer Agent, Karvy Computershare Private Limited, for forwarding the stickers to them.
16. **Members are advised to refer to the Shareholders' Referencer provided in the Annual Report.**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice :

**Item No. 5**

The term of office of Shri Dilip V. Dherai as a Whole-time Director expired on 30th June, 2009. He was initially appointed as a Whole-time Director designated as Executive Director – Projects with effect from 1st July, 1994 and thereafter re-appointed twice in the same capacity with effect from 1st July, 1999 and 1st July, 2004.

The present proposal is to seek the members' approval for the re-appointment of and remuneration payable to Shri Dilip V. Dherai as Whole-time Director, designated as Executive Director with effect from 1st July, 2009, in terms of the applicable provisions of the Companies Act, 1956.

The Board of Directors of the Company (the 'Board'), at its meeting held on 22nd April, 2009 has, subject to the approval of Members, re-appointed Shri Dilip V. Dherai as Whole-time Director designated as Executive Director for a period of 5 years with effect from 1st July, 2009 on the remuneration determined by the Remuneration Committee of the Board at its meeting held on 22nd April, 2009.

Broad particulars of the terms of re-appointment of and remuneration payable to Shri Dilip V. Dherai are as under :

Shri Dilip V. Dherai shall be entitled to :

1. remuneration which will comprise :
  - (a) salary, allowances, perquisites including leave travel concession, contribution to Provident Fund and Gratuity, as per Company Rules, the aggregate being limited to Rs. 20 50 000/- per annum;
  - (b) encashment of leave as per Company Rules.
2. facilities comprising medical assistance, use of company vehicle, telephone and corporate credit card, as per Company Rules.

The aforesaid remuneration and facilities shall be evaluated, wherever applicable, as per Income Tax Act, 1961 or any rules thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in the absence of any such Rules, these shall be evaluated at actual cost. The amounts to the extent of such evaluation, in respect of facilities at (2) above, shall be

treated as perquisites in addition to the aforesaid amount of Rs. 20 50 000/-.

Where in any financial year closing after 31st March, 2009, the Company has no profits or its profits are inadequate, the Company will pay to Shri Dilip V. Dherai, remuneration by way of salary, perquisites and allowances not exceeding the ceiling limit specified under Part A of Paragraph 1 of Section II of Part II of Schedule XIII to the Companies Act, 1956.

The terms and conditions set out for the re-appointment and payment of remuneration herein may be altered and varied from time to time by the Board.

The Office of the Executive Director may be terminated by the Company or the Executive Director by giving, the other, three months prior notice of termination in writing.

Shri Dilip V. Dherai, satisfies all the eligibility conditions set out in Part I of Schedule XIII to the Companies Act, 1956 for the re-appointment and has offered himself for re-appointment.

The above may be treated as an abstract of the terms of re-appointment of Shri Dilip V. Dherai under Section 302 of the Companies Act, 1956.

A brief resume of Shri Dilip V. Dherai, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees, his shareholding and relationships between directors *inter-se*, as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges in India, is provided in the Report on Corporate Governance forming part of the Annual Report.

Your Directors commend the Resolution set out at Item No. 5 of the Notice for your approval.

Shri Dilip V. Dherai is deemed to be concerned or interested in the resolution as it pertains to his re-appointment and remuneration payable to him. Save and except Shri Dilip V. Dherai, none of the other Directors of the Company is in any way, concerned or interested in the said resolution.

By Order of the Board of Directors

Swatantra Kumar Sethi  
Company Secretary

Mumbai  
30th July, 2009



# Report on Corporate Governance

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organisation. As stakeholders across the globe evince keen interest in the practices and performance of companies, Corporate Governance has emerged on the centre stage.

Keeping in view the Reliance Corporate Traditions, Reliance Industrial Infrastructure Limited (the “Company”) endeavours to implement the best Corporate Governance practices by adhering to the well defined Policy Framework.

The Company continuously reviews its policies and practices of Corporate Governance with a clear goal not merely to comply with statutory requirements in letter and spirit but also to implement the best international practices of Corporate Governance, in the overall interest of all the stakeholders.

The Company recognises that good Corporate Governance is a continuing exercise and reiterates its commitment to pursue the highest standards of Corporate Governance in the overall interest of all the stakeholders.

The Company’s Governance framework is based on the following main principles :

- Constitution of a Board of Directors of appropriate composition, size and commitment to discharge its responsibilities and duties.
- Ensuring timely flow of information to the Board and its Committees to enable them to discharge their functions effectively.
- Independent verification and safeguarding integrity of the Company’s financial reporting.
- A sound system of risk management and internal control.
- Timely and balanced disclosure of material information concerning the Company to its stakeholders.
- Transparency and accountability.
- Compliance with the applicable laws and regulations.
- Fair and equitable treatment of its employees, customers, shareholders, investors and other stakeholders.

**In accordance with Clause 49 of the Listing Agreements with the Stock Exchanges (Clause 49) and some of the best practices followed internationally on Corporate Governance, a report containing the details of governance systems and processes at Reliance Industrial Infrastructure Limited is as under :**

## 1. Company’s philosophy on Code of Governance

The Company’s philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations, and in all interactions with its Stakeholders including shareholders, employees, lenders, Government and society at large.

The Company is committed to achieve and maintain the highest international standards of Corporate Governance. The Company believes that all its actions must serve the underlying goal of enhancing shareholder value over a sustained period of time.

## 2. Board Composition and Particulars of Directors

### Board Composition

The Board of Directors of the Company (the Board) consists of 5 Directors, out of which 2 are Independent Directors. Composition of the Board and category of Directors are as follows :

Category	Name of the Directors
Non-Independent Non-Executive Directors	Mahesh K. Kamdar - <i>Chairman</i> S. C. Malhotra
Executive Director	Dilip V. Dherai
Independent Non-Executive Directors	Chandra Raj Mehta Sandeep H. Junnarkar

No Director is related to any other Director on the Board in terms of the definition of ‘relative’ given under the Companies Act, 1956.

### Directors’ Profile

Brief resume of all the Directors, nature of their expertise in specific functional areas and names of companies in which they hold directorships, memberships / chairmanships of Board Committees and their shareholding in the Company are provided below:

- (a) **Shri Mahesh K. Kamdar** is a graduate in Commerce from Mumbai University. He was conferred Doctrate in Business Philosophy from Burkes University. He has extensive experience and possesses expertise in the fields of pipes and steel and also other related products used in engineering, pharmaceutical, chemical and petrochemical industries.

Shri Kamdar is a Director of the Company since 23rd July, 1990. He was appointed as a Whole-time Director designated as “Executive Director - Commercial” of the Company with effect from 1st July, 1993. He was re-appointed in the same capacity with effect from 1st July, 1998 and again with effect from 1st July, 2003. He ceased to be a Whole-time Director of the Company with effect from 27th February, 2006. He was elected as the Chairman of the Board of Directors of the Company with effect from 27th February, 2006. Since then he continues to be on the Board of Directors of the Company as Chairman of the Board and a Director liable to retire by rotation. He is the Member of the Shareholders’ / Investors’ Grievance Committee of the Company.

Shri Kamdar is also on the Board of Reliance Gas Transportation Infrastructure Limited, Reliance Corporate Centre Limited, Reliance Convention and Exhibition Centre Limited, Paridhi Tradecom Private Limited, Symphony Impex (India) Private Limited, SANA Tradecom Private Limited, The India Film Combine Private Limited, Reliance Hospital Management Services Private Limited and Westward Reality Private Limited. He does not hold any membership of a Committee of the Board in the aforesaid companies.

Shri Kamdar holds 482 shares of the Company in his name as on 31st March, 2009.

- (b) **Shri Chandra Raj Mehta** is a Chartered Accountant and Company Secretary. He has had a distinguished career with the Government holding senior level positions in different capacities. He was a Member of the Company Law Board and was also Regional Director, Department of Corporate Affairs. He has rich experience in Corporate Laws, Finance and Administration.

Shri Mehta is a Director of the Company since 29th August, 2006. He is the Chairman of the Audit Committee, Shareholders’ / Investors’ Grievance Committee and Remuneration Committee of the Company.

Shri Mehta is also on the Board of Fortune Financial Services (India) Limited and Aadi Industries Limited. He is a Member of the Audit Committee and the Remuneration Committee of Fortune Financial Services (India) Limited.

Shri Mehta does not hold any share of the Company as on 31st March, 2009.

- (c) **Shri Sandeep H. Junnarkar** is a Science graduate with a postgraduate degree in Law. He qualified as a Solicitor in the year 1977. He has had a brilliant academic career and is a Partner in the law firm Messrs Junnarkar & Associates. His areas of specialization include banking laws, corporate laws including monopolies laws, exchange control laws and securities regulations.

Shri Junnarkar is a Director of the Company since 27th April, 1991. He is a Member of the Audit Committee, Shareholders' / Investors' Grievance Committee and Remuneration Committee of the Company.

Shri Junnarkar is also on the Board of Everest Industries Limited, Excel Crop Care Limited, IL&FS Infrastructure Development Corporation Limited, Jai Corp Limited, Jai Realty Ventures Limited, Reliance Industrial Investments and Holdings Limited, Reliance Ports And Terminals Limited, Reliance Utilities Private Limited, Sterlite Industries (India) Limited and Sunshield Chemicals Limited. He is also a Committee Member of the Bombay Incorporated Law Society (a company incorporated under Section 25 of the Companies Act, 1956). He is the Chairman of the Shareholders' / Investors' Grievance Committee of Sterlite Industries (India) Limited a Member of the Audit Committee of Everest Industries Limited, Sterlite Industries (India) Limited and Reliance Utilities Private Limited and a Member of the Remuneration Committee of Everest Industries Limited, Excel Crop Care Limited and IL&FS Infrastructure Development Corporation Limited.

Shri Junnarkar does not hold any share of the Company as on 31st March, 2009.

- (d) **Shri S. C. Malhotra** graduated in Mechanical Engineering from Banaras Hindu University. He has more than 45 years experience in execution of projects related to chemical / petrochemical and petroleum industries.

Shri Malhotra is a Director of the Company since 16th December, 1989. He was appointed as a Whole-time Director designated as "Executive Director - Technical" of the Company with effect from 1st July, 1993. He ceased to be Whole-time Director with effect from 28th June, 1997. Since then he continues to be on the Board of Directors of the Company as a Director liable to retire by rotation. He is a Member of the Audit Committee and the Remuneration Committee of the Company.

Shri Malhotra is also on the Board of Reliance Ports And Terminals Limited and N. M. Hightech Consultancy Private Limited. He is a Member of the Audit Committee of Reliance Ports And Terminals Limited.

Shri Malhotra does not hold any share of the Company as on 31st March, 2009.

- (e) **Shri Dilip V. Dherai** is a Chemical Engineer (B. Chem Engg.) from the University Department of Chemical

Technology (UDCT), Mumbai having graduated in the year 1979. He has vast experience / expertise in activities related to implementation and commissioning of large projects.

Shri Dherai is a Director of the Company since 1st July, 1994. He was appointed as a Whole-time Director designated as "Executive Director - Projects" with effect from 1st July, 1994. He was re-appointed in the same capacity with effect from 1st July, 1999 and again for a period of five years with effect from 1st July, 2004. He does not hold any membership of a Committee of the Board.

Shri Dherai is also on the Board of Mumbai SEZ Limited. He does not hold any membership of a Committee of the Board in any Company.

Shri Dherai holds 1 650 shares of the Company in his name as on 31st March, 2009.

### 3. Board Meetings, its Committee Meetings and Procedures

#### (a) Institutionalised decision making process

With a view to institutionalise all corporate affairs and set up systems and procedures for advance planning for matters requiring discussion/decisions by the Board, the Company has defined guidelines for the meetings of the Board and Committees thereof. These Guidelines seek to systematise the decision making process at the meetings of the Board / Committees in an informed and efficient manner.

#### (b) Scheduling and selection of Agenda Items for Board Meetings

- (i) Minimum four Board Meetings are held every year, which are pre-scheduled. Apart from the above, additional Board Meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.
- (ii) All departments of the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion / approval / decision at the Board / Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board / Committee Meetings.
- (iii) The Board is given Presentations covering future operations of the Company, business environment, business opportunities, business strategy and risk management practices before taking on record the quarterly / annual financial results of the Company.
- (iv) The information placed before the Board includes :
  - Business plans, capital budgets and any updates.
  - Quarterly results of the Company.
  - Minutes of the Board meetings of unlisted subsidiary companies.
  - Minutes of meetings of Audit Committee and other Committees of the Board, as also Resolutions passed by circulation.
  - Appointment or resignation of Chief Financial Officer and Company Secretary.
  - Materially important show cause, demand, prosecution and penalty notices.



- Quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material.
  - Fatal or serious accidents, dangerous occurrences, material effluent or pollution problems.
  - Any material default in financial obligations to and by the Company, or substantial non-payment for services rendered by the Company.
  - Any issue, which involves possible public liability claims of substantial nature, including any judgment or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
  - Details of any joint venture, acquisitions of companies or collaboration agreement.
  - Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
  - Significant labour problems and their proposed solutions. Any significant development in Human Resources.
  - Sale of material nature of investments, subsidiaries and assets, which is not in normal course of business.
  - Statement of significant transactions and arrangements entered by unlisted subsidiary companies.
  - Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
  - Quarterly summary of all long term borrowings made, bank guarantees issued, loans and investments made.
  - Internal Audit findings and External Audit Reports (through the Audit Committee).
  - Status of business risk exposures, its management and related action plans.
  - Making of loans and investment of surplus funds.
  - Proposals for investment, mergers and acquisitions.
  - Recommendation / declaration of Dividend.
  - General notices of interest of Directors.
  - Terms of reference of Board Committees.
  - Brief on statutory development, changes in Government policies etc. with impact thereof,
- directors' responsibilities arising out of any such developments.
- Brief on clarifications made to the press.
- (v) The Chairman of the Board and the Company Secretary in consultation with other concerned team members of the senior management, finalise the agenda papers for the Board meetings.
- (c) Board Material distributed in advance**
- Agenda and Notes on Agenda are circulated to the Directors in advance, in the defined Agenda format. All material information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are permitted.
- (d) Recording Minutes of proceedings at Board and Committee meetings**
- The Company Secretary records the minutes of the proceedings of each Board and Committee meeting. Draft minutes are circulated to all the Members of the Board / Committee for their comments. The final minutes are entered in the Minutes Book within 30 days from the conclusion of that meeting.
- (e) Post Meeting Follow-up Mechanism**
- The Guidelines for the Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for the decisions taken by the Board and Committees thereof. Action taken report on the decisions / minutes of the previous meeting(s) is placed at the immediately succeeding meeting of the Board / Committee for noting by the Board / Committee.
- (f) Compliance**
- The Company Secretary while preparing the Agenda, Notes on Agenda, Minutes etc. of the meeting(s), is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 1956 read with the Rules issued thereunder and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

**4. Attendance of Directors at Board Meetings, last Annual General Meeting and number of other Directorship(s) and Chairmanship(s) / Membership(s) of Committees of each Director in various companies**

Name of the Director	Attendance at meetings during 2008-09		No. of Other Directorship(s)*	No. of Membership(s) / Chairmanship(s) of Board Committees of Other Companies **
	Board Meetings	Last AGM		
Mahesh K. Kamdar	5	Yes	3	-
Chandra Raj Mehta	5	Yes	2	1
Sandeep H. Junnarkar	5	Yes	9	3
				(including 1 as Chairman)
Bharat C. Gosalia #	5	Yes	-	-
S. C. Malhotra	5	Yes	1	1
Dilip V. Dherai	5	Yes	1	-

\* The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Companies incorporated under Section 25 of the Companies Act, 1956 and Private Limited Companies.

\*\* In accordance with Clause 49, Membership(s) / Chairmanship(s) of only the Audit Committees and Shareholders' / Investors' Grievance Committees of Indian Public Companies (excluding Reliance Industrial Infrastructure Limited) have been considered.

# Ceased to be a Director of the Company, consequent to his resignation, effective 19th January, 2009.

## 5. Number of Board Meetings held and the dates on which held

Five Board meetings were held during the year. The Company has held at least one Board meeting in every three months and the maximum time gap between any such two meetings was not more than four months. The details of the Board meetings are as under :

Sr. No.	Date	Board Strength	No. of Directors Present
1	15th April, 2008	6	6
2	2nd July, 2008	6	6
3	19th July, 2008	6	6
4	18th October, 2008	6	6
5	17th January, 2009	6	6

## 6. Board Committees

Details of the Committees of the Board and other related information are provided hereunder :

### (a) Audit Committee

**Composition :** The Audit Committee of the Board comprises of two Independent Non-Executive Directors, namely, Shri Chandra Raj Mehta, Chairman and Shri Sandeep H. Junnarkar and one Non-Independent Non-Executive Director, namely, Shri S. C. Malhotra. All the members of the Committee are financially literate. The Chairman of the Committee, Shri Chandra Raj Mehta, is a Chartered Accountant and Company Secretary and possesses accounting / financial management expertise. The constitution of the Audit Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

Shri Swatantra Kumar Sethi, Company Secretary, is the Secretary to the Audit Committee. Executives from Finance Department, Secretarial Department as also Representatives of the Statutory and Internal Auditors are invited to attend the Audit Committee Meetings.

**Objective :** The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to providing accurate, timely and proper disclosures and the integrity and quality of the financial reporting.

**Terms of Reference :** The terms of reference / powers of the Audit Committee are as under :

#### (i) Powers of the Audit Committee

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### (ii) The role of the Audit Committee includes

- Oversight of the Company's financial reporting process and the disclosure of its financial

information to ensure that the financial statement is correct, sufficient and credible.

- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and fixation of audit fees.
- Approval of payment to the Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to :
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by the management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of related party transactions, if any; and
  - Qualifications in draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- Review of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.).
- Reviewing with the management, performance of statutory and internal auditors and adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with Internal Auditors any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

- To look into the reasons for substantial defaults in the payment to the depositors, debentureholders, shareholders (in case of non payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower Mechanism.
- Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and / or other Committee(s) of Directors of the Company.
- To review the following information :
  - The management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
  - Internal audit reports relating to internal control weaknesses;
  - The appointment, removal and terms of remuneration of Internal Auditors; and
  - Financial statements, in particular the investments made by the unlisted subsidiary companies.

**Meetings :** Four meetings of the Committee were held during the year which were attended by all the members of the Committee. Executives from Finance Department, Secretarial Department as also Representatives of the Statutory and Internal Auditors attended the Audit Committee Meetings by invitation.

The details of the meetings are as under :

Sr. No.	Date	Committee Strength	No. of Members Present
1	15th April, 2008	3	3
2	19th July, 2008	3	3
3	18th October, 2008	3	3
4	17th January, 2009	3	3

The Chairman of the Audit Committee was present at the last Annual General Meeting.

#### (b) Remuneration Committee

**Composition :** The Remuneration Committee of the Board comprises of two Independent Non-Executive Directors, namely, Shri Chandra Raj Mehta, Chairman and Shri Sandeep H. Junnarkar and one Non-Independent Non-Executive Director, namely, Shri S. C. Malhotra.

**Terms of Reference :** The Remuneration Committee has been constituted to determine / review the remuneration package of the Managing Director(s) / Whole-time Director(s).

**Meetings :** There was no meeting of the Remuneration Committee during the year.

#### Remuneration Policy, details of remuneration and other terms of appointment of Directors :

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

The Whole-time Director is paid remuneration as per the Agreement entered into between him and the Company and is duly approved by the Remuneration Committee of Directors, the Board of Directors and the Members in General Meeting.

The aggregate value of salary, allowances and perquisites paid for the year ended 31st March, 2009 to Shri Dilip V. Dherai (re-appointed as a Whole-time Director designated as Executive Director - Projects with effect from 1st July, 2004 for a period of 5 years) was Rs.17.73 lacs (salary and allowances Rs.17.55 lacs and perquisites Rs.0.18 lac).

Besides salary, allowances and perquisites, the aforesaid Whole-time Director is also entitled to company's contribution to provident fund, gratuity and encashment of leave as per the rules of the Company.

Service Contract of Whole-time Director can be terminated, by either party, by giving 3 months notice in writing.

The Company pays sitting fees to all the Directors other than the Whole-time Director, at the rate of Rs.10 000/- for attending each meeting of the Board and / or Committee thereof. Sitting fees paid for the year ended 31st March, 2009, are as follows :

Shri Mahesh K. Kamdar : Rs. 50 000/-, Shri Chandra Raj Mehta : Rs.1 30 000/-, Shri Sandeep H. Junnarkar : Rs.1 30 000/-, Shri Bharat C. Gosalia : Rs. 90 000/-, Shri S. C. Malhotra : Rs. 90 000/-.

There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company.

#### (c) Shareholders'/Investors' Grievance Committee

**Composition :** The Shareholders'/Investors' Grievance Committee of the Board comprises of two Independent Non-Executive Directors, namely, Shri Chandra Raj Mehta, Chairman and Shri Sandeep H. Junnarkar and one Non-Independent Non-Executive Director, namely, Shri Mahesh K. Kamdar. Shri Bharat C. Gosalia ceased to be a member of the Committee, consequent to his resignation as a Director of the Company, effective 19th January, 2009. Shri Mahesh K. Kamdar was nominated as a member of the Committee with effect from 6th March, 2009.

**Terms of reference :** The Committee, inter alia, approves issue of duplicate share certificates and oversees and reviews all matters connected with transfer of shares of the

Company. The Committee also looks into redressal of shareholders'/ investors' complaints related to transfer of shares, non-receipt of Annual Reports, non-receipt of declared dividends etc. The Committee oversees performance of the Share Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services. The Committee also monitors implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

The Board has authorised Shri Mahesh K. Kamdar, Chairman of the Board, Shri Dilip V. Dherai, Executive Director and Shri Swatantra Kumar Sethi, Company Secretary, severally, to approve the transfer of shares, transmission of shares, folio consolidation, change of name, transposition, certificate split and consolidation, dematerialisation or rematerialisation of shares, replacement of certificates etc.

**Meetings :** Four Meetings of the Committee were held during the year which were attended by all the members of the Committee.

The details of the meetings are as under :

Sr. No.	Date	Committee Strength	No. of Members Present
1	15th April, 2008	3	3
2	19th July, 2008	3	3
3	18th October, 2008	3	3
4	17th January, 2009	3	3

**Compliance Officer :** Shri Swatantra Kumar Sethi, Company Secretary has been designated by the Board as the Compliance Officer for complying with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Listing Agreement with the Stock Exchanges.

#### **Investor Grievance Redressal**

The number of complaints received and resolved during the year under review and their break-up is as under :

Type of Complaints	No. of Complaints
Non-receipt of Annual Reports	16
Non-receipt of Dividend Warrants	51
Non-receipt of Certificates	16
<b>Total</b>	<b>83</b>

There were no outstanding complaints as on 31st March, 2009. 1 request for dematerialisation and 1 request for transfer were pending for approval as on 31st March, 2009, which were processed/approved and dealt with by 2nd April, 2009.

#### **Procedure at Committee Meetings**

The Company's guidelines relating to Board meetings are applicable to Committee meetings as far as may be practicable. Minutes of the proceedings of the Committee meetings are placed before the Board meetings for perusal and noting.

#### **7. Code of Business Conduct and Ethics for Directors and Management Personnel**

The Board vide Resolution passed on 26th December, 2005, adopted the Code of Business Conduct and Ethics for Directors and Management Personnel (the Code). This Code is a comprehensive Code applicable to all Directors and Management Personnel. The Code while laying down, in detail, the standards of business conduct, ethics and governance, centres around the following theme :

“The Company's Board of Directors and Management Personnel are responsible for and are committed to setting the standards of conduct contained in this Code and for updating these standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the needs of local and international investors and all other stakeholders as also to reflect corporate, legal and regulatory developments. This Code should be adhered to in letter and in spirit.”

A copy of the Code has been put on the Company's website [www.riil.in](http://www.riil.in).

The Code has been circulated to all the members of the Board and Management Personnel and the compliance of the same is affirmed by them annually.

A declaration signed by the Executive Director (Chief Executive Officer) is given below :

I hereby confirm that :

The Company has obtained, from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Management Personnel in respect of the financial year 2008-09.

Dilip V. Dherai  
Executive Director

#### **8. Whistle Blower Mechanism**

The Company promotes ethical behaviour in all its business activities and has put in place mechanism of reporting illegal or unethical behaviour. Employees may report violations of laws, rules, regulations or unethical conduct to their immediate supervisor / notified person. The reports received from employees will be reviewed by the Audit Committee. The Directors and management personnel are obligated to maintain confidentiality of such reportings and ensure that the whistle blowers are not subjected to any discriminatory practices.

#### **9. Subsidiary Monitoring Framework**

All the subsidiary companies of the Company are Board managed with their Boards having the rights and obligations to manage

such companies in the best interest of their stakeholders. The Company monitors the performance of such companies, inter alia, by the following means :

- (a) Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed quarterly by the Audit Committee of the Company.
- (b) All minutes of the meetings of the unlisted subsidiary companies are placed before the Company's Board regularly.
- (c) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.

## 10. General Body Meetings

Details of the last three Annual General Meetings of the Company are as under :

Year	Venue of the Meeting	Day and Date	Time
2005-06	4th Floor, Walchand Hirachand Hall, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai – 400 020	Wednesday 12.07.2006	11.00 a.m.
2006-07	4th Floor, Walchand Hirachand Hall, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai – 400 020	Thursday 12.07.2007	11.30 a.m.
2007-08	4th Floor, Walchand Hirachand Hall, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai – 400 020	Wednesday 02.07.2008	11.30 a.m.

### Note :

- (a) No Special Resolutions were passed at the Annual General Meetings held for the years 2005-06, 2006-07 and 2007-08.
- (b) During the year ended 31st March, 2009, there were no resolutions passed by the Company's Members through postal ballot. There is no resolution proposed to be passed through postal ballot.

## 11. (a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the Management, their relatives or subsidiaries etc. that may have potential conflict with the interests of the Company at large

None of the transactions with any of the related parties were in conflict with the interests of the Company.

Attention of Members is drawn to the disclosures of transactions with the related parties set out in Notes on Accounts–Schedule '15', forming part of the Annual Report.

The Company's related party transactions are generally with its Subsidiaries and Associate. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, sectoral specialisation and the Company's long term strategy for sectoral investments, optimisation of market share and profitability, legal requirements, liquidity and capital resources of Associates.

All related party transactions are negotiated at arms length and are only intended to further the interests of the Company.

## (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

## 12. Means of Communication

- (a) **Half Yearly Reports** : Half Yearly Reports covering financial results are sent to members at their registered addresses.
- (b) **Quarterly Results** : Quarterly Results are published in 'Financial Express' and 'Navshakti'.
- (c) **SEBI EDIFAR** : The Company uploads its Annual Report, financial results, shareholding pattern and other information on the SEBI EDIFAR Website maintained by National Informatics Centre (NIC) : [www.sebiedifar.nic.in](http://www.sebiedifar.nic.in).
- (d) **Annual Report** : Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report, and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report.
- (e) **Reminder to Investors** : Reminders for Unpaid Dividend are sent to the Shareholders as per records every year.
- (f) **Website** : The Company's website [www.riil.in](http://www.riil.in) contains a separate dedicated section, 'Investor Relations', where information for shareholders is available. The Annual Report of the Company is also available on the website in a user-friendly and downloadable manner.
- (g) **Designated Exclusive email-id** : The Company has designated the following email-ids exclusively for investor servicing :
  - (i) For queries on Annual Report : [investor\\_relations@riil.in](mailto:investor_relations@riil.in)
  - (ii) For queries in respect of shares in physical mode : [riilnkm@karvy.com](mailto:riilnkm@karvy.com)



**13. General Shareholder Information**

- (a) **Company Registration Details** The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by Ministry of Corporate Affairs (MCA) is L60300MH1988PLC049019.
- (b) **Annual General Meeting (Day, Date, Time and Venue)** Tuesday, 1st September, 2009 at 11.30 a.m. at 4th Floor, Walchand Hirachand Hall, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai – 400 020.
- (c) **Financial Calendar**
- |  |                            |
|--|----------------------------|
| Financial Year   | April 1 to March 31        |
| Results for Quarter ending 30th June, 2009                             | Third week of July, 2009   |
| Results for Quarter/ Half Year ending 30th September, 2009 (tentative) | Last week of October, 2009 |
| Results for Quarter ending 31st December, 2009 (tentative)             | Last week of January, 2010 |
| Results for Year ending 31st March, 2010 (tentative)                   | Last week of April, 2010   |
| Annual General Meeting (tentative)                                     | July, 2010                 |
- (d) **Book Closure Period** Monday, 17th August, 2009 to Saturday, 22nd August, 2009 (both days inclusive) for payment of dividend.
- (e) **Dividend Payment Date** On or after 1st September, 2009.
- (f) **Listing of Equity Shares at**
- (i) Bombay Stock Exchange Limited (BSE),  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
- (ii) National Stock Exchange of India Limited (NSE)  
“Exchange Plaza”, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.
- (g) **Payment of Listing Fees** Annual Listing Fee for the year 2009-10 (as applicable) has been paid by the Company to BSE and NSE.
- (h) **Stock Code**
- (i) **Trading Symbol at**
- |  |        |
|--|--------|
| Bombay Stock Exchange Limited            | 523445 |
| National Stock Exchange of India Limited | RUIL   |
- (ii) **Demat ISIN Numbers in NSDL & CDSL**
- |               |              |
|---------------|--------------|
| Equity Shares | INE046A01015 |
|---------------|--------------|
- (i) **Share Price Data (in Rs. per share)**

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April – 2008	1 550.75	771.00	1 547.65	769.00
May – 2008	1 782.40	1 163.00	1 788.00	1 166.00
June – 2008	1 200.00	806.90	1 208.00	805.65
July – 2008	975.00	699.45	982.40	695.00
August – 2008	1 023.65	881.10	1 020.50	881.15
September – 2008	963.00	540.00	947.50	536.00
October – 2008	613.00	280.05	620.00	280.00
November – 2008	490.00	298.00	501.00	300.30
December – 2008	420.00	295.50	420.00	298.10
January – 2009	428.70	298.00	429.00	300.00
February – 2009	339.00	277.30	339.00	277.10
March – 2009	310.00	231.05	310.60	233.00

Source : BSE and NSE websites

The closing market price per equity share on 17th April, 2009 was Rs. 737.75 on BSE and Rs. 737.00 on NSE.

(j) **Share price performance in comparison to broad based indices - BSE Sensex and NSE Nifty as on 31st March, 2009**

**Percentage change in**

	<b>RIL share price</b>	<b>Sensex</b>
Financial Year 2008-09	-68.40	-37.94
2 years	-26.56	-25.73
3 years	-26.07	-13.93
5 years	411.56	73.66

**Percentage change in**

	<b>RIL share price</b>	<b>Nifty</b>
Financial Year 2008-09	-68.24	-36.19
2 years	-26.37	-20.95
3 years	-25.89	-11.22
5 years	415.82	70.49

(m) **Distribution of Shareholding as on 31st March, 2009**

<b>Sr. No.</b>	<b>Category</b>	<b>No. of Shares</b>	<b>% to total Shares</b>
1	Promoters : Reliance Industries Limited	68 60 064	45.43
2	Mutual Funds & UTI	800	0.01
3	Banks, Financial Institutions and Insurance Companies	4 045	0.02
4	FII's	1 52 685	1.01
5	Private Corporate Bodies	16 42 247	10.88
6	Indian Public	62 87 334	41.64
7	NRI/OCBs	1 52 825	1.01
	<b>Grand Total</b>	<b>1 51 00 000</b>	<b>100.00</b>

(n) **Top 10 Shareholders as on 31st March, 2009**

<b>Sr. No.</b>	<b>Name of the Shareholder(s)</b>	<b>No. of Shares</b>	<b>% to total Shares</b>
1	Reliance Industries Limited	68 60 064	45.43
2	Reliance Capital Limited	1 60 100	1.06
3	Wellington Management Company, LLP	1 00 000	0.66
4	Religare Securities Limited	78 300	0.52
5	Angel Broking Limited	52 090	0.34
6	Sharekhan Limited	49 987	0.33
7	Karvy Stock Broking Limited	43 117	0.29
8	Neeraj Batra	41 462	0.27
9	Marudhar Vyapaar Private Limited	40 000	0.26
10	Jayantilal Premji Shah	36 000	0.24

(k) **Share Transfer Agent**

**Karvy Computershare Private Limited**

"Karvy House", 46, Avenue 4, Street No.1,  
Banjara Hills, Hyderabad - 500 034, India

Website : [www.karvy.com](http://www.karvy.com)

e-mail : [riilnkm@karvy.com](mailto:riilnkm@karvy.com)

Telephone Nos. : +91 40 2332 0666 / 0711 / 3031 / 3037

Fax No. : +91 40 2332 3058

List of Investor Service Centres of Karvy Computershare Private Limited forms part of the Annual Report.

(l) **Share Transfer System**

Presently, the share transfers which are received in physical form are processed and the share certificates are returned within a period of 7 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has authorised Shri Mahesh K. Kamdar, Chairman of the Board, Shri Dilip V. Dherai, Executive Director and Shri Swatantra Kumar Sethi, Company Secretary, severally, to approve the transfer, transmission etc. of the Company's shares. A summary of transfer / transmission of shares of the Company so approved is placed at every Shareholders' / Investors' Grievance Committee Meeting. The Company obtains from a Company Secretary in practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

**(o) Shareholding Pattern by Size as on 31st March, 2009**

Sr. No.	Category (Shares)	Electronic			Physical			Total		
		Holders	Shares	% to total Shares	Holders	Shares	% to total Shares	Holders	Shares	% to total Shares
1	01 - 100	1 07 786	25 37 549	16.80	5 086	5 07 167	3.36	1 12 872	30 44 716	20.16
2	101 - 500	7 457	17 24 963	11.42	475	1 30 000	0.86	7 932	18 54 963	12.28
3	501 - 1000	888	6 77 611	4.49	31	23 500	0.16	919	7 01 111	4.64
4	1001 - 5000	542	11 42 376	7.57	19	31 100	0.21	561	11 73 476	7.78
5	5001 - 10000	60	4 07 778	2.70	2	15 800	0.10	62	4 23 578	2.81
6	10001 - 50000	34	6 51 602	4.32	0	0	0.00	34	6 51 602	4.32
7	50001 - 100000	3	2 30 390	1.52	0	0	0.00	3	2 30 390	1.52
8	100001 & Above	2	70 20 164	46.49	0	0	0.00	2	70 20 164	46.49
	<b>Total</b>	<b>1 16 772</b>	<b>1 43 92 433</b>	<b>95.31</b>	<b>5 613</b>	<b>7 07 567</b>	<b>4.69</b>	<b>1 22 385</b>	<b>1 51 00 000</b>	<b>100.00</b>

**(p) Geographical Distribution of Shareholders as on 31st March, 2009**

Sr. No.	Name of the City	Electronic				Physical				Total			
		Holders	% to total Holders	Shares	% to total Shares	Holders	% to total Holders	Shares	% to total Shares	Holders	% to total Holders	Shares	% to total Shares
1	MUMBAI	26 388	21.56	96 80 473	64.11	1 583	1.29	2 24 044	1.48	27 971	22.85	99 04 517	65.59
2	DELHI	7 917	6.47	8 28 768	5.49	323	0.26	49 200	0.33	8 240	6.73	8 77 968	5.81
3	AHMEDABAD	6 540	5.34	4 34 507	2.88	422	0.34	46 100	0.31	6 962	5.69	4 80 607	3.18
4	KOLKATA	5 054	4.13	4 05 944	2.69	178	0.15	25 307	0.17	5 232	4.28	4 31 251	2.86
5	BENGALURU	3 495	2.86	1 59 564	1.06	135	0.11	13 804	0.09	3 630	2.97	1 73 368	1.15
6	VADODARA	2 556	2.09	1 17 335	0.78	165	0.13	18 100	0.12	2 721	2.22	1 35 435	0.90
7	CHENNAI	2 638	2.16	1 65 391	1.10	166	0.14	17 400	0.12	2 804	2.29	1 82 791	1.21
8	PUNE	3 421	2.80	2 24 950	1.49	65	0.05	8 500	0.06	3 486	2.85	2 33 450	1.55
9	HYDERABAD	2 181	1.78	1 76 258	1.17	100	0.08	10 800	0.07	2 281	1.86	1 87 058	1.24
10	OTHERS	56 582	46.23	21 99 243	14.56	2 476	2.02	2 94 312	1.95	59 058	48.26	24 93 555	16.51
	<b>Total</b>	<b>1 16 772</b>	<b>95.41</b>	<b>143 92 433</b>	<b>95.31</b>	<b>5 613</b>	<b>4.59</b>	<b>7 07 567</b>	<b>4.69</b>	<b>1 22 385</b>	<b>100.00</b>	<b>151 00 000</b>	<b>100.00</b>

**(q) Corporate Benefits****Dividend declared for the last 10 years**

Financial Year	Dividend Declaration Date	Dividend Rate (%)
2007-08	2nd July, 2008	35%
2006-07	10th March, 2007	35%
2005-06	12th July, 2006	35%
2004-05	16th September, 2005	32%
2003-04	25th September, 2004	32%
2002-03	6th September, 2003	32%
2001-02	25th June, 2002	32%
2000-01	28th June, 2001	32%
1999-00	29th March, 2000	31%
1998-99	22nd September, 1999	30%

**(r) Dematerialisation of Shares**

95.31% of the Company's Paid up Equity Share Capital has been dematerialised upto 31st March, 2009 (95.04% upto 31st March, 2008). Trading in Equity Shares of the Company is permitted only in dematerialised form.

**(s) Liquidity**

The higher trading activity is witnessed on NSE. Relevant data for the average daily turnover for the financial year 2008-09 is given below :

	BSE	NSE	TOTAL
In no. of shares (in '000)	76.57	126.33	202.90
In value terms (Rs. in crore)	6.28	9.51	15.79

[Source : This information is compiled from the data available from the websites of BSE and NSE ]

**(t) Outstanding GDRs / Warrants and Convertible Instruments**

The Company has not issued any GDRs / Warrants or any other instrument, which is convertible into Equity Shares of the Company.

**(u) Locations of Manufacturing Plants**

The Company is mainly engaged in the business of setting up / operating Industrial Infrastructure. The Company is also engaged in related activities involving leasing and providing services connected with computer software and data processing. Therefore, the Company does not have any manufacturing plant.

**(v) Address for Correspondence****(i) Investor Correspondence**

For transfer / dematerialisation of shares, payment of dividend on shares and any other query relating to the shares of the Company :

**For Shares held in Physical form**

Karvy Computershare Private Limited  
Unit - Reliance Industrial Infrastructure Limited  
"Karvy House", 46, Avenue 4, Street No.1,  
Banjara Hills, Hyderabad – 500 034  
e-mail : riilnkm@karvy.com

**For Shares held in Demat form**

To the investors' Depository Participant and / or Karvy Computershare Private Limited.

**(ii) Any query on Annual Report**

Company Secretary  
Reliance Industrial Infrastructure Limited  
NKM International House, 5th Floor,  
178 Backbay Reclamation,  
Behind LIC Yogakshema Building,  
Babubhai Chinai Road,  
Mumbai - 400 020.  
e-mail: investor\_relations@riil.in

**(w) Transfer of unpaid / unclaimed amount of Dividend to Investor Education and Protection Fund**

During the year under review, the Company credited a sum of Rs.5.38 lacs to the Investor Education and Protection Fund (IEPF) pursuant to Section 205C of the Companies Act, 1956 and the Investor Education and Protection Fund (Awareness and Protection of Investor) Rules, 2001.

The cumulative amount transferred to IEPF upto 31st March, 2009 was Rs.40.87 lacs.

**14. Compliance Certificate of the Auditors**

Certificate from the Auditors of the Company, Messrs Chaturvedi & Shah, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of Listing Agreement, is annexed to the Directors' Report forming part of the Annual Report.

This Certificate has also been forwarded to the Stock Exchanges where the shares of the Company are listed.

**15. Adoption of Mandatory and Non-Mandatory Requirements of Clause 49**

The Company has complied with all the mandatory requirements of Clause 49. The Company has adopted the following Non-mandatory requirements stipulated under Clause 49 :

**(a) Remuneration Committee :**

The Company has constituted the Remuneration Committee to recommend / review remuneration of the Managing Director(s) and Whole-time Director(s).

**(b) Shareholder Rights :**

Half yearly Reports covering financial results are sent to Members at their registered addresses.

**(c) Audit Qualification :**

The Company is in the regime of unqualified financial statements.

**(d) Training of Board Members :**

The Board members are provided with the necessary documents / brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, business environment, business strategy and risks involved.

Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are circulated to the Directors.

**(e) Whistle Blower policy :**

The Company has a whistle blower mechanism wherein the Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups. Such reports received will be reviewed by the Audit Committee of Directors from time to time. The confidentiality of those reporting violations shall be protected and they shall not be subjected to any discriminatory practices.

**16. CEO and CFO Certification**

The Chief Executive Officer and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 and quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41.

**17. Secretarial Audit Report**

The Company had appointed Dr. K. R. Chandratre, Practicing Company Secretary, to conduct Secretarial Audit of the Company for the financial year ended 31st March, 2009, who submitted his report confirming compliance with all the applicable provisions of various corporate laws. The Secretarial Audit Report is annexed.

**18. Capital Integrity Audit**

The Audit Report, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with National Securities Depository Limited and Central Depository Services (India) Limited, is placed before the Board on a quarterly basis. A copy of the Audit Report is submitted to the Stock Exchanges where the shares of the Company are listed.

**19. Fee to Statutory Auditors**

The fee (exclusive of Service Tax) to the Statutory Auditors for the year was Rs.10 lacs (previous year Rs.10 lacs) including Rs.1 lac (previous year Rs.1 lac) as fee for Certification in finance and tax matters.



# Secretarial Audit Report

The Board of Directors  
Reliance Industrial Infrastructure Limited  
NKM International House, 5th Floor,  
178 Backbay Reclamation  
Behind LIC Yogakshema Building,  
Babubhai Chinai Road,  
Mumbai - 400 020

I have examined the registers, records and documents of Reliance Industrial Infrastructure Limited ("the Company") for the financial year ended on March 31, 2009 maintained under the provisions of-

- The Companies Act, 1956 and the Rules made under that Act;
- The Depositories Act, 1996 and the Bye-laws framed under that Act;
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and
- The Listing Agreement with the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

1. I report that, based on my examination and verification of the registers, records and documents produced to me and according to the information and explanations given to me by the Company, the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 ("the Act") and the Rules made under the Act and the Memorandum and Articles of Association of the Company, with regard to :

- (a) maintenance of various statutory registers and documents and making necessary entries therein;
- (b) closure of the Register of Members;
- (c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies;
- (d) service of documents by the Company on its Members and the Registrar of Companies;
- (e) Notice of Board meetings and Committee meetings of Directors;
- (f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- (g) the 20th annual general meeting held on 2nd July, 2008;
- (h) minutes of proceedings of General Meetings and of Board and other meetings;
- (i) approvals of the Members, the Board of Directors, the Committees of Directors and government authorities, wherever required;
- (j) constitution of the Board of Directors and appointment, retirement and re-appointment of Directors;
- (k) remuneration paid to the Directors other than Whole-time Directors;
- (l) appointment and remuneration of the whole-time directors;
- (m) appointment and remuneration of Auditors;
- (n) form of balance sheet as prescribed under Part I of Schedule VI to the Act and requirements as to Profit and Loss Account as per Part II of the Schedule;
- (o) transfers and transmissions of the Company's shares and issue and delivery of original and duplicate certificates of shares;

- (p) declaration and payment of dividends;
- (q) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund;
- (r) borrowings and registration, modification and satisfaction of charges;
- (s) Investment of Company's funds including inter corporate loans and investments and loans to others;
- (t) contracts, common seal, registered office and publication of name of the Company; and
- (u) generally, all other applicable provisions of the Act and the Rules made under that Act.

2. I further report that :

- (a) the Directors of the Company have obtained Director Identification Number as per Section 266A of the Act;
- (b) the Company's Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings / debenture holdings and directorships in other companies and interests in other entities;
- (c) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
- (d) the Company has obtained all necessary approvals under the various provisions of the Act;
- (e) there was no prosecution initiated against or show cause notice received by the Company and no fines or penalties were imposed on the Company under the Act against the Company, its Directors and Officers.

3. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Bye-laws framed thereunder by the Depositories with regard to dematerialisation/rematerialisation of securities and reconciliation of records of dematerialised securities with all securities issued by the Company.

4. I further report that :

- (a) the Company has complied with the requirements under the Listing Agreements entered into with the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited;
- (b) the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 including the provisions with regard to disclosures and maintenance of records required under the Regulations;
- (c) the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the Regulations.

**Dr K R Chandratre**  
Practising Company Secretary  
Certificate of Practice No. 5144

Place: Mumbai,  
Dated: 16 April 2009



# Shareholders' Referencer

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## 1. At a Glance

- Presently, the Company has over 1.20 lacs folios of shareholders holding Equity Shares in the Company.
- Face value of the Company's Equity Shares is Rs. 10.
- The Company's Equity Shares are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).
- The Company's Equity Shares are under compulsory trading in demat form only.
- Over 95% of the Company's Equity Shares are held in demat form.
- The Company's Equity Shares are freely transferable except as may be required statutorily.
- Karvy Computershare Private Limited (Karvy), Hyderabad, an ISO 9002 Certified Registrar and Transfer Agent, is the Share Transfer Agent (STA) of the Company.

## 2. Investor Service and Grievance Handling Mechanism

All share related transactions viz., transfer, transmission, transposition, nomination, dividend, change of name / address / signature, registration of mandate / Power of Attorney, replacement / split / consolidation of share certificates, demat / remat of shares, issue of duplicate certificates etc. are being handled by Karvy. Karvy, the largest Registrar in the country having a vast number of Investor Service Centres across the country, discharges investor service functions effectively, efficiently and expeditiously.

Investors are requested to correspond directly with Karvy, on all share related matters. List of Investor Service Centres of Karvy is enclosed as Annexure - 1.

The Company has an established mechanism for investor service and grievance handling, with Karvy and the Compliance Officer appointed by the Company for this purpose, being the important functional nodes. The Company has appointed Internal Auditors to concurrently audit the shares related transactions of the Company being handled at Karvy and communication exchanged with investors, regulatory and other concerned authorities.

The Company has prescribed service standards for various investor related activities being handled by Karvy, which are covered in the section on 'Initiatives Taken by the Company'. These standards are periodically reviewed by the Company. Any deviation therefrom is examined by the Internal Auditors who also advise the corrective actions thereon and inform the Company on the matters on a monthly basis.

The Board of Directors of the Company has constituted a Shareholders' / Investors' Grievance Committee (the Committee) which, inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with share transfers and other processes. The Committee also looks into the redressal of shareholders' complaints related to transfer of shares, non-receipt of Balance Sheet, non-receipt of Dividend etc. The Committee oversees the performance of the STA and recommends measures for overall improvement in the quality of investor services.

## 3. Company's Recommendation to the Shareholders/ Investors

In pursuit of the Company's objective to mitigate / avoid risks while dealing with shares and related matters, the following are the Company's recommendations to shareholders / investors :

### **Open Demat Account and Dematerialise your shares**

Investors should convert their physical holdings of shares into demat holdings. Holding shares in demat form helps investors to get immediate transfer of the shares. No stamp duty is payable on transfer of shares held in demat form and risks associated with physical certificates such as forged transfers, fake certificates and bad deliveries are avoided.

### **Consolidate Multiple Folios**

Investors should consolidate their shareholding held in multiple folios. This would facilitate one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.

### **Register ECS Mandate and furnish correct bank account particulars with the Company/Depository Participant (DP)**

Investor should provide an ECS mandate to the Company in case of shares held in physical form and ensure that the correct and updated particulars of his bank account are available with the Depository Participant (DP) in case of shares held in demat form. This would facilitate direct credits of dividends, refunds etc., from companies to his bank account and avoid postal delays and loss in transit.

### **Fill and submit Nomination Form**

Investors should register the nominations, in case of physical shares, with the Company and in case of dematerialised shares with their DP. Nomination would help successors to get the shares transmitted in their favor without any hassles.

### **Keep holding details confidential**

Folio number (DP ID and Client ID in respect of dematerialised shares) should not be disclosed to unknown persons. Signed blank transfer deeds (delivery instruction slips in respect of dematerialised shares) should not be given to unknown persons.

### **Deal with Registered Intermediaries**

Investors should transact through a registered intermediary who is subject to regulatory discipline of SEBI, as it will be responsible for its activities, and in case intermediary does not act professionally, investors can take up the matter with SEBI.

### **Obtain documents relating to purchase and sale of shares**

A valid Contract Note / Confirmation Memo should be obtained from the broker / sub-broker, within 24 hours of execution of purchase or sale of shares and it should be ensured that the Contract Note / Confirmation Memo contains order number, trade number, trade time, quantity, price and brokerage. In case the investor has any doubt about the details contained in the contract note, he can avail the facility provided by BSE/NSE to verify the trades on the BSE/NSE websites. It is recommended that this facility be availed in respect of a few trades on a random basis, even if there is no doubt as to the authenticity of the trade/transaction.

### **Monitor holdings regularly**

Demat account should not be kept dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings verified. Where the investor is likely to be away for a long period of time and where the shares are held in electronic form, the investor can make a request to the DP to keep the account frozen so that there can be no debit to the account till the instruction for freezing the account is countermanded by the investor.

### **Register for SMS alert facility**

Investors should register their mobile numbers with DPs for SMS alert facility. National Securities Depository Limited and Central Depository Services (India) Limited proactively inform investors of transaction in the demat account by sending SMS. Investors will be informed about debits and credits to their demat account without having to call-up their DPs and investors need not wait for receiving Transaction Statements from DPs to know about the debits and credits.

### **Exercise caution**

There is likelihood of fraudulent transfers in case of folios with no movement or where the shareholder has either expired or is not residing at the address registered with the Company. The Company/DP should be updated on any change of address or contact details. Similarly information of death of shareholder should also be communicated.

### **Mode of Postage**

Share Certificates and high value cheques / demand drafts should not be sent by ordinary post. It is recommended that investors should send such instruments by registered post or courier.

## **4. Concepts and Procedures for Shares Related Matters**

### **(a) Dividend**

#### **(i) Payment of Dividend**

##### **Dividend is paid under two modes viz. :**

- Electronic Clearing Service (ECS) and any other mode through electronic means like National Electronic Fund Transfer (NEFT), Real Time Gross Settlement (RTGS) and through Direct credit
- Payment by mailing dividend warrants

#### **(ii) Payment of dividend through Electronic Clearing Service (ECS) facility**

##### **What is payment of dividend through ECS Facility and how does it operate?**

Reserve Bank of India's ECS Facility provides investors an option to receive dividend / interest directly in their bank accounts rather than receiving the same through post. Under this option, investor's bank account is directly credited and an advice thereof is issued by the Company after the transaction is effected. The concerned bank branch credits investor's account and indicates the credit entry as "ECS" in his / her passbook / statement of account. If any investor maintains more than one bank account, payment can be received at any one of his / her accounts as per the preference of the investor. The investor does not have to open a new bank account for the purpose.

##### **What is payment of dividend through NEFT Facility and RTGS Facility and how do they operate?**

NEFT system is a nation wide funds transfer system to facilitate transfer of funds from any bank branch to any other bank branch. This extends to all over the country. RBI publishes the list of bank branches participating in the NEFT on its website and can be accessed at <https://www.rbi.org.in/scripts/neft.aspx>. For remittance through NEFT facility the essential information required from the investor is account number of the investor, name and IFSC of the bank branch. IFSC means Indian Financial System Code, which is an alpha numeric code designed to uniquely identify the bank branches in India. RBI had

since advised all the banks to print IFSC on cheques leaves issued to their customers. There are six settlements on week days and 3 settlements on Saturdays. The beneficiary gets the credit on the same day or the next day depending upon the time of settlement. In case of non-credit or delay in credit to the beneficiary account investor is advised to contact his bank. If the issue is not resolved satisfactorily, the Customer Service Department of RBI may be contacted on [nefhelpdesknc@rbi.org.in](mailto:nefhelpdesknc@rbi.org.in) or write to:

The General Manager  
Reserve Bank of India  
National Clearing Centre  
1st Floor, Free Press House  
Nariman Point,  
Mumbai – 400 027

RTGS system is a funds transfer mechanism where transfer of money takes place from one bank to another on a 'real time' and on 'gross basis'. NEFT operates on a deferred net settlement basis which settles transactions in batches, whereas in RTGS, transactions are processed continuously throughout the RTGS business hours. The minimum amount to be remitted through RTGS is Rs.1,00,000 (Rupees One Lac). The RTGS service window for customer's transactions is available from 9.00 hours to 16.30 hours on week days and from 9.00 hours to 12.30 hours on Saturdays for settlement at the RBI end. However, the timings that the banks follow may vary depending on the customer timings of the bank branches. RBI publishes the list of bank branches participating in the RTGS on its website and can be accessed at [https://www.rbi.org.in/scripts/Bs\\_view\\_RTGS.aspx](https://www.rbi.org.in/scripts/Bs_view_RTGS.aspx). For remittance through RTGS facility the essential information required from the investor is account number of the investor, name and IFSC of the bank branch. In case of non-credit or delay in credit to the beneficiary account investor is advised to contact his bank. If the issue is not resolved satisfactorily, the Customer Service Department of RBI may be contacted at:

The Chief General Manager  
Reserve Bank of India  
Customer Service Department  
1st Floor, Amar Building, Fort  
Mumbai – 400 001

#### **What is payment of dividend through Direct Credit and how does it operate?**

The company will be appointing one bank as its Dividend banker for distribution of dividend. The said banker will carry out direct credit to those investors who are maintaining bank account with the said bank, provided the bank account details are registered with the DP for dematerialised shares and or registered with the STA prior to the payment of dividend for shares held in physical form.

#### **What are the benefits of ECS (payment through electronic facilities)?**

Some of the major benefits are :

- Investor need not make frequent visits to his bank for depositing the physical paper instruments.
- Prompt credit to the bank account of the investor through electronic clearing.
- Fraudulent encashment of warrants is avoided.

- Exposure to delays / loss in postal service avoided.
- As there can be no loss of warrants in transit, issue of duplicate warrants is avoided.

#### **Which cities provide ECS facility?**

SEBI in consultation with Reserve Bank of India has extended the ECS Facility to the investors residing at 74 locations centres, Agra, Ahmedabad, Allahabad, Amritsar, Asansol, Aurangabad, Baroda, Belgaum, Bengaluru, Bhilwara, Bhopal, Bhubaneshwar, Burdwan, Calicut, Chandigarh, Chennai, Coimbatore, Dehradun, Dhanbad, Durgapur, Erode, Gorakhpur, Guwahati, Gwalior, Haldia, Hubli, Hyderabad, Indore, Jabalpur, Jaipur, Jalandhar, Jammu, Jamnagar, Jamshedpur, Jodhpur, Kakinada, Kanpur, Kochi/Ernakulam, Kolhapur, Kolkata, Lucknow, Ludhiana, Madurai, Mangalore, Mumbai, Mysore, Nagpur, Nashik, Nellore, New Delhi, Panaji, Patna, Pondicherry, Pune, Raipur, Rajkot, Ranchi, Salem, Shimla, Shimoga, Sholapur, Siliguri, Surat, Thiruvananthapuram, Tirupati, Tirupur, Trichur, Trichy, Udaipur, Udipi, Varanasi, Vijaywada and Visakhapatnam.

The Reserve Bank of India may extend, this service to some more centres.

#### **How to avail of ECS Facility?**

Investors holding shares in physical form may send their ECS Mandate Form, duly filled in, to the Company's STA. The Form may be downloaded from the Company's website [www.rnil.in](http://www.rnil.in) under the section "Investor Relations" or from the Company's STA's website <http://karisma.karvy.com/intranet/jsp/docs/ECS.doc> (for accessing this link registration may be required, address link for registration is <http://karisma.karvy.com/karisma/html/index.htm>).

However, if shares are held in dematerialised form, ECS mandate has to be sent to the concerned Depository Participant (DP) directly, in the format prescribed by the DP.

#### **Why cannot the Company take on record bank details in case of dematerialised shares?**

As per the Depository Regulations, the Company is obliged to pay dividend on dematerialised shares as per the bank account details furnished by the concerned Depository. Therefore, investors are requested to keep their bank particulars updated with the Depository Participants.

#### **Can ECS Facility be opted out by investors?**

Investors have a right to opt out from this mode of payment by giving an advance notice of four weeks, prior to payment of dividend, either to the Company's STA or to the concerned DP, as the case may be.

#### **How to register a request for obtaining payment through ECS for the shares held in dematerialized form?**

The investor should approach the DP and submit a request letter to the DP along with a copy of the cancelled cheque of the investors' bank account. The DP in turn will record the 9 digit MICR number along with the account particulars of the investor. This action would facilitate future payment of dividend, etc. to be received in electronic mode. Recording the 9 digit MICR number with the DP will also facilitate receipt of payment through NEFT or RTGS.

**(iii) Course of Action in case of Non-receipt of Dividend, Revalidation of Dividend Warrant etc.**

**What should a shareholder do in case of non-receipt of dividend?**

Shareholders may write to the Company's STA, furnishing particulars of the dividend not received, and quoting the folio number (in case of shares held in physical mode)/ DP ID and Client ID particulars (in case of shares held in demat mode). The STA shall check the records and issue duplicate dividend warrant if the dividend remains unpaid in the records of the Company after expiry of the validity period of the warrant which is normally three months from the date of its issue. If the validity period of the lost dividend warrant has not expired, shareholders will have to wait till the expiry date since duplicate warrant cannot be issued during the validity of the original warrant. On expiry of the validity period, if the dividend warrant is still shown as unpaid in the records of the Company, duplicate warrant will be issued. The STA would request the concerned shareholder to execute an indemnity before issuing the duplicate warrant.

However, duplicate warrants will not be issued against those shares wherein a 'stop transfer indicator' has been instituted either by virtue of a complaint or by law, unless the procedure for releasing the same has been completed.

No duplicate warrant will be issued in respect of dividends which have remained unclaimed and unpaid for a period of seven years in the unpaid dividend account of the Company as they are required to be transferred to the Investor Education and Protection Fund (IEPF) constituted by the Central Government.

**Why do the shareholders have to wait till the expiry of the validity period of the original warrant?**

Since the dividend warrants are payable at par at several centres across the country, banks do not accept 'stop payment' instructions. Hence, shareholders have to wait till the expiry of the validity of the original warrant.

**What is the procedure for revalidation of dividend warrants?**

Shareholders who have not encashed their dividend warrants within the validity period may send their request of revalidation to the Company's STA enclosing the said dividend warrants. The Company's STA will after due verification of the records, issue a revalidated dividend warrant. The revalidated warrant will be valid for a period not exceeding 3 months from the date of such warrant.

**How can a bank or any other person be authorised to receive dividends on behalf of shareholders?**

Shareholders may write to the Company's STA furnishing the name and address of the authorised person/bank along with folio number and current communication address. The Company's STA will despatch the respective shareholders' dividend warrants to the concerned person / bank. This facility is applicable only for the shareholders holding shares in physical form.

**(iv) Unclaimed / Unpaid Dividend :**

**What are the statutory provisions governing unclaimed dividend?**

Prior to amendment of Section 205A and enactment of Section 205C by the Companies (Amendment) Act, 1999, companies were required to transfer to the General Revenue Account of the Central Government, any moneys transferred to the 'unpaid dividend account' and which remained unpaid or unclaimed for a period of 3 years from the date of transfer, to the unpaid dividend account. With effect from 31st October, 1998, any moneys transferred to the 'unpaid dividend account' of the Company and remaining unpaid or unclaimed for a period of 7 years from the date it becomes due, shall be transferred to the Investor Education and Protection Fund (IEPF). **Investors are requested to note that no claims shall lie against the Company or the IEPF for any moneys transferred to the IEPF in accordance with the provisions of Section 205C of the Companies Act, 1956.**

**What is the status of unclaimed and unpaid dividend for different years?**

In view of the statutory provisions, as aforesaid, the status of unclaimed and unpaid dividend of the Company is captured in the following Chart 1 :

**Chart 1: Status of unclaimed and unpaid dividend for different years**

	Dividend upto 1993-94	Dividend for 1994-95 to 2001-02	Dividend for 2002-03 and thereafter
Transfer of unpaid dividend	Transferred to General Revenue Account of the Central Government	Transferred to Central Government's Investor Education and Protection Fund (IEPF)	Will be transferred to IEPF on due date(s)
Claims for unpaid dividend	Can be claimed from ROC, Maharashtra *	Cannot be claimed	Can be claimed from the Company's STA within the time limits provided in Chart 2 given below

\* Shareholders who have not encashed their dividend warrant(s) relating to one or more of the financial year(s) upto and including 1993-94 are requested to claim such dividend from the Registrar of Companies, Maharashtra, CGO Complex, 2nd Floor, "A" Wing, CBD-Belapur, Navi Mumbai - 400 614, Telephone + 91 22 2757 6802, in Form II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978.

**Chart 2 : Information in respect of unclaimed and unpaid dividends declared for 2002-03 and thereafter**

Financial year ended	Date of declaration of Dividend	Last date for claiming unpaid Dividend
31.03.2003	06.09.2003	05.09.2010
31.03.2004	25.09.2004	24.09.2011
31.03.2005	16.09.2005	15.09.2012
31.03.2006	12.07.2006	11.07.2013
31.03.2007	10.03.2007	09.03.2014
31.03.2008	02.07.2008	01.07.2015



**(b) Dematerialisation / Rematerialisation of Shares****What is dematerialisation of shares?**

Dematerialisation (Demat) is the process by which shares held in physical form are cancelled and destroyed and the ownership thereof is entered into and retained in a fungible form on a depository by way of electronic balances. Trading in demat form is regulated by the Depositories Act, 1996 and is monitored by the Securities and Exchange Board of India (SEBI). The two depositories presently functioning are National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**Why dematerialise shares?****Trading in Compulsory Demat**

SEBI has notified various companies whose shares shall be traded in demat form only. By virtue of such notification, the shares of the Company are also subject to compulsory trading only in demat form on the Stock Exchanges.

**Benefits of Demat**

- (i) Elimination of bad deliveries.
- (ii) Elimination of all risks associated with physical certificates.
- (iii) No stamp duty on transfers.
- (iv) Immediate transfer / trading of shares.
- (v) Faster settlement cycle.
- (vi) Faster disbursement of non cash corporate benefits like rights, bonus, etc.
- (vii) SMS alert facility.
- (viii) Lower brokerage is charged by many brokers for trading in dematerialised shares.
- (ix) Periodic status reports and information available on internet.
- (x) Ease related to change of address of investor.
- (xi) Elimination of problems related to transmission of demat shares.
- (xii) Ease in portfolio monitoring.
- (xiii) Ease of pledging the shares.

**How to dematerialise shares?**

The procedure for dematerialising shares is as under :

- (i) Open Beneficiary Account with a Depository Participant (DP) registered with SEBI.
- (ii) Submit Demat Request Form (DRF) as given by the DP, duly signed by all the holders with the names and signatures in the same order as appearing in the concerned certificate(s) and the Company records.
- (iii) Obtain acknowledgment from the DP on handing over the share certificate(s) along with the DRF.
- (iv) Demat confirmations are required to be completed in 21 days as against 30 days (excluding time for despatch) for physical transfer. Service standards prescribed by the Company for completing demat is four days from the date of the receipt of requisite documents for the purpose.

- (v) Receive a confirmation statement of holdings from the DP. Statement of holdings is sent by the DPs from time to time. Presently, confirmation is given by DPs on an immediate basis through email or SMS facilities, thus enabling shareholders to further trade in the shares immediately. Shareholders should not send share certificate(s) / document(s) to the Company / Company's STA directly.

Additional information on the matter may be received from - Shri S. P. Venugopal, Deputy General Manager, Demat Advisory Cell, Karvy Computershare Private Limited 46, Avenue 4, Street No.1 Banjara Hills Hyderabad 500 034, India Telephone Nos: +91 40 2332 0666 / 2332 0711 / 2332 3031 / 2332 3037; e-mail: spvenu@karvy.com.

**How to get dividend on dematerialised shares? Will such shareholders be eligible for receiving Annual Report every year and also to attend General Meetings?**

Dividend of shareholders holding shares in dematerialised form (residing at 74 centres stated hereinabove) will be credited through ECS/ electronically to the bank accounts as opted by them while opening the Beneficiary Accounts with the DP. In other cases, dividend warrants will be despatched to them with the bank account details, as furnished by the Depositories, printed thereon. Holding shares in dematerialised form will not have any adverse effect on the rights of the Shareholders. As members of the Company, they will be entitled to receive Annual Report, attend General Meetings and participate and vote thereat to the extent of their shareholding.

**Is pledge of dematerialised shares possible?**

Dematerialised shares can be pledged for the purpose of availing of any funding / loan arrangement with a bank.

**What is SMS alert facility?**

NSDL and CDSL have launched SMS Alert facility for demat account holders whereby investors can receive alerts for debits (transfers) to their demat accounts and for credits in respect of corporate actions for IPO and offer for sale. Under this facility, investors can receive alerts, a day after such debits (transfers)/credits take place. These alerts are sent to those account holders who have provided their mobile numbers to their Depository Participants (DPs). Alerts for debits are sent, if the debits (transfers) are up to five ISINs in a day. In case debits (transfers) are for more than five ISINs, alerts are sent with a message that debits for more than five ISINs have taken place and that the investor can check the details with the DP.

**What is rematerialisation of shares?**

It is the process through which shares held in demat form are converted into physical form by issuance of share certificate(s).

**What is the procedure for rematerialisation of shares?**

- (i) Shareholders should submit duly filled in Rematerialisation Request Form (RRF) to the concerned DP.



- (ii) DP intimates the relevant Depository of the request through the system.
- (iii) DP submits RRF to the Company's STA.
- (iv) Depository confirms rematerialisation request to the Company's STA.
- (v) The Company's STA updates accounts and prints certificate(s) and informs the Depository.
- (vi) Depository updates the Beneficiary Account of the shareholder by deleting the shares so rematerialised.
- (vii) Share certificate(s) is despatched to the shareholder.

**(c) Nomination Facility**

**What is nomination facility and to whom it is more useful? What is the procedure of appointing a nominee?**

Section 109A of the Companies Act, 1956 provides the facility of nomination to shareholders. This facility is mainly useful for individuals holding shares in sole name. In the case of joint holding of shares by individuals, nomination will be effective only in the event of the death of all joint holders. Investors, especially those who are holding shares in single name, are advised to avail of the nomination facility by submitting the prescribed Form 2B to the Company's STA. Form 2B may be downloaded from the Company's website, [www.riil.in](http://www.riil.in) under the section "Investor Relations". However, if shares are held in dematerialised form, nomination has to be registered with the concerned DP directly, as per the format prescribed by the DP.

**Who can appoint a nominee and who can be appointed as a nominee?**

Individual shareholders holding shares in single name or joint names can appoint a nominee. In case of joint holding, joint holders together have to appoint the nominee. While an individual can be appointed as a nominee, a trust, society, body corporate, partnership firm, karta of HUF or a power of attorney holder cannot be nominee(s). Minors can, however, be appointed as a nominee.

**How to avail of nomination facility for more than one folio?**

There can be only one nomination for one folio. Folios having different order or combination of names of shareholders will require separate nominations.

**Can a nomination once made be revoked / varied?**

It is possible to revoke / vary a nomination once made. If nomination is made by joint holders, and one of the joint holders dies, the remaining joint holder(s) can make a fresh nomination by revoking the existing nomination.

**Are the joint holders deemed to be nominees to the shares?**

Joint holders are not nominees; they are joint holders of the relevant shares having joint rights on the same. In the event of death of any one of the joint holders, the surviving joint holder(s) of the shares is / are the only person(s) recognised under law as holder(s) of the shares. Joint holders may together appoint a nominee.

**Can a Non Resident Indian (NRI) nominate?**

Yes, Non Resident Indian (NRI) can nominate. But, a Power of Attorney holder cannot nominate on behalf of NRI.

**Can an NRI be a nominee?**

NRI can be a nominee on repatriable or non-repatriable shares subject to Reserve Bank of India's permission as applicable.

**What rights are conferred on the nominee and how can he exercise the same?**

Nominee is entitled to all the rights of the deceased shareholder to the exclusion of all other persons. In the event of death of the shareholder, all the rights of the shareholder shall vest in the nominee. In case of joint holding, all the rights shall vest in the nominee only in the event of death of all the joint holders. The nominee is required to apply to the Company by reporting death of the nominator along with the attested copy of the death certificate.

The nominee has an option to decide to register himself as a shareholder or he/she could send an application to have the shares transferred to any other person to whom the nominator could have otherwise transferred the shares. If the nominee opts to transfer the shares to a third party, he/she should submit to the Company's STA, the transfer deed(s) duly stamped and executed, along with the relevant certificate(s) and other documentary proof(s).

**(d) Transfer / Transmission / Transposition / Duplicate Certificates etc.**

**How to get shares registered in favour of transferee(s)?**

Transferee(s) need to send share certificate(s) along with share transfer deed in the prescribed Form 7B, duly filled in, executed and affixed with share transfer stamps, to the Company's STA. It takes about 7 days for the Company's STA to process the transfer, although the statutory time limit fixed for completing a transfer is one month under the Listing Agreement and two months under the Companies Act, 1956. The Government of India, Ministry of Finance, Department of Revenue, has fixed the Stamp Duty on Transfer (whether with or without consideration) of shares at the rate of twenty five paise (25 paise) for every Rs. 100 or part thereof of the market value of the shares on the date of execution of the transfer deed. The transfer deed is valid for a period of one year from the date of presentation or till the book closure date, whichever is later. In case the transfer deed has expired, the holder may approach the Registrar of Companies to get the same revalidated. In case of dematerialised shares, the shares are credited to the purchaser's account by the respective Depository Participant under the directions of the concerned Depository. Presently, transfer of dematerialised shares does not attract stamp duty.

SEBI vide its Circular dated 20th May, 2009 has stated that for securities market transactions and off-market transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN Card to the Company / RTA for registration of such transfer of shares.

**What should transferee (purchaser) do in case transfer form is returned with objections?**

Transferee needs to immediately proceed to get the errors/ discrepancies corrected. Transferee needs to contact the transferor (seller) either directly or through his broker

for rectification or replacement with good shares. After rectification or replacement of the shares the same can be resubmitted for affecting transfer. In case the errors are non rectifiable, purchaser has recourse to the seller and his broker through the Stock Exchange to get back his money. However, in case of off market transactions matter should be settled with the seller only.

**Can shares be transferred to a minor, Hindu Undivided Family, Firm, Trust etc.?**

Yes, shares can be transferred to a minor. In such a case the share transfer deed is required to be signed by the natural guardian on behalf of the minor.

In the case of Hindu Undivided Family (HUF), shares can be transferred in the name of the Karta of HUF, in the case of a Firm, shares can be transferred to a partner of the firm and in the case of a Trust, shares can be transferred to a trustee of the trust.

**What is the procedure for transfer of shares in the case of Non Residents?**

In the case of transfer of shares by Non Residents, in addition to the normal procedure for transfer of shares, prior approval of Reserve Bank of India (RBI) is required to be obtained by the Non Resident investors.

**Can single holding of shares be converted into joint holdings or joint holdings into single holding? If yes, what is the procedure involved in doing the same?**

Yes. Conversion of single holding into joint holdings or joint holdings into single holding or transfer within the family members leads to a change in the pattern of ownership and therefore, procedure for a normal transfer as mentioned above needs to be followed.

**How to get shares registered which are received by way of gift? Does it attract stamp duty?**

The procedure for registration of shares gifted (held in physical form) is same as the procedure for a normal transfer. The stamp duty payable for registration of gifted shares would be @ 25 paise for every Rs. 100 or part thereof, of the face value or the market value of the shares prevailing as on the date of the document, if any, conveying the gift or the date of execution of the transfer deed, whichever is higher. The procedure for registration of shares gifted (held in demat form) is the same as the procedure for transfer of shares in demat form in off market mode.

**What is the procedure for getting shares in the name of surviving shareholder(s), in case of joint holding, in the event of death of one shareholder?**

The surviving shareholder(s) will have to submit a request letter supported by an attested copy of the death certificate of the deceased shareholder and accompanied by the relevant share certificate(s). The Company's STA on receipt of the said documents and after due scrutiny, will delete the name of the deceased shareholder from its records and return the share certificate(s) to the surviving shareholder(s) with necessary endorsement.

**If a shareholder who holds shares in his sole name dies without leaving a Will, how can his legal heir(s) claim the shares?**

The legal heir(s) should obtain a Succession Certificate or Letter of Administration with respect to the shares

and send a true copy of the same, duly attested, along with a request letter, transmission form, and the share certificate(s) in original, to the Company's STA for transmission of the shares in his / their name(s).

**In case of a deceased shareholder who held shares in his / her own name (single) and had left a Will, how do the legal heir(s) get the shares transmitted in their name(s)?**

The legal heir(s) will have to get the Will probated by the Court of competent jurisdiction and then send, to the Company's STA, a copy of the probated copy of the Will, along with relevant details of the shares, the relevant share certificate(s) in original and transmission form for transmission of the shares in his / their name(s).

**How can the change in order of names (i.e. transposition) be effected?**

Share certificates along with a request letter duly signed by all the joint holders may be sent to the Company's STA for change in order of names, known as 'transposition'. Transposition can be done only for the entire holdings under a folio and therefore, requests for transposition of part holding cannot be accepted by the Company / STA. For shares held in demat form, investors are advised to approach their DP concerned for transposition of the shares of the Company.

**What is the procedure for obtaining duplicate share certificate(s) in case of loss / misplacement of original share certificate(s)?**

Shareholders who have lost / misplaced share certificate(s) should inform the Company's STA, immediately about loss of share certificate(s), quoting their folio number and details of share certificate(s), if available. The STA shall immediately mark a 'stop transfer' on the folio to prevent any further transfer of shares covered by the lost share certificate(s). It is recommended that the shareholders should lodge an FIR with the police regarding loss of share certificate(s). They should send their request for duplicate share certificate(s) to the Company's STA. Documents required to be submitted along with the application include Indemnity Bond, Surety Form, copy of FIR and in case of companies, Memorandum of Association and certified copy of the Board Resolution also.

**What should a shareholder do in case he finds the original share certificate(s) after receipt of duplicate share certificate(s)?**

Such a shareholder is requested to surrender the original share certificate(s), after cancellation, to the Company's STA immediately, if the duplicate share certificate(s) have been issued to him/her. Further, as the shareholder has been issued duplicate share certificate(s), he/she would be liable to indemnify any innocent third party(ies) purchasing the original share certificate(s), directly or indirectly, with or without the knowledge of the original shareholder, as it tantamounts to passing of adverse title.

**What is the procedure for splitting of a share certificate into smaller lots?**

Shareholders may write to the Company's STA enclosing the relevant share certificate for splitting into smaller lots. The share certificates, after splitting, will be sent by the Company's STA to the shareholders at their registered address.

**How to get the certificates issued in various denominations consolidated into single certificate?**

Consolidation of share certificates helps in saving costs in the event of dematerialising shares and also provides convenience in holding the shares physically. Shareholders having certificates in various denominations under the same folio should send all the certificates to Karyv for consolidation of all the shares into a single certificate.

If the shares are not under the same folio but have the same order of names, the shareholder should write to Karyv for the prescribed form for consolidation of folios. This will help the investors to efficiently monitor the holding and receivable thereon.

**(e) Miscellaneous**

**(i) Change of address**

**What is the procedure to get change of address registered in the Company's records?**

Shareholders holding shares in physical form, may send a request letter duly signed by all the holders giving the new address along with Pin Code. Shareholders are also requested to quote their folio number and furnish proof such as attested copies of Ration Card / Passport / latest Electricity or Telephone Bill / Lease Agreement etc. If shares are held in dematerialised form, information about change in address needs to be sent to the DP concerned.

**Can there be multiple addresses for a single folio?**

There can only be one registered address for one folio.

**(ii) Change of name**

**What is the procedure for registering change of name of shareholders?**

Shareholders may request the Company's STA for effecting change of name in the share certificate(s) and records of the Company. Original share certificate(s) along with the supporting documents like marriage certificate, court order etc. should be enclosed. The Company's STA, after verification, will effect the change of name and send the share certificate(s) in the new name of the shareholders. Shareholders holding shares in demat form, may request the concerned DP in the format prescribed by DP.

**(iii) Authority to another person to deal with shares**

**What is the procedure for authorising any other person to deal with the shares of the Company?**

Shareholders need to execute a Power of Attorney in favour of the concerned person and submit a notarised copy of the same to the Company's STA. After scrutiny of the documents, the STA shall register the Power of Attorney and inform the shareholders concerned about the registration number of the same. Whenever a transaction is done by the Power of Attorney holder this registration number should be quoted in the communication.

**(f) Shareholders' General Rights**

- (i) To receive not less than 21 days notice of general meetings unless consented for a shorter notice.
- (ii) To receive notice and forms for Postal Ballots in terms of the provisions of the Companies Act, 1956 and the Rules issued thereunder.
- (iii) To receive copies of the Balance Sheet and Profit and Loss Account along with all annexures / attachments (generally known as Annual Report).
- (iv) To participate and vote at general meetings either personally or through proxy.
- (v) To receive dividends and other corporate benefits like bonus, rights etc. once approved.
- (vi) To demand poll on any resolution at a general meeting in accordance with the provisions of the Companies Act, 1956.
- (vii) To inspect statutory registers and documents as permitted under law.
- (viii) To require the Board of Directors to call an extraordinary general meeting in accordance with the provisions of the Companies Act, 1956.

**(g) Duties / Responsibilities of Investors**

- (i) To remain abreast of corporate developments, company specific information and take informed investment decision(s).
- (ii) To be aware of relevant statutory provisions and ensure effective compliance therewith.
- (iii) Not to indulge in fraudulent and unfair trading in shares nor to act upon any unpublished price sensitive information.
- (iv) To participate effectively in the proceedings of shareholders' meetings.
- (v) To respond to communications seeking shareholders' approval through Postal Ballot.
- (vi) To respond to communications of SEBI / Depository / Depository Participant / Brokers / Sub-brokers / Other Intermediaries / Company, seeking investor feedback / comments.

**5. Initiatives Taken by the Company**

**(a) Service Standards**

The service standards that have been set by the Company for various investor related transactions/ activities are as follows :

**(i) Registrations**

Sr. No.	Particulars	Service Standards (No. of working days)
1	Transfers	7
2	Transmission	4
3	Transposition	4
4	Deletion of Name	3
5	Folio Consolidation	3
6	Change of Name	3
7	Demat	4
8	Remat	4
9	Issue of Duplicate Certificate	35
10	Replacement of Certificate	3
11	Certificate Consolidation	3
12	Certificate Split	3

**(ii) Correspondence**

Sr. No.	Particulars	Service Standards (No. of working days)
<b>Queries / Complaints</b>		
1	Non-receipt of Annual Report	2
2	Non-receipt of Dividend Warrant	4
3	Non-receipt of Share Certificate	2
4	Non-receipt of Stickers (Change of name of the Company)	3
<b>Event Based</b>		
1	TDS certificate	2
2	Others	2
<b>Requests</b>		
1	Change of Address	2
2	Revalidation of Dividend Warrants	3
3	Bank Mandate / Details / ECS	2
4	Nomination	2
5	Power of Attorney	2
6	Multiple Queries	4
7	Request received for issue of duplicate certificates	3
8	IEPF Letters	3

**(b) Undelivered Share Certificates & Warrants**

The Company with the help of its STA has been engaged in a continuous exercise of tracking investors who could not be reached at their existing address.

**(c) Intimation Letters to Investors**

The Company gives an opportunity by sending intimation letters to investors for claiming their outstanding dividend amount which is due for transfer to Investor Education and Protection Fund.

**(d) Consolidation of Folios**

The Company has initiated a unique investor servicing measure for consolidation of small holdings within the same household. In terms of this, those shareholders holding less than 10 shares (under a single folio) in the Company, within the same household, can send such shares for transfer along with transfer forms duly filled in and signed, without payment of stamp duty; the stamp duty involved in such cases will be borne by the Company.

Benefits of Consolidation of Folios :

- (i) The present day scenario provides the investor with the comfort of maintaining the portfolios through dematerialisation. Investors need to open multiple demat accounts in case the shares are held in different combinations. Consolidation of the folios would minimise the necessity to open multiple demat accounts and thereby maintenance costs can be reduced.
- (ii) Consolidation of folios would also help in shareholder(s) getting a single share certificate for all the shares held by them thereby reducing dematerialization costs if the shareholder(s) opt for converting the shares into electronic mode.
- (iii) Maintenance of multiple folios would result in payment of dividend amounts through multiple warrants, resulting in higher chances of pilferage / misplacement in postal transit. Consolidation of

folios would lead to payment of dividend through a single warrant and hence the shareholder is assured of receiving the dividend on all the shares held by him by a single transaction.

- (iv) In case of dividend being credited directly to the bank account of the investor, the requirement for the investor to verify his bank account to ensure that dividend for all the shares has been credited does not arise. The dividend for all the shares held by him would be credited as a single transaction.

**6. Information Regarding Tax on Dividend and Sale of Shares**

The provisions relating to tax on dividend and sale of shares are provided for ready reference of Shareholders :

- (a) No tax is payable by shareholders on dividend. However, the Company is required to pay dividend tax @ 15% and surcharge @ 10%, together with education cess @ 2% and higher education cess @ 1%.
- (b) Short Term Capital Gains (STCG) tax is payable @ 15% in case shares are sold within 12 months from the date of purchase, provided Securities Transaction Tax (STT) as mentioned below has been paid.
- (c) No Long Term Capital Gains (LTCG) tax is payable on sale of shares through a recognized stock exchange, provided Securities Transaction Tax (STT) as mentioned below has been paid and shares are sold after 12 months from the date of purchase. In any other case lower of the following is payable as long term capital gain tax :
  - (i) 20% of the capital gain computed after substituting 'cost of acquisition' with 'indexed cost of acquisition';
  - (ii) 10% of the capital gain computed before substituting 'cost of acquisition' with 'indexed cost of acquisition'.
- (d) Securities Transaction Tax (STT) is payable as under –
  - (i) @ 0.125% by both the purchaser and the seller in respect of delivery based transactions.
  - (ii) @ 0.017% by the seller in respect of derivatives.
  - (iii) @ 0.025% by the seller in respect of transactions in securities not being settled by actual delivery.

**7. Investor Servicing and Grievance Redressal at External Agencies****(a) Ministry of Corporate Affairs**

Ministry of Corporate Affairs (MCA) has launched a major e-Governance initiative christened as "MCA 21" on the MCA portal ([www.mca.gov.in](http://www.mca.gov.in)). One of the key benefits of this initiative includes timely redressal of investor grievances. MCA 21 system accepts complaints under the eForm prescribed, which has to be filed online. The nature of complaint may relate to

- (i) Shares / Dividends
- (ii) Debentures / Bonds
- (iii) Fixed Deposits - non receipt of amount
- (iv) Miscellaneous - non receipts
- (v) Any other



The status of complaint can be viewed by quoting the Service Request Number (SRN) provided at the time of filing the complaint.

**(b) Investor Education and Protection Fund (IEPF)**

IEPF is for promotion of investors' awareness and protection of the interests of investors. IEPF through Investor Helpline is assisting investors- free of charge- in redressal of their grievances. It provides a facility, to the investors, to lodge their grievance on the website itself. This facility is available on website <http://www.investorhelpline.in>. The complaints can be lodged on various issues such as:

- (i) Refund order/ allotment advice related.
- (ii) Non-receipt of dividend.
- (iii) Non-receipt of share certificates / units after allotment / transfer / bonus / transmission etc.
- (iv) Non-receipt of debentures / bond certificate or interest / redemption amount.
- (v) Offer for rights issue.
- (vi) Non-receipt of investments and returns thereon on collective investment schemes / plantation companies.
- (vii) Non-receipt of annual report / AGM notice / proxy form.
- (viii) Non-registration of change in address of investor.
- (ix) Non-receipt of fixed / public deposits related amounts.
- (x) Demat related grievances.

**(c) Securities and Exchange Board of India (SEBI)**

SEBI, in its endeavour to protect the interest of investors, has provided a platform wherein the investors can lodge their grievances. This facility is available on the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) under the Investor Guidance Section. The complaints can be lodged on various issues such as:

- (i) Non receipt of dividend.
- (ii) Non receipt of share certificates after transfer.
- (iii) Matters pertaining to non-receipt of allotment advice/refund orders.
- (iv) Matters pertaining to debentures.
- (v) Non receipt of letter of offer of rights.
- (vi) Any other.

After lodging the complaint, the investors can track the status as well.

**(d) Stock Exchanges**

- (i) National Stock Exchange of India Limited (NSE) – NSE has formed an Investor Grievance Cell (IGC) to redress investors' grievances electronically. IGC is manned by a team of professionals who possess relevant experience in the areas of capital markets, company and legal affairs; especially trained to identify the problem faced by the investor, and to find and resolve at the earliest. The investors have to log on to the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com) and in the Investors Service Centre Section they can fill in Form I or Form II depending upon the type of complaint and file the

same electronically with NSE. Generally, complaints are resolved within a period of 45 days.

- (ii) Bombay Stock Exchange Limited (BSE) – BSE provides an opportunity to its members to file their complaints electronically through its website [www.bseindia.com](http://www.bseindia.com) under the Investor Desk Section. Here again as in case of NSE, the investors can fill in various complaint forms depending upon the nature of their complaint and file them electronically.

**(e) Depositories**

- (i) National Securities Depository Limited (NSDL) – In order to help its clients resolve their doubts, queries, complaints, NSDL has provided an opportunity wherein they can raise their queries by logging on to [www.nsdl.co.in](http://www.nsdl.co.in) under the 'Query Now' section or an email can be marked mentioning the query to [relations@nsdl.co.in](mailto:relations@nsdl.co.in).
- (ii) Central Depository Services (India) Limited (CDSL) – Investors who wish to seek general information on depository services may mail their queries to [investors@cdslindia.com](mailto:investors@cdslindia.com). With respect to the complaints / grievances of the demat accountholders relating to the services of the Depository participants, mails may be addressed to [complaints@cdslindia.com](mailto:complaints@cdslindia.com).

**8. Other Information**

**(a) Permanent Account Number (PAN)**

SEBI has vide circular MRD/DoP/Cir-05/2007 dated 27th April, 2007 made PAN the sole identification number for all participants in the securities market, irrespective of the amount of transaction. Now onwards, it has become mandatory to quote PAN before entering into any transaction in the securities market. PAN Card is now mandatory for operating a demat account. Application for fresh allotment of PAN can be made through Internet. Further, requests for changes or correction in PAN data or request for new PAN card (for an existing PAN) may also be made through Internet. The detailed procedure on this has been mentioned on the website ([www.tin-nsdl.com](http://www.tin-nsdl.com)). The Income Tax Department of India has highlighted the importance of PAN on its website [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in) wherein lot of queries with respect to PAN have been replied in the FAQ section.

**(b) Insider Trading**

'Insider Trading' is a process in which any person, who is or was connected with the company or is deemed to have been connected with the company, on the basis of possession of unpublished price sensitive information trades in the shares of the Company for personal gains to the detriment of other innocent investors. In order to prevent insider trading and protect the rights of innocent investors, SEBI has enacted the SEBI (Prohibition of Insider Trading) Regulations, 1992. As per Regulation 13 of the said Regulations, initial and continual disclosures are required to be made by investors as under :



**(i) Initial Disclosure**

Under Regulation 13(1), any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company [in Form AJ], the number of shares or voting rights held by such person, on becoming such holder, within 2 working days of : (a) the receipt of intimation of allotment of shares; or (b) the acquisition of shares or voting rights, as the case may be.

**(ii) Continual Disclosure**

Under Regulation 13(3), any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company [in Form C] the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this sub-regulation of the said Regulation 13; and such change exceeds 2% of total shareholding or voting rights in the company. Disclosures shall be made within 2 working days of : (a) the receipt of intimation of allotment of shares; or (b) the acquisition or sale of shares or voting rights, as the case may be.

**9. Contact Details****Ministry of Corporate Affairs**

'A' Wing, Shastri Bhawan  
Rajendra Prasad Road,  
New Delhi - 110 001  
Tel : +91 11 2338 4660 / 2338 4158 / 2338 4659  
Website: [www.mca.gov.in](http://www.mca.gov.in)

**Depositories****National Securities Depository Limited**

Trade World, A Wing, 4th & 5th Floors,  
Kamala Mills Compound, Senapati Bapat Marg,  
Lower Parel, Mumbai 400 013  
Tel : +91 22 2499 4200  
Fax : +91 22 2497 2993 / 2497 6351  
e-mail: [info@nsdl.co.in](mailto:info@nsdl.co.in)  
Website: [www.nsdl.co.in](http://www.nsdl.co.in)

**Central Depository Services (India) Limited**

Phiroze Jeejeebhoy Towers, 16th Floor,  
Dalal Street, Mumbai 400 023  
Tel : +91 22 2272 3333  
Fax : +91 22 2272 3199 / 2272 2072  
e-mail: [investors@cdslindia.com](mailto:investors@cdslindia.com)  
Website: [www.cdslindia.com](http://www.cdslindia.com)

**Share Transfer Agents**

Karvy Computershare Private Limited  
"Karvy House", 46, Avenue 4,  
Street No. 1, Banjara Hills, Hyderabad 500 034  
Tel : +91 40 2332 0666 / 2332 0711 / 2332 3037 / 2332 3031  
Fax : +91 40 2332 3058  
e-mail: [riilnkm@karvy.com](mailto:riilnkm@karvy.com)

**Securities and Exchange Board of India**

SEBI Bhavan, Plot No. C4-A, 'G' Block,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai 400 051  
Tel : +91 22 2644 9000 / 4045 9000  
Website: [sebi@sebi.gov.in](mailto:sebi@sebi.gov.in)

**Securities and Exchange Board of India  
Office of Investor Assistance and Education**

SEBI Bhavan, Plot No. C4-A, 'G' Block,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai 400 051  
Tel : +91 22 2644 9188 / 2644 9199  
Fax : +91 22 2644 9039  
e-mail : [oiac\\_assistance@sebi.gov.in](mailto:oiac_assistance@sebi.gov.in)

**Registrar of Companies, Maharashtra**

Everest, 100 Marine Drive,  
Mumbai 400 002  
Tel : +91 22 2281 2639  
Fax : +91 22 2281 1977  
e-mail : [rocboim.sb@sb.nic.in](mailto:rocboim.sb@sb.nic.in)

**Company Law Board**

(Western Region Bench)  
2nd Floor, NTC House,  
15, N.M. Marg, Ballard Estate,  
Mumbai 400 038  
Tel : +91 22 2261 1456

**Regional Director (Western Region)**

Ministry of Corporate Affairs  
Everest, 5th Floor, 100, Marine Drive,  
Mumbai 400 002  
Tel : +91 22 2281 7259  
Fax : +91 22 2281 2389  
e-mail: [rdwest@sb.nic.in](mailto:rdwest@sb.nic.in)

**Bombay Stock Exchange Limited (BSE)**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001  
Tel : +91 22 2272 1233 / 4  
Fax : +91 22 2272 1919  
e-mail : [is@bseindia.com](mailto:is@bseindia.com)  
Website: [www.bseindia.com](http://www.bseindia.com)

**The National Stock Exchange of India Limited (NSE)**

"Exchange Plaza" Plot No. C/1, 'G' Block,  
Bandra-Kurla Complex, Bandra (E),  
Mumbai 400 051  
Tel : +91 22 2659 8100 - 8114  
Fax : +91 22 2659 8120  
e-mail : [cc\\_nse@nse.co.in](mailto:cc_nse@nse.co.in)  
Website: [www.nseindia.com](http://www.nseindia.com)

**General Shareholder Information covering inter alia listing details, stock market data, the Company's share price performance etc. is provided in the Report on Corporate Governance forming part of the Annual Report.**

**NOTE:**

The terms 'shareholders' and 'investors' have been used interchangeably. The contents of this Referencer are for the purpose of general information of readers; for full particulars / provisions, readers are advised to refer to the relevant Acts / Rules / Regulations / Guidelines / Clarifications.



## DEALING IN SECURITIES MARKET

### DO'S

- Transact only through Stock Exchanges.
- Deal only through SEBI registered intermediaries.
- Complete all the required formalities of opening an account properly (Client registration, Client agreement forms etc).
- Ask for and sign "Know Your Client Agreement".
- Read and properly understand the risks associated with investing in securities/derivatives before undertaking transactions.
- Assess the risk – return profile of the investment as well as the liquidity and safety aspects before making your investment decision.
- Ask all relevant questions and clear your doubts with your broker before transacting.
- Invest based on sound reasoning after taking into account all publicly available information and on fundamentals.
- Give clear and unambiguous instructions to your broker / sub-broker / Depository Participant.
- Be vigilant in your transactions.
- Insist on a contract note for your transaction.
- Verify all details in contract note, immediately on receipt.
- Crosscheck details of your trade with details as available on the exchange website.
- Scrutinize minutely both the transaction and the holding statements that you receive from your Depository Participant.
- Keep copies of all your investment documentation.
- Handle Delivery Instruction Slips (DIS) Book issued by DP's carefully.
- Insist that the DIS numbers are pre-printed and your account number (client id) be pre stamped.
- In case you are not transacting frequently make use of the freezing facilities provided for your demat account.
- Pay the margins required to be paid in the time prescribed.
- Deliver the shares in case of sale or pay the money in case of purchase within the time prescribed.
- Participate and vote in general meetings either personally or through proxy.
- Be aware of your rights and responsibilities.
- In case of complaints approach the right authorities for redressal in a timely manner.

### DON'TS

- Don't undertake off-market transactions in securities.
- Don't deal with unregistered intermediaries.
- Don't fall prey to promises of unrealistic returns.
- Don't invest on the basis of hearsay and rumors; verify before investment.
- Don't forget to take note of risks involved in the investment.
- Don't be misled by rumours circulating in the market.
- Don't follow the herd or play on momentum - it could turn against you.
- Don't be misled by so called hot tips.
- Don't try to time the market.
- Don't hesitate to approach the proper authorities for redressal of your doubts / grievances.
- Don't leave signed blank Delivery Instruction Slips of your demat account lying around carelessly or with anyone.
- Don't sign blank Delivery Instruction Slips (DIS) and keep them with Depository Participant (DP) or broker to save time. Remember your carelessness can be your peril.

# Directors' Report

Dear Members,

Your Directors are pleased to present the 21st Annual Report and the Audited Accounts for the financial year ended 31st March, 2009.

## Financial Results

The financial performance of the Company for the financial year ended 31st March, 2009 is summarised below :

	(Rs. in Crore)	
	2008-2009	2007-2008
Gross Profit before interest and depreciation	41.53	38.51
Less : Interest	2.14	2.84
Depreciation	5.44	6.41
Less : Transfer from Revaluation Reserve	<u>0.86</u>	<u>1.08</u>
	4.58	5.33
<b>Profit before Tax</b>	<b>34.81</b>	30.34
Less : Provision for Taxation		
– Current Tax	3.88	3.40
– Fringe Benefit Tax	0.07	0.06
– Deferred Tax	<u>8.39</u>	<u>5.09</u>
	<u>12.34</u>	<u>8.55</u>
<b>Profit after Tax</b>	<b>22.47</b>	21.79
Add : Balance in Profit and Loss Account	24.24	18.63
<b>Amount Available for Appropriation</b>	<u><b>46.71</b></u>	<u>40.42</u>
<b>Appropriations :</b>		
General Reserve	17.14	10.00
Dividend on Equity Shares	5.28	5.28
Tax on Dividend	0.90	0.90
Balance carried to Balance Sheet	<u>23.39</u>	<u>24.24</u>
	<u><b>46.71</b></u>	<u>40.42</u>

## Dividend

Your Directors have recommended a dividend of Rs. 3.50 per Equity Share (last year Rs.3.50 per Equity Share) on 1,51,00,000 Equity Shares of Rs.10/- each for the financial year ended 31st March, 2009, which, if approved at the ensuing Annual General Meeting, will be paid to those Members whose names appear in the Company's Register of Members on 16th August, 2009; in respect of shares held in dematerialised form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

The total cash outflow on account of this dividend including distribution tax will be Rs. 6.18 crore.

The Company has consistently paid dividend since the financial year 1991-92.

## Management Discussion and Analysis

### Financial and Operational Review :

The Company has earned a gross income of Rs.79.02 crore for the financial year 2008-09, as compared to Rs.80.13 crore in the previous year.

The Company has earned a higher gross profit of Rs.41.53 crore for the year as against Rs.38.51 crore in the previous year, showing an increase of 7.84% over the previous year. The Company has also earned a higher net profit of Rs.22.47 crore for the year as compared to Rs.21.79 crore in the previous year, showing an increase of 3.12% over the previous year.

Interest expenditure for the year under review has decreased to Rs.2.14 crore from Rs.2.84 crore in the previous year.

Depreciation during the year was lower at Rs.4.58 crore as compared to Rs.5.33 crore in the previous year.

Return on equity is lower at 14.5% as compared to 15.6% in the previous year and return on capital employed was 18.8% as compared to 13.6% in the previous year.

Earnings per Share is Rs.14.88 as compared to Rs.14.43 in the previous year.

### Resources and Liquidity :

The debt to equity ratio of the Company is 0.15:1 as at 31st March, 2009 as compared to 0.40:1 as at 31st March, 2008. The Company's long term debt is Rs. 25 crore as on 31st March, 2009 as compared to Rs. 35 crore as on 31st March, 2008.

The Company's net worth as on 31st March, 2009 was Rs.166.68 crore, with paid-up capital of Rs.15.10 crore and accumulated reserves and surplus of Rs.151.58 crore as compared to the net worth as on 31st March, 2008 of Rs. 151.25 crore, with paid-up capital of Rs.15.10 crore and accumulated reserves and surplus of Rs.136.15 crore.

### Industry Structure and Developments :

The strong population growth in India and its booming economy are generating enormous pressures to modernise and expand the country's infrastructure. Infrastructure is the basis of economic activity. India's annual GDP growth could be faster but for the shortcomings in its infrastructure. All economic sectors can benefit from more comprehensive infrastructure in the country. Infrastructure sector mainly consists of assets and services such as urban infrastructure, road transport, ports, airport and other utilities.

The Government of India is keen to address this and is committed to economic reforms to stimulate the development of basic infrastructure to improve the lives of the urban and rural population and to boost the economy. Its goal is to close the gap with the other emerging economies within the next few years, so the development of infrastructure has a high priority in the Eleventh Five Year Plan.

### Opportunities :

The Indian Government has evidently realised both the importance of the infrastructure sector and the necessity of attracting foreign capital, as FDI regulations have been relaxed over the past few years. The "macro story" of an investment in India's infrastructure is - robust population growth, strong economic growth and significant backlog demand.

### Outlook :

The Company is confident that the present environment of investments in infrastructure by the State and Central Governments assures sustenance of operations going forward, and possibility to maintain the growth rates achieved in earlier years.

### Challenges, Risks and Concerns :

The Company faces normal business challenges of market competition in its business and need to continuously seek attractive growth

opportunities. Competition from the existing and emerging local and International players continues to pose challenges to the domestic markets. The Company has to reckon with aggressive strategies from the new entrants in the market.

Capacity and capability enhancement, operational excellence, growth and cost optimisation are some of the thrust areas identified by the Company to overcome new challenges.

As a part of the overall risk management strategy, the Company consistently insures its assets and generally follows a conservative financial profile by following prudent business practices.

#### **Internal Controls :**

The Company has a proper and adequate internal control system commensurate with its nature of business and meets the following objectives:

- Providing assurance regarding the effectiveness and efficiency of operations;
- Efficient use and safeguarding of resources;
- Compliance with policies, procedures and applicable laws and regulations; and
- Transactions being accurately recorded and promptly reported.

The Company also has budgetary control system to monitor expenditures against approved budgets on an ongoing basis.

The Audit Committee of the Board of Directors regularly reviews the adequacy of internal control system.

#### **Human Resource Development :**

The Company has a team of able and experienced professionals. The Company believes that the quality of its employees is the key to its success in the long run. The Company continues to have cordial relations with its employees. It employs 140 persons and provides personal development opportunities and all round exposure to them.

#### **Subsidiaries**

During the year, Reliance Corporate Centre Limited and Reliance Convention and Exhibition Centre Limited have become subsidiaries of the Company.

Ministry of Corporate Affairs, Government of India, vide order No.47/317/2009-CL-III dated 29th April, 2009, has granted approval that the requirement to attach various documents in respect of subsidiary companies, as set out in sub-section (1) of Section 212 of the Companies Act, 1956, shall not apply to the Company. Accordingly, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. Financial information of the subsidiary companies, as required by the said order, is disclosed in the Annual Report. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection by any investor at the Registered Office of the Company and that of the respective subsidiary companies.

#### **Directors**

Shri Bharat C. Gosalia resigned from the office of Director of the Company with effect from 19th January, 2009. Shri Gosalia joined the Board of the Company on 22nd March, 1997. He was appointed as a Whole-time Director designated as Executive Director and President of the Company with effect from 1st July, 1997. He held this position till 30th June, 2005. Thereafter, he continued on the

Board of the Company as a Director liable to retire by rotation. The Board wishes to place on record its immense and sincere appreciation for the valuable guidance and contribution rendered by Shri Bharat C. Gosalia, during his tenure as Director of the Company.

In terms of Article 143 of the Articles of Association, Shri Mahesh K. Kamdar retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

The term of office of Shri Dilip V. Dherai expired on 30th June, 2009. The Board of Directors has re-appointed Shri Dilip V. Dherai as a Whole-time Director of the Company designated as Executive Director for a further period of 5 years with effect from 1st July, 2009.

Brief Resume of the Directors proposed to be re-appointed, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, their shareholding and relationships between them inter-se, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Report on Corporate Governance forming part of the Annual Report.

#### **Group**

Pursuant to an intimation from the Promoter i.e. Reliance Industries Limited, the names of the Promoters and entities comprising the 'group' as defined in the Monopolies and Restrictive Trade Practices ('MRTP') Act, 1969, are disclosed in the Annual Report of the Company for the purpose of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

#### **Directors' Responsibility Statement**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that :

- i. in the preparation of the accounts for the financial year ended 31st March, 2009, the applicable accounting standards have been followed and that there are no material departures from the same;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the year ended on that date;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. the Directors have prepared the accounts for the financial year ended 31st March, 2009 on a "going concern" basis.

#### **Auditors**

Messrs Chaturvedi & Shah, Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received a letter from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such re-appointment within the meaning of Section 226 of the said Act.

### Consolidated Financial Statements

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investments in Associates, your Directors provide the audited Consolidated Financial Statements in the Annual Report.

### Secretarial Audit Report

As a measure of good corporate practice, the Board of Directors of the Company appointed Dr. K. R. Chandratre, Practicing Company Secretary, to conduct Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended 31st March, 2009, is provided in the Annual Report.

The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 1956, the Depositories Act, 1996, the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Listing Agreement with the Stock Exchanges.

### Particulars of Employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are required to be set out in the annexure to the Directors' Report.

However, having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. A member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

### Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to energy conservation, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 (the "Rules") are as under :

- i. Part A and B of the Rules, pertaining to Conservation of Energy and Technology Absorption, are not applicable to the Company.

- ii. Foreign Exchange Earnings and Outgo :

Earnings	-	Rs. Nil
Outgo	-	Rs. 32.17 crores

### Transfer of Unclaimed and Unpaid amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the declared dividends which remained unclaimed and unpaid for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the said Act.

### Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance. Your Directors adhere to the requirements set out in the Listing Agreement with the Stock Exchanges and have implemented all the stipulations prescribed.

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges forms part of the Annual Report.

The declaration regarding compliance with the Company's Code of Business Conduct and Ethics for Directors and Management Personnel forms part of the Report on Corporate Governance.

The requisite Certificate from the Auditors of the Company, Messrs Chaturvedi & Shah, confirming compliance of the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is annexed to this Report.

### Acknowledgement

Your Directors would like to express their grateful appreciation for assistance and co-operation received from the Government, Banks, other Business constituents and Members during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the committed services of the Employees of the Company.

For and on behalf of the Board of Directors

**Mahesh K. Kamdar**  
Chairman

Mumbai,  
30th July, 2009

## Auditors' Certificate on Corporate Governance

To the Members,

### Reliance Industrial Infrastructure Limited

We have examined the compliance of conditions of Corporate Governance by Reliance Industrial Infrastructure Limited, for the year ended 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Chaturvedi & Shah**  
Chartered Accountants

**Amit Chaturvedi**  
Partner  
Membership No. 103141

**Mumbai**

Dated : 22nd April, 2009





## Persons constituting Group coming within the definition of ‘group’ as defined in the Monopolies and Restrictive Trade Practices Act, 1969 include the following :

Reliance Industries Limited (Promoter)  
Amazon Enterprises Private Limited  
Delight Proteins Limited  
Devakantha Commercial Private Limited  
Ekagrah Commercial Private Limited  
GAPCO Kenya Limited  
GAPCO Rwanda Sarl  
GAPCO Tanzania Limited  
GAPCO Uganda Limited  
GAPOIL (Zanzibar) Limited  
GAPOIL Tanzania Limited  
Gulf Africa Petroleum Corporation  
Himadri Enterprises Private Limited  
International Oil Trading Limited  
LPG Infrastructure (India) Private Limited  
Majestic Agrotech Private Limited  
Nehal Commercial Private Limited  
Nettles Farms Private Limited  
Pusti Enterprises Private Limited  
Recron (Malaysia) Sdn Bhd  
Reliance Agri Products Distribution Limited  
Reliance Aromatics and Petrochemicals Private Limited  
Reliance Autozone Limited  
Reliance Brands Limited  
Reliance Chemicals Private Limited  
Reliance Commercial Associates Limited  
Reliance Corporate IT Park Limited  
Reliance Cyprus Limited (Formerly Wavely Investments Limited)  
Reliance Dairy Foods Limited  
Reliance Digital Media Limited  
Reliance Energy and Project Development Private Limited  
Reliance Exploration & Production DMCC  
Reliance F&B Services Limited  
Reliance Financial Distribution and Advisory Services Limited  
Reliance Food Processing Solutions Limited  
Reliance Footprint Limited  
Reliance Fresh Limited  
Reliance Gas Corporation Limited  
Reliance Gems and Jewels Limited  
Reliance Global Business, B.V.  
Reliance Global Commercial Limited  
(Formerly Reliance Pharmaceuticals (India) Private Limited)  
Reliance Global Energy Services (Singapore) Pte. Ltd.  
Reliance Global Energy Services Limited  
Reliance Global Management Services Limited  
Reliance Grand Optical Private Limited  
(Formerly Bigdeal Retail Private Limited)  
Reliance Haryana SEZ Limited  
Reliance Home Store Limited  
Reliance Hypermart Limited  
Reliance Industrial Investments And Holdings Limited  
Reliance Industries (Middle East) DMCC  
Reliance Infosolution Private Limited  
Reliance Infrastructure Management Services Limited  
Reliance Integrated Agri Solutions Limited  
Reliance International Exploration & Production, Inc.  
Reliance Jamnagar Infrastructure Limited  
Reliance Leisures Limited  
Reliance Lifestyle Holdings Limited  
Reliance Loyalty & Analytics Limited  
Reliance Netherlands BV  
Reliance One Enterprises Limited  
Reliance People Serve Limited  
Reliance Personal Electronics Limited  
Reliance Petro Marketing Private Limited  
Reliance Petroinvestments Limited  
Reliance Petroleum Limited  
Reliance Polymers (India) Private Limited  
Reliance Polyolefins Private Limited  
Reliance Replay Gaming Private Limited  
Reliance Retail Finance Limited  
Reliance Retail Insurance Broking Limited  
Reliance Retail Limited  
Reliance Retail Securities and Broking Company Limited  
Reliance Retail Travel & Forex Services Limited  
Reliance Review Cinema Private Limited  
Reliance Strategic Investments Limited  
Reliance Supply Chain Solutions Limited  
Reliance Trade Services Centre Limited  
Reliance Trends Limited  
Reliance Universal Commercial Limited  
(Formerly Reliance Nutraceuticals Private Limited)  
Reliance Universal Enterprises Private Limited  
Reliance Universal Ventures Limited  
Reliance Vantage Retail Limited  
(Formerly Advantage Retail Private Limited)  
Reliance Ventures Limited  
Reliance Wellness Limited  
Reliancedigital Retail Limited  
RESQ Limited  
Retail Concepts and Services (India) Limited  
RIL (Australia) Pty Ltd.  
RIL USA Inc.  
Strategic Manpower Solutions Limited  
Transenergy Kenya Limited  
Utpal Enterprises Private Limited  
Wave Land Developers Limited  
(Formerly Peninsula Land Kenya Limited)

# Auditors' Report

To the Members of

## Reliance Industrial Infrastructure Limited

1. We have audited the attached Balance Sheet of **Reliance Industrial Infrastructure Limited** as at 31st March, 2009, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :
  - (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit ;
  - (ii) In our opinion, proper books of accounts, as required by law, have been kept by the Company, so far as appears from our examination of those books ;
  - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account ;
  - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ;
  - (v) On the basis of written representations received from the Directors as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 ;
  - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
- (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the Cash flows of the Company for the year ended on that date.

For **Chaturvedi & Shah**  
*Chartered Accountants*

**Amit Chaturvedi**  
*Partner*

**Mumbai,**  
Dated : **22nd April, 2009**

Membership No. : 103141

## Annexure to Auditors' Report

Referred to in paragraph 3 of our report of even date

1. In respect of its Fixed Assets :
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
  - b. As explained to us, the Fixed Assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. In our opinion, the Company has not disposed off substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its Inventories :
  - a. The Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. In respect on loans, secured or unsecured, granted or taken by the Company to / from companies, firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 :
  - a. The Company has given loan to a wholly owned subsidiary of the Company. In respect of the said loan, the maximum amount outstanding at any time during the year and the year-end balance is Rs. 100 thousand.



## Annexure to Auditors' Report (continued)

- b. In our opinion and according to information and explanations given to us, the loan given is interest free and the other terms and conditions on which loan has been given is not, prima facie prejudicial to the interest of the Company.
- c. The principal amount of loan given is interest free and repayable on demand and hence, there is no repayment schedule.
- d. In respect of the said loan the same is repayable on demand and therefore the question of overdue amount does not arise.
- e. The Company has not taken any loan during the year from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of Clauses (iii) (f) and (iii) (g) of paragraph 4 of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements that needed to be entered in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4 (v)(b) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
6. The Company has not accepted any deposit from the public.
7. In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
8. We have been informed by the Management that the Central Government has not prescribed maintenance of cost records for the Company under Section 209(1)(d) of the Companies Act, 1956.
9. In respect of Statutory dues :
- a. According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess were in arrears, as at 31st March, 2009 for a period of more than six months from the date they became payable.
- c. According to the information and explanations given to us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess on account of any dispute, which have not been deposited.
10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company had no dues payable to Financial Institutions, Banks or Debenture holders.
12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of dealing in or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year.
16. The Company has not raised any term loan during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short term basis that have been used for long term investment.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not raised any monies by way of issue of debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **Chaturvedi & Shah**  
*Chartered Accountants*

**Amit Chaturvedi**  
*Partner*

**Mumbai,**  
Dated : **22nd April, 2009**

Membership No. : 103141

# Reliance Industrial Infrastructure Limited

## Balance Sheet as at 31st March, 2009

(Rs. in Thousand)

	Schedule No.	As at 31st March, 2009	As at 31st March, 2008
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds :</b>			
Share Capital	1	151,000	151,000
Reserves and Surplus	2	<u>1,515,774</u>	<u>1,361,467</u>
		<b>1,666,774</b>	1,512,467
<b>Loan Funds :</b>			
Unsecured Loans	3	250,000	590,000
Deferred Tax Liability		<u>247,223</u>	<u>163,355</u>
<b>Total</b>		<u><u>2,163,997</u></u>	<u><u>2,265,822</u></u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets :</b>			
Gross Block	4	3,851,851	3,853,154
Less : Depreciation		3,548,875	3,496,283
Lease Adjustment		<u>(82,772)</u>	<u>(98,267)</u>
Net Block		385,748	455,138
Capital Work-in-Progress		<u>17,144</u>	-
		<b>402,892</b>	455,138
<b>Investments</b>	5	<b>68,237</b>	161,448
<b>Current Assets, Loans and Advances :</b>			
<b>Current Assets</b>			
Interest Accrued on Investments		-	248
Inventories	6	17,939	44,146
Sundry Debtors	7	85,292	123,723
Cash and Bank Balances	8	<u>8,777</u>	<u>11,574</u>
		<b>112,008</b>	179,691
<b>Loans and Advances</b>	9	<u>1,827,259</u>	<u>1,840,476</u>
		<b>1,939,267</b>	<u>2,020,167</u>
<b>Less : Current Liabilities and Provisions :</b>			
Current Liabilities	10	153,316	265,329
Provisions		<u>93,083</u>	<u>105,602</u>
		<b>246,399</b>	<u>370,931</u>
<b>Net Current Assets</b>		<b>1,692,868</b>	<u>1,649,236</u>
<b>Total</b>		<u><u>2,163,997</u></u>	<u><u>2,265,822</u></u>
<b>Significant Accounting Policies</b>	14		
<b>Notes on Accounts</b>	15		

As per our Report of even date  
For **Chaturvedi & Shah**  
*Chartered Accountants*

**Amit Chaturvedi**  
*Partner*

**Mumbai**

Dated : 22nd April, 2009

For and on behalf of the Board

**Mahesh K. Kamdar**

**Chandra Raj Mehta**  
**Sandeep H. Junnarkar**  
**S. C. Malhotra**

**Dilip V. Dherai**

**Swatantra Kumar Sethi**

Chairman

Directors

Executive Director - Projects

Company Secretary



# Reliance Industrial Infrastructure Limited

## Profit and Loss Account for the year ended 31st March, 2009

	Schedule No.	2008-2009	(Rs. in Thousand)	2007-2008
<b>INCOME</b>				
Income from Operations		709,935		672,590
Other Income	11	80,225		128,758
		<u>790,160</u>		<u>801,348</u>
<b>EXPENDITURE</b>				
Establishment and Other Expenses	12	374,863		416,323
Interest and Finance Charges	13	21,432		28,368
Depreciation		54,347		64,078
Less: Transferred from Revaluation Reserve (Refer Note 2 of Schedule 15)		<u>8,589</u>		<u>10,825</u>
		<u>45,758</u>		<u>53,253</u>
		<u>442,053</u>		<u>497,944</u>
<b>Profit before Tax</b>		<u>348,107</u>		<u>303,404</u>
Provision for Taxation :				
- Current Tax		38,832		33,944
- Fringe Benefit Tax		676		640
- Deferred Tax		<u>83,868</u>		<u>50,888</u>
		<u>123,376</u>		<u>85,472</u>
<b>Profit after Tax</b>		<u>224,731</u>		<u>217,932</u>
Balance brought forward from last year		<u>242,359</u>		<u>186,262</u>
<b>Amount Available For Appropriations</b>		<u>467,090</u>		<u>404,194</u>
<b>Appropriations</b>				
General Reserve		171,420		100,000
Proposed Dividend on Equity Shares		52,850		52,850
Tax on Dividend		<u>8,985</u>		<u>8,985</u>
		<u>233,255</u>		<u>161,835</u>
<b>Balance carried to Balance Sheet</b>		<u>233,835</u>		<u>242,359</u>
<b>Basic and Diluted Earnings per share of Rs. 10/- each (in Rs.)</b>		<u>14.88</u>		<u>14.43</u>
(Refer Note 8 of Schedule 15)				
<b>Significant Accounting Policies</b>	14			
<b>Notes on Accounts</b>	15			

As per our Report of even date  
For **Chaturvedi & Shah**  
*Chartered Accountants*

**Amit Chaturvedi**  
*Partner*

**Mumbai**  
Dated : 22nd April, 2009

For and on behalf of the Board

**Mahesh K. Kamdar**

Chairman

**Chandra Raj Mehta**  
**Sandeep H. Junnarkar**  
**S. C. Malhotra**

Directors

**Dilip V. Dherai**

Executive Director - Projects

**Swatantra Kumar Sethi**

Company Secretary



# Reliance Industrial Infrastructure Limited

## Cash Flow Statement for the year 2008-2009

(Rs. in Thousand)

2008-2009

2007-2008

**A. CASH FLOW FROM OPERATING ACTIVITIES :****Net Profit before tax as per Profit and Loss Account****348,107****303,404**

Adjusted for:

(Profit) / Loss on Sale of Fixed Assets	<b>799</b>	(13)
(Profit) / Loss on Sale of Investments	<b>(73)</b>	(301)
Depreciation	<b>54,347</b>	64,079
Lease Equalisation	<b>15,494</b>	13,835
Transferred from Revaluation Reserve	<b>(8,589)</b>	(10,825)
Dividend Income	<b>(4,695)</b>	(4,361)
Interest / Other Income	<b>(73,229)</b>	(113,569)
Interest and Finance Charges	<b>21,432</b>	28,368

**5,486****(22,787)****Operating profit before working capital changes****353,593****280,617**

Adjusted for:

Trade and Other Receivables	<b>(3,486)</b>	(285,187)
Inventories	<b>26,207</b>	4,729
Trade and Other Payables	<b>(128,491)</b>	95,198

**(105,770)****(185,260)****Cash generated from operations****247,823****95,357**

Taxes paid

**(25,247)****(55,098)****Net Cash from Operating Activities****222,576****40,259****B. CASH FLOW FROM INVESTMENT ACTIVITIES :**

Purchase of Fixed Assets	<b>(18,945)</b>	(10,963)
Sale of Fixed Assets	<b>535</b>	104
Purchase of Investments	<b>(614,507)</b>	(1,175,788)
Sale of Investments	<b>707,791</b>	1,128,100
Loans given	<b>(100)</b>	-
Loans recovered	<b>320</b>	470,113
Dividend Income	<b>4,695</b>	4,361
Interest / Other Income	<b>117,643</b>	126,670
<b>Net cash from Investing Activities</b>	<b>197,432</b>	<b>542,597</b>

**C. CASH FLOW FROM FINANCING ACTIVITIES :**

Repayment of Long Term Borrowings	<b>(340,000)</b>	(550,000)
Dividend Paid	<b>(61,373)</b>	(13,919)
Interest Paid	<b>(21,432)</b>	(28,368)
<b>Net Cash used in Financing Activities</b>	<b>(422,805)</b>	<b>(592,287)</b>
<b>Net Decrease in Cash and Cash Equivalents (A+B+C)</b>	<b>(2,797)</b>	<b>(9,431)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>11,574</b>	<b>21,005</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>8,777</b>	<b>11,574</b>

As per our Report of even date

For **Chaturvedi & Shah***Chartered Accountants***Amit Chaturvedi***Partner***Mumbai**Dated : **22nd April, 2009**

For and on behalf of the Board

**Mahesh K. Kamdar**

Chairman

**Chandra Raj Mehta****Sandeep H. Junnarkar****S. C. Malhotra**

Directors

**Dilip V. Dherai**

Executive Director - Projects

**Swatantra Kumar Sethi**

Company Secretary



## Schedules forming part of the Balance Sheet

	As at 31st March, 2009	(Rs. in Thousand) As at 31st March, 2008
<b>SCHEDULE 1 : SHARE CAPITAL</b>		
<b>Authorised :</b>		
200,000,000 Equity Shares of Rs.10/- each (200,000,000)	<u>2,000,000</u>	<u>2,000,000</u>
<b>Issued, Subscribed and Paid up :</b>		
15,100,000 Equity Shares of Rs.10/- each fully paid up (15,100,000)	<u>151,000</u>	<u>151,000</u>
<b>SCHEDULE 2 : RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
As per last Balance Sheet	295,296	295,296
<b>Share Premium Account</b>		
As per last Balance Sheet	96,000	96,000
<b>Revaluation Reserve</b>		
As per last Balance Sheet	199,232	210,057
Less : Transferred to Profit and Loss Account (Refer Note 2 of Schedule 15)	<u>8,589</u>	<u>10,825</u>
	190,643	199,232
<b>Debenture Redemption Reserve</b>		
As per last Balance Sheet	-	30,685
Less : Transferred to General Reserve	<u>-</u>	<u>30,685</u>
	-	-
<b>General Reserve †</b>		
As per last Balance Sheet	528,580	397,895
Add : Transferred from Debenture Redemption Reserve	<u>-</u>	<u>30,685</u>
	528,580	428,580
Add : Transferred from Profit and Loss Account	<u>171,420</u>	<u>100,000</u>
	700,000	528,580
<b>Profit and Loss Account</b>		
	233,835	242,359
<b>Total</b>	<u>1,515,774</u>	<u>1,361,467</u>
† Cumulative amount (net) withdrawn on account of Depreciation on Revaluation is Rs. 157,659 thousand		
<b>SCHEDULE 3 : UNSECURED LOANS</b>		
Long Term		
- From Other than Banks	250,000	590,000
<b>Total</b>	<u>250,000</u>	<u>590,000</u>

## Schedules forming part of the Balance Sheet

### SCHEDULE 4 : FIXED ASSETS

(Rs. in Thousand)

Description	Gross Block			As at 31.03.09	Depreciation		Lease	Net Block	
	As at 01.04.08	Additions	Deductions		For the year	Upto 31.03.09	Adjustment Upto 31.03.09	As at 31.03.09	As at 31.03.08
Freehold Land	4,262	-	-	4,262	-	-	-	4,262	4,262
Leasehold Land	3,473	-	-	3,473	207	2,343	-	1,130	1,337
Buildings	23,227	-	-	23,227	758	12,104	-	11,123	11,881
Plant and Machinery	1,725,158	-	-	1,725,158	33,013	1,557,793	-	167,365	200,378
Construction Machinery	1,380,020	-	757	1,379,263	18,866	1,268,893	†	110,370	129,378
Furniture and Fixtures	5,082	-	46	5,036	238	4,018	-	1,018	1,272
Equipments	6,847	-	2	6,845	332	5,014	-	1,831	2,163
Vehicles	9,900	1,786	2,284	9,402	933	3,601	-	5,801	6,124
<b>Sub-Total</b>	<b>3,157,969</b>	<b>1,786</b>	<b>3,089</b>	<b>3,156,666</b>	<b>54,347</b>	<b>2,853,766</b>	-	<b>302,900</b>	<b>356,795</b>
<b>Assets leased prior to 01.04.2001 :</b>									
LPG Cylinders	695,185	-	-	695,185	-	695,109	82,772	82,848	98,343
<b>Sub-Total</b>	<b>695,185</b>	-	-	<b>695,185</b>	-	<b>695,109</b>	<b>82,772</b>	<b>82,848</b>	<b>98,343</b>
<b>Total</b>	<b>3,853,154</b>	<b>1,786</b>	<b>3,089</b>	<b>3,851,851</b>	<b>54,347</b>	<b>3,548,875</b>	<b>82,772</b>	<b>385,748</b>	<b>455,138</b>
Previous Year	3,837,105	16,197	148	3,853,154	64,078	3,496,283	98,267	455,138	
Capital Work-in-Progress								<b>17,144</b>	-

- Notes :** (i) Leasehold Land includes Rs.2,344 thousand (Previous Year Rs.2,344 thousand) in respect of which lease deed is pending execution.  
(ii) Leasehold Land includes one fully paid Equity Share of Rs. 1 thousand in a Company.  
(iii) Gross Block includes Rs. 530,088 thousand being the amount added on revaluation of Plant and Machinery as at 01.04.1997. (Refer Note 2 of Schedule 15)  
† includes provision for loss on impairment, Rs. 4,946 thousand (Previous Year Rs. 4,946 thousand),

(Rs. in Thousand)

### SCHEDULE 5 : INVESTMENTS

#### LONG TERM INVESTMENTS

##### Other Investments :

##### In Equity Shares -

##### Quoted, fully paid up :

		As at 31st March, 2009	As at 31st March, 2008
86,000 (86,000)	Equity Shares of Reliance Industries Limited of Rs.10/- each	5,834	5,834
4,300 (4,300)	Equity Shares of Reliance Capital Limited of Rs.10/- each	146	146
86,000 (86,000)	Equity Shares of Reliance Communications Limited of Rs.5/- each	4,342	4,342
6,450 (6,450)	Equity Shares of Reliance Infrastructure Limited of Rs.10/- each	819	819
86,000 (86,000)	Equity Shares of Reliance Natural Resources Limited of Rs. 5/- each	78	78



## Schedules forming part of the Balance Sheet

### SCHEDULE 5 : INVESTMENTS (continued)

(Rs. in Thousand)

	As at 31st March, 2009	As at 31st March, 2008		
<b>Unquoted, fully paid up :</b>				
1,108,500 Equity Shares of Reliance Europe Limited	39,338	39,338		
(1,108,500) of Sterling Pound 1/- each (Company under the same management)				
18,000 Equity Shares of Rosche Trading Private Limited	180	180		
(18,000) of Rs.10/- each				
<b>In Equity Shares of Subsidiary Companies -</b>				
<b>Unquoted, fully paid up :</b>				
50,000 Equity Shares of Reliance Corporate Centre Limited	500	-		
(-) of Rs.10/- each				
<b>In Debentures -</b>				
<b>Unquoted, fully paid up :</b>				
140,000 Zero Coupon Unsecured Optionally Fully Convertible	14,000	14,000		
(140,000) Debentures of Ral Investment Private Limited of Rs. 100/- each (Company under the same management)				
30,000 Zero Coupon Unsecured Optionally Fully Convertible	3,000	3,000		
(30,000) Debentures of LPG Infrastructure (India) Private Limited of Rs. 100/- each (Company under the same management)				
<b>In Others -</b>				
<b>Quoted :</b>				
- Units of 6.75% Tax Free US64 Bonds of Unit Trust of India	-	11,010		
(110,100) of Rs. 100/- each (Deposited with Mumbai Port Trust)				
<b>CURRENT INVESTMENTS</b>				
<b>In Others -</b>				
<b>In Units, Unquoted :</b>				
- ABN AMRO Flexi Debt Fund - Regular Weekly Dividend	-	582		
(58,257) of Rs. 10/- per unit				
- IDFC Liquidity Manager - Plus Daily Dividend	-	82,119		
(82,174) of Rs. 1,000/- per unit (Formerly Standard Chartered Liquidity Manager)				
<b>Total</b>	<u>68,237</u>	<u>161,448</u>		
	As at 31st March, 2009	As at 31st March, 2008		
<b>Aggregate Value of :</b>	<b>Book Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>Market Value</b>
Quoted Investments	11,219	154,712	22,229	270,117
Unquoted Investments	57,018		139,219	
<b>Investments Purchased and Sold during the year :</b>	<b>Face Value Rs.</b>	<b>Nos.</b>	<b>Cost Rs.</b>	
<b>Mutual Fund Units</b>				
ABN AMRO Flexi Debt Fund - Regular Weekly Dividend	10	1,992	20	
IDFC Liquidity Manager - Plus Daily Dividend	1,000	526,317	526,428	

## Schedules forming part of the Balance Sheet

(Rs. in Thousand)

	As at 31st March, 2009	As at 31st March, 2008
<b>SCHEDULE 6 : INVENTORIES</b>		
Stores and Spares	17,939	44,146
<b>Total</b>	<u>17,939</u>	<u>44,146</u>
<b>SCHEDULE 7 : SUNDRY DEBTORS</b> (Unsecured)		
Debts outstanding for a period exceeding six months		
Considered Good	4,252	4,151
Considered Doubtful	<u>918</u>	<u>918</u>
	5,170	5,069
Less : Provision for doubtful debts	<u>918</u>	<u>918</u>
	4,252	4,151
Others, considered good	<u>81,040</u>	<u>119,572</u>
<b>Total</b>	<u>85,292</u>	<u>123,723</u>
<b>Note :</b> Others include Rs. 1,745 thousand (Previous Year Rs. Nil) from LPG Infrastructure (India) Private Limited, a Company under same management and Rs. 11,794 thousand (Previous Year Rs. Nil) from Reliance Infosolutions Private Limited, a Company under same management.		
<b>SCHEDULE 8 : CASH AND BANK BALANCES</b>		
Balances with Scheduled Banks :		
In Current Accounts	8,527	11,324
In Deposit Accounts	<u>250</u>	<u>250</u>
<b>Total</b>	<u>8,777</u>	<u>11,574</u>
<b>SCHEDULE 9 : LOANS AND ADVANCES</b> (Unsecured and Considered Good)		
Advances recoverable in cash or in kind or for value to be received	1,733,861	1,732,816
Advance Tax (net of provisions)	<u>93,398</u>	<u>107,660</u>
<b>Total</b>	<u>1,827,259</u>	<u>1,840,476</u>
<b>Note :</b> Advances recoverable in cash or in kind or for value to be received include Rs. 868,655 thousand (Previous Year Rs. Nil) from Reliance Infosolutions Private Limited, a Company under same management. Maximum amount outstanding during the year Rs. 891,467 thousand (Previous Year Rs. Nil)		
<b>SCHEDULE 10 : CURRENT LIABILITIES AND PROVISIONS</b>		
<b>Current Liabilities :</b>		
Sundry Creditors - Micro and Small Enterprises @	-	-
Sundry Creditors - Others	147,386	259,860
Unpaid Dividends #	<u>5,930</u>	<u>5,469</u>
	153,316	265,329
<b>Provisions :</b>		
Provision for Wealth Tax	36	37
Provision for Leave Encashment/Superannuation/Gratuity	31,212	43,730
Provision for Proposed Dividend	52,850	52,850
Provision for Tax on Dividend	<u>8,985</u>	<u>8,985</u>
	93,083	105,602
<b>Total</b>	<u>246,399</u>	<u>370,931</u>

@ Based on the intimation received from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, there are no amounts unpaid as at year end under this Act.

# These figures do not include any amount, due and outstanding, to be credited to Investor Education and Protection Fund. except Rs.29 thousand (Previous year Rs. Nil) which is held in abeyance due to legal cases pending.





## Schedules forming part of the Profit and Loss Account

(Rs. in Thousand)

2008-2009

2007-2008

### SCHEDULE 11 : OTHER INCOME

#### Dividend:

From Current Investments	3,448		4,269
From Long Term Investments	<u>1,247</u>		<u>92</u>
		<b>4,695</b>	
Interest on Loans and Deposits (Tax deducted at source Rs. 402 thousand ; Previous Year Rs.624 thousand)		<b>74,343</b>	118,822
Profit on Sale of Current Investment		<b>73</b>	301
Profit on Sale of Fixed Assets		-	21
Miscellaneous Income		<b>1,114</b>	5,253
<b>Total</b>		<b><u><u>80,225</u></u></b>	<b><u><u>128,758</u></u></b>

### SCHEDULE 12 : ESTABLISHMENT AND OTHER EXPENSES

Salaries, Wages and Bonus	90,888		83,088
Contribution to Provident Fund and Other Funds	5,749		5,810
Employees' Welfare Expenses and other amenities	<u>3,957</u>		<u>3,638</u>
		<b>100,594</b>	92,536
Stores and Spares Consumed		<b>59,977</b>	70,439
Repairs and Maintenance :			
- Plant and Machinery	3,225		33,190
- Buildings	18		72
- Others	<u>121</u>		<u>64</u>
		<b>3,364</b>	33,326
Operating Expenses		<b>143,033</b>	161,569
Electric Power		267	213
Rent		<b>34,163</b>	32,010
Rates and Taxes		<b>10,738</b>	3,156
Insurance Charges		<b>3,290</b>	4,423
Professional Fees		<b>5,230</b>	7,584
Payment to Auditors		<b>1,000</b>	1,000
Exchange Differences (Net)		3	5
Miscellaneous Expenses		<b>12,405</b>	10,054
Loss on Sale of Fixed Assets		<b>799</b>	8
<b>Total</b>		<b><u><u>374,863</u></u></b>	<b><u><u>416,323</u></u></b>

### SCHEDULE 13 : INTEREST AND FINANCE CHARGES

Fixed Loans		<b>21,374</b>	24,767
Debentures		-	3,255
Others		<b>58</b>	346
<b>Total</b>		<b><u><u>21,432</u></u></b>	<b><u><u>28,368</u></u></b>

## Significant Accounting Policies and Notes on Accounts

### SCHEDULE 14 : SIGNIFICANT ACCOUNTING POLICIES

#### A. Basis of preparation of Financial Statements :

- (i) The financial statements are prepared under the historical cost convention, except for certain fixed assets which are revalued, in accordance with generally accepted accounting principles in India and the provisions of the Companies Act, 1956.
- (ii) The Company generally follows the mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

#### B. Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

#### C. Own Fixed Assets :

- (i) Fixed Assets are stated at cost net of cenvat and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs including financing costs, upto the date of commissioning and attributable to the fixed assets are capitalised.
- (ii) Compensation paid to various land owners / occupiers for acquisition of Right of User in the lands along the pipeline route under the Petroleum and Minerals Pipelines (Acquisition of Right of User in Lands) Act, 1962 has been included in Plant and Machinery.

#### D. Leased Assets :

In respect of fixed assets given on finance lease prior to 1st April, 2001, income is accounted for in the year in which lease rentals fall due, by applying the interest rate implicit in the lease to the net investment.

In respect of fixed assets given on finance lease on or after 1st April, 2001, assets are shown as receivable at an amount equal to net investment in the lease. Initial direct costs are recognised immediately as expense in the Profit and Loss Account. Income from leased assets is accounted by applying the interest rate implicit in the lease to the net investment.

#### E. Depreciation :

Depreciation on Fixed Assets is provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 except that :

- (i) on plant and machinery comprising of transport facilities and monitoring systems (for petrochemical products and for raw water) and on construction machinery, depreciation has been provided on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.
- (ii) on revalued assets, depreciation has been provided on written down value method and charged over the residual life of the assets.
- (iii) The cost of leasehold land is amortised over the period of lease.
- (iv) cost of pipeline corridor structure is amortised over the residual life of the asset.

#### F. Impairment of Assets :

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### G. Foreign Currency Transactions :

- (i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.
- (ii) Monetary items denominated in foreign currencies, if any at the year end are restated at year end rates.
- (iii) Non monetary foreign currency items are carried at cost.
- (iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Account.

#### H. Investments :

Current Investments are carried at the lower of cost or quoted / fair value, computed category wise. Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

#### I. Inventories :

Inventories are measured at cost. Cost is determined on weighted average basis.

#### J. Employee Benefits :

- (i) Short term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

## Significant Accounting Policies and Notes on Accounts

### SCHEDULE 14 : SIGNIFICANT ACCOUNTING POLICIES (continued)

- (ii) Post employment and other long term employee benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

#### K. Borrowing Cost :

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

#### L. Provision for Current Tax and Deferred Tax :

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from “timing differences” between the taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a virtual / reasonable certainty that the assets will be realised in future.

#### M. Provision, Contingent Liabilities and Contingent Assets :

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

### SCHEDULE 15 : NOTES ON ACCOUNTS

- The previous year's figures have been reworked, regrouped, rearranged and reclassified, wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.
- Gross Block of Fixed Assets include **Rs.530,088 thousand** (Previous Year Rs.530,088 thousand) on account of revaluation of Fixed Assets carried out in the past. Consequent to the said revaluation there is an additional charge of depreciation of **Rs. 8,589 thousand** (Previous Year Rs. 10,825 thousand) and an equivalent amount has been withdrawn from Revaluation Reserve and credited to the Profit and Loss Account.
- As per Accounting Standard 15 “Employee Benefits” the disclosures of Employee benefits as defined in Accounting Standard are given below:

#### Defined Contributions Plan:

Contribution to Defined Contribution Plan, recognised as expense for the year are as under -

	(Rs. in Thousand)	
	2008-2009	2007-2008
Employers Contribution to Provident Fund	2,749	2,618
Employers Contribution to Superannuation Fund	454	526
Employers Contribution to Pension Scheme	915	911

#### Defined Benefit Plan :

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

#### (i) Reconciliation of opening and closing balances of Defined Benefit Obligation

	(Rs. in Thousand)			
	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2008-2009	2007-2008	2008-2009	2007-2008
Defined Benefit Obligation at the beginning of the year	8,500	6,327	41,443	36,218
Current Service Cost	473	375	263	1,289
Interest Cost	680	506	1,906	2,675
Actuarial (gain) / loss	1,177	1,482	20,441	6,809
Benefits paid	(1,235)	(190)	(35,223)	(5,549)
Defined Benefit Obligation at the year end	9,595	8,500	28,830	41,443

## Significant Accounting Policies and Notes on Accounts

### SCHEDULE 15 : NOTES ON ACCOUNTS (continued)

#### (ii) Reconciliation of opening and closing balances of fair value of plan assets

	(Rs. in Thousand)	
	<b>Gratuity (Funded)</b>	
	<b>2008-2009</b>	2007-2008
Fair Value of Plan Assets at the beginning of the year	6,755	6,140
Expected return on plan assets	668	593
Actuarial gain / (loss)	31	-
Employer contribution	1,745	202
Benefits paid	(1,235)	(190)
Fair Value of plan assets at year end	7,964	6,746
Actual return on plan assets	699	593

#### (iii) Reconciliation of fair value of assets and obligations

	<b>Gratuity (Funded)</b>		<b>Leave Encashment (Unfunded)</b>	
	<b>As at 31<sup>st</sup> March 2009</b>	2008	<b>As at 31<sup>st</sup> March 2009</b>	2008
Fair value of plan assets	7,964	6,746	-	-
Present value of obligation	9,595	8,500	28,830	41,443
Amount recognised in Balance Sheet	1,631	1,754	28,830	41,443

#### (iv) Expense recognised during the year (under the head “Salaries Wages and Bonus” – Refer Schedule 12)

	<b>Gratuity (Funded)</b>		<b>Leave Encashment (Unfunded)</b>	
	<b>2008-2009</b>	2007-2008	<b>2008-2009</b>	2007-2008
Current Service Cost	473	375	263	1,289
Interest Cost	680	506	1,906	2,675
Expected return on plan assets	(668)	(593)	-	-
Actuarial (gain) / loss	1,146	1,482	20,441	6,809
<b>Net Cost</b>	<b>1,631</b>	<b>1,770</b>	<b>22,610</b>	<b>10,774</b>

(v) Details of Investment for employees’ gratuity fund scheme managed by a LIC are not available with the Company

#### (vi) Actuarial assumptions

	<b>Gratuity (Funded)</b>		<b>Leave Encashment (Unfunded)</b>	
	<b>2008-2009</b>	2007-2008	<b>2008-2009</b>	2007-2008
	<b>1994-96</b>	1994-96	<b>1994-96</b>	1994-96
	<b>(Ultimate)</b>	(Ultimate)	<b>(Ultimate)</b>	(Ultimate)
Mortality table (LIC)				
Discount rate (per annum)	8%	8%	8%	8%
Expected rate of return on plan assets (per annum)	8%	8%	NA	NA
Rate of Escalation in Salary (per annum)	4%	4%	4%	6.5%

The estimates of rate of escalation in salary is considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors mainly, the composition of plan assets held, assessed risks, historical result of return on plan assets and the Company’s policy for plan asset management.

#### 4. Segment Information :

As per Accounting Standard (AS) 17 “Segment Reporting”, segment information has been provided in the Notes to Consolidated Financial Statements.

## Significant Accounting Policies and Notes on Accounts

### SCHEDULE 15 : NOTES ON ACCOUNTS (continued)

#### 5. Related Party Disclosures :

As per Accounting Standard 18, disclosures of the transactions with the related parties as defined in the Accounting Standard are given below:

(i) List of Related Parties with whom transactions have taken place and Relationships :

Name of the Related Party	Relationship
Reliance Corporate Centre Limited ( From 19th July, 2008 )	Subsidiary Companies (Control exists)
Reliance Convention and Exhibition Centre Limited ( From 19th July, 2008 )	
Reliance Industries Limited	Associate
Shri Dilip V. Dherai	Key Managerial Personnel

(ii) Transactions during the year with related parties :

(Rs. in Thousand)

Sr. No	Nature of Transactions (Excluding reimbursements)	Subsidiaries	Associate	Key Managerial Personnel	Total
<b>A)</b>	<b>Unsecured Loans</b>				
	Balance as at 1st April, 2008	-	<b>350,000</b>	-	<b>350,000</b>
		(-)	(350,000)	(-)	(350,000)
	Repaid during the year	-	<b>100,000</b>	-	<b>100,000</b>
		(-)	(-)	(-)	(-)
	Balance as at 31st March, 2009	-	<b>250,000</b>	-	<b>250,000</b>
		(-)	(350,000)	(-)	(350,000)
<b>B)</b>	<b>Investments</b>				
	Balance as at 1st April, 2008	-	<b>5,834</b>	-	<b>5,834</b>
		(-)	(5,834)	(-)	(5,834)
	Purchased during the year	<b>500</b>	-	-	<b>500</b>
		(-)	(-)	(-)	(-)
	Balance as at 31st March, 2009	<b>500</b>	<b>5,834</b>	-	<b>6,334</b>
		(-)	(5,834)	(-)	(5,834)
<b>C)</b>	<b>Sundry Debtors as at 31st March, 2009</b>	-	<b>46,519</b>	-	<b>46,519</b>
		(-)	(10,453)	(-)	(10,453)
<b>D)</b>	<b>Loans and Advances</b>				
	Given during the year	<b>100</b>	-	-	<b>100</b>
		(-)	(-)	(-)	(-)
	Balance as at 31st March, 2009	<b>100</b>	-	-	<b>100</b>
		(-)	(-)	(-)	(-)
<b>E)</b>	<b>Income from Operations</b>	-	<b>458,219</b>	-	<b>458,219</b>
		(-)	(314,607)	(-)	(314,607)
<b>F)</b>	<b>Other Income</b>				
	Dividend from Long Term Investments	-	<b>1,118</b>	-	<b>1,118</b>
		(-)	(-)	(-)	(-)
<b>G)</b>	<b>Expenditure</b>				
	Interest Expenses	-	<b>21,374</b>	-	<b>21,374</b>
		(-)	(24,500)	(-)	(24,500)
	Payment to Key Managerial Personnel	-	-	<b>1,884</b>	<b>1,884</b>
		(-)	(-)	(2,439)	(2,439)
<b>H)</b>	<b>Guarantee taken</b>	-	<b>40,425</b>	-	<b>40,425</b>
		(-)	(40,425)	(-)	(40,425)

Note : Figures in bracket represents previous years amount.

#### Disclosure in respect of Material Related Party Transactions during the year :

All transactions with Subsidiaries disclosed above are only with Reliance Corporate Centre Limited. There were no transactions with Reliance Convention and Exhibition Centre Limited.



## Significant Accounting Policies and Notes on Accounts

### SCHEDULE 15 : NOTES ON ACCOUNTS (continued)

#### 6. Loans and Advances in the nature of Loans given to Subsidiaries :

(i) Loans and Advances in the nature of Loans :

Name of the Company		As at	As at	(Rs. in Thousand)
		31st March, 2009	31st March, 2008	Maximum Balance during the year
Reliance Corporate Centre Limited	Subsidiary	100	-	100

#### Notes :

- a) Loans and Advances shown above, to subsidiary fall in the category of Loans and Advances in nature of Loans where there is no repayment schedule and are re-payable on demand.
- b) Inter Company Deposits are not considered as they are repayable on demand and interest is charged on market rates.
- c) Loans to employees as per Company's policy are not considered.
- (ii) Reliance Corporate Centre Limited holds 50,000 equity shares in its subsidiary, Reliance Convention and Exhibition Centre Limited.

#### 7. Finance Lease Disclosures :

(i) Assets given on finance lease on or after 1st April, 2001: (Rs. in Thousand)

	Total		Within one year		Later than one year and not later than five years		Later than five years	
	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008
Gross investment in lease	978,100	886,964	256,255	192,349	721,845	694,615	-	-
Less : Unearned finance income	168,364	180,349	13,357	9,858	155,007	170,491	-	-
Present value of minimum lease payments	809,736	706,615	242,898	182,491	566,838	524,124	-	-

- (ii) A general description of significant leasing arrangements :
- a) Assets are given on lease for periods ranging from five to seven years.
- b) Lease Rentals are charged on the basis of agreed rate of interest.

#### 8. Earnings per Share :

	2008-2009	2007-2008
(i) Net Profit after tax available for equity shareholders (Rs. in thousands)	224,731	217,932
(ii) Weighted average of number of equity shares	1,51,00,000	1,51,00,000
(iii) Basic and Diluted Earnings per share (Rs) (Face value of Rs. 10/- each)	14.88	14.43

#### 9. Deferred Tax Liability :

Deferred tax liability comprise of the following :

	2008-2009	2007-2008
(i) <b>Deferred Tax Liability</b>		
Related to Fixed Assets	377,675	224,317
(ii) <b>Deferred Tax Asset</b>		
Finance Lease	113,119	47,455
Provision for Doubtful Debts	312	312
Expenditure U/s 43B of Income Tax Act, 1961	17,021	13,195
	<u>130,452</u>	<u>60,962</u>
	<u>247,223</u>	<u>163,355</u>

#### 10. Managerial Remuneration :

- (i) The Company has been advised that computation of net profits for the purpose of managerial remuneration under Section 349 of the Companies Act, 1956 need not be enumerated, since no commission by way of percentage of profit is payable for the year to any of the Directors of the Company.



## Significant Accounting Policies and Notes on Accounts

### SCHEDULE 15 : NOTES ON ACCOUNTS (continued)

(ii) Establishment and Other expenses include Managerial Remuneration by way of :		(Rs. in Thousand)
	<b>2008-2009</b>	<b>2007-2008</b>
Salaries	<b>1,755</b>	2,218
Perquisites	<b>18</b>	55
Contribution to Provident Fund and Superannuation Fund	<b>111</b>	166
	<b>1,884</b>	2,439

The above remuneration excludes provision for gratuity and leave encashment since these are based on actuarial valuation done on an overall company basis.

(iii) Miscellaneous Expenses include **Rs. 490 thousand** (Previous Year Rs. 430 thousand) towards sitting fees paid to non-executive directors.

#### 11. Payment to Auditors :

		(Rs. in Thousand)
	<b>2008-2009</b>	2007-2008
(i) Audit Fees	<b>700</b>	700
(ii) Tax Audit Fees	<b>200</b>	200
(iii) For Certification	<b>100</b>	100
	<b>1,000</b>	1,000

#### 12. Value of Imports on CIF basis in respect of :

Equipments / Stores imported by the Company during the financial year is **Rs. 320,174 thousand** (Previous Year Rs. 744,620 thousand)

#### 13. Expenditure in Foreign Currency on account of :

		(Rs. in Thousand)
	<b>2008-2009</b>	2007-2008
(i) Travelling Expenses	<b>510</b>	280
(ii) Other Matters	<b>1,032</b>	653

#### 14. Additional Information :

		(Rs. in Thousand)
	<b>As at</b>	<b>As at</b>
	<b>31st March, 2009</b>	<b>31st March, 2008</b>
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	<b>4,579</b>	23,864
(ii) Contingent Liability in respect of claims against the Company not acknowledged as debts	<b>1,200</b>	1,200
(iii) Income tax assessments of the Company have been completed upto Assessment Year 2006-2007. The total demand raised by the Income Tax department upto the said assessment year is <b>Rs. 35,921 thousand</b> (Previous Year Rs. 52,088 thousand). Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.		

#### 15. Value of Stores and Spares Consumed :

	2008-2009		2007-2008	
	(Rs. in Thousand)	% of total Consumption	(Rs. in Thousand)	% of total Consumption
Imported	<b>1,922</b>	<b>3.20</b>	1,899	2.70
Indigenous	<b>58,055</b>	<b>96.80</b>	68,540	97.30
	<b>59,977</b>	<b>100.00</b>	<b>70,439</b>	<b>100.00</b>

As per our Report of even date  
For **Chaturvedi & Shah**  
*Chartered Accountants*

**Amit Chaturvedi**  
*Partner*

**Mumbai**

Dated : **22nd April, 2009**

For and on behalf of the Board

**Mahesh K. Kamdar**

**Chandra Raj Mehta**

**Sandeep H. Junnarkar**

**S. C. Malhotra**

**Dilip V. Dherai**

**Swatantra Kumar Sethi**

Chairman

Directors

Executive Director - Projects

Company Secretary

## Balance Sheet Abstract and Company's General Business Profile

### I. Registration Details

Registration Number   
 Balance Sheet Date  State Code

### II. Capital raised during the year (Rs. in Thousand)

Public Issue  Rights Issue   
 Bonus Issue  Private Placements

### III. Position of Mobilisation and Deployment of Funds (Rs. in Thousand)

Total Liabilities  Total Assets

#### SOURCES OF FUNDS :

Paid up Capital  Reserves and Surplus   
 Secured Loans  Unsecured Loans   
 Deferred Tax Liability

#### APPLICATION OF FUNDS :

Net Fixed Assets  Investments   
 Net Current Assets

### IV. Performance of Company (Rs. in Thousand except, per share data)

Turnover (Income)  Total Expenditure   
 Profit Before Tax  Profit After Tax   
 Earnings per share in Rs.  Dividend Rate %

### V. Generic Names of Principal Products / Service of the Company (As per monetary terms)

Item Code No. (ITC Code)   
 Product Description



## Financial Information of Subsidiary Companies

(Rs. in Thousand)

Sr. No.	Name of the Subsidiary Company	Reliance Corporate Centre Limited	Reliance Convention and Exhibition Centre Limited
1	Capital	500	500
2	Reserves	-	-
3	Total Assets	888,275	1,118,570
4	Total Liabilities	888,275	1,118,570
5	Investments	500	-
6	Turnover	-	-
7	Profit before Taxation	-	-
8	Provision for Taxation	-	-
9	Profit after Taxation	-	-
10	Proposed Dividend	-	-

## Auditors' Report on Consolidated Financial Statements

To The Board of Directors

### Reliance Industrial Infrastructure Limited

We have audited the attached Consolidated Balance Sheet of Reliance Industrial Infrastructure Limited (the Company) and its Subsidiaries (collectively referred to as "the Group") as at 31st March, 2009, the Consolidated Profit and Loss Account and also the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 2,006,845 thousands as at 31st March, 2009 and cash flows amounting to Rs.318 thousands for the year then ended and also the financial statement of an associate company in which the company's share of profit is Rs.17,600 thousands. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.

2. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated Financial Statements and Accounting Standards (AS) 23 Accounting for Investments in Associates in Consolidated Financial Statements notified by Companies (Accounting Standard) Rules. 2006.
3. Based on our audit as aforesaid, and on consideration of reports of other auditors on the separate financial statements and on other financial information of the components and accounts approved by the Board of Directors and to the best of our information and explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India :
- in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2009;
  - in the case of the Consolidated Profit and Loss Account, of the Profit of the Group for the year ended on that date; and
  - in the case of the Consolidated Cash Flow Statement, of the Cash flows of the Group for the year ended on that date.

For **Chaturvedi & Shah**  
Chartered Accountants

**Amit Chaturvedi**  
Partner

Mumbai,  
Dated : 22nd April, 2009

Membership No. : 103141

# Reliance Industrial Infrastructure Limited

## Consolidated Balance Sheet as at 31st March, 2009

	Schedule No.	(Rs. in Thousand) As at 31st March, 2009	
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds :</b>			
Share Capital	1	151,000	
Reserves and Surplus	2	<u>1,740,523</u>	1,891,523
<b>Loan Funds :</b>			
Unsecured Loans	3		250,000
<b>Deferred Tax Liability</b>			
			247,223
<b>Total</b>			<u><u>2,388,746</u></u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets :</b>			
Gross Block	4	3,851,851	
Less : Depreciation		3,548,875	
Lease Adjustment		<u>(82,772)</u>	
Net Block		385,748	
Capital Work-in-Progress		<u>2,022,900</u>	2,408,648
<b>Investments</b>			
In Associates	5	264,088	
In Others		<u>28,399</u>	292,487
<b>Current Assets, Loans and Advances :</b>			
<b>Current Assets</b>			
Inventories	6	17,939	
Sundry Debtors	7	85,292	
Cash and Bank Balances	8	<u>9,305</u>	
		112,536	
<b>Loans and Advances</b>	9	<u>1,827,159</u>	
		1,939,695	
<b>Less : Current Liabilities and Provisions :</b>			
<b>Current Liabilities</b>			
Current Liabilities	10	2,159,063	
Provisions		<u>93,083</u>	
		2,252,146	
<b>Net Current Assets</b>			(312,451)
<b>Miscellaneous Expenditure</b>			
(To the extent not written off or adjusted)			
Preliminary Expenses			62
<b>Total</b>			<u><u>2,388,746</u></u>
<b>Significant Accounting Policies</b>			
<b>Notes on Accounts</b>			

As per our Report of even date  
For **Chaturvedi & Shah**  
*Chartered Accountants*

**Amit Chaturvedi**  
*Partner*

**Mumbai**

Dated : 22nd April, 2009

For and on behalf of the Board

**Mahesh K. Kamdar**

**Chandra Raj Mehta**  
**Sandeep H. Junnarkar**  
**S. C. Malhotra**

**Dilip V. Dherai**

**Swatantra Kumar Sethi**

Chairman

Directors

Executive Director - Projects

Company Secretary





# Reliance Industrial Infrastructure Limited

## Consolidated Profit and Loss Account for the year ended 31st March, 2009

(Rs. in Thousand)

	Schedule No.	2008-2009	
<b>INCOME</b>			
Income from Operations		709,935	
Other Income (including Share in Associate)	11	<u>97,825</u>	<b>807,760</b>
<b>EXPENDITURE</b>			
Establishment and Other Expenses	12		374,863
Interest and Finance Charges	13		21,432
Depreciation		54,347	
Less: Transferred from Revaluation Reserve (Refer Note 5 of Schedule 15)		<u>8,589</u>	
			<b>45,758</b>
			<u><b>442,053</b></u>
<b>Profit before Tax</b>			<b>365,707</b>
Provision for Taxation :			
- Current Tax		38,832	
- Fringe Benefit Tax		676	
- Deferred Tax		<u>83,868</u>	
			<b>123,376</b>
<b>Profit after Tax</b>			<b>242,331</b>
Balance brought forward from last year		242,359	
Add : Share in Retained Earnings of Associate		<u>207,149</u>	
			<b>449,508</b>
<b>Amount Available For Appropriation</b>			<b>691,839</b>
<b>Appropriations</b>			
General Reserve		171,420	
Proposed Dividend on Equity Shares		52,850	
Tax on Dividend		<u>8,985</u>	
			<b>233,255</b>
<b>Balance carried to Balance Sheet</b>			<b>458,584</b>
<b>Basic and Diluted Earnings per share of Rs. 10/- each (in Rs.)</b>			<u><b>16.05</b></u>
(Refer Note 8 of Schedule 15)			
<b>Significant Accounting Policies</b>	14		
<b>Notes on Accounts</b>	15		

As per our Report of even date  
For **Chaturvedi & Shah**  
*Chartered Accountants*

**Amit Chaturvedi**  
*Partner*

**Mumbai**

Dated : 22nd April, 2009

For and on behalf of the Board

**Mahesh K. Kamdar**

**Chandra Raj Mehta**  
**Sandeep H. Junnarkar**  
**S. C. Malhotra**

**Dilip V. Dherai**

**Swatantra Kumar Sethi**

Chairman

Directors

Executive Director - Projects

Company Secretary

# Reliance Industrial Infrastructure Limited

## Consolidated Cash Flow Statement for the year 2008-2009

(Rs. in Thousand)

2008-2009

**A. CASH FLOW FROM OPERATING ACTIVITIES :**

Net Profit before tax as per Profit and Loss Account		365,707
Adjusted for:		
Share in Income of Associate	(17,600)	
Loss on Sale of Fixed Assets	799	
Profit on Sale of Investments	(73)	
Depreciation	54,347	
Lease Equalisation	15,494	
Transferred from Revaluation Reserve	(8,589)	
Dividend Income	(4,695)	
Interest / Other Income	(73,229)	
Interest and Finance Charges	21,432	

(12,114)**Operating profit before working capital changes**353,593

Adjusted for:

Trade and Other Receivables	(3,486)
Inventories	26,207
Trade and Other Payables	989,507

1,012,228**Cash generated from operations**1,365,821

Taxes paid

(25,247)**Net Cash from Operating Activities**1,340,574**B. CASHFLOW FROM INVESTMENT ACTIVITIES :**

Purchase of Fixed Assets / Capital Work-in-Progress	(1,137,025)
Sale of Fixed Assets	535
Purchase of Investments	(614,207)
Sale of Investments	707,791
Loans recovered	320
Dividend Income	4,695
Interest / Other Income	117,643
<b>Net cash used in Investing Activities</b>	<u>(920,248)</u>

**C. CASH FLOW FROM FINANCING ACTIVITIES :**

Repayment of Long Term Borrowings	(340,000)
Dividend Paid	(61,373)
Interest Paid	(21,432)
<b>Net Cash used in Financing Activities</b>	<u>(422,805)</u>
<b>Net Decrease in Cash and Cash Equivalents (A+B+C)</b>	<u>(2,479)</u>
<b>Opening Balance of Cash and Cash Equivalents</b>	11,574
Add : Upon addition of Subsidiaries	210

11,784**Closing Balance of Cash and Cash Equivalents**9,305

As per our Report of even date

For **Chaturvedi & Shah***Chartered Accountants***Amit Chaturvedi***Partner***Mumbai**

Dated : 22nd April, 2009

For and on behalf of the Board

**Mahesh K. Kamdar**

Chairman

**Chandra Raj Mehta****Sandeep H. Junnarkar****S. C. Malhotra**

Directors

**Dilip V. Dherai**

Executive Director - Projects

**Swatantra Kumar Sethi**

Company Secretary



## Schedules forming part of the Consolidated Balance Sheet

(Rs. in Thousand)  
As at  
31st March, 2009

### SCHEDULE 1 : SHARE CAPITAL

#### Authorised :

200,000,000 Equity Shares of Rs.10/- each 2,000,000

#### Issued, Subscribed and Paid up :

15,100,000 Equity Shares of Rs.10/- each fully paid up 151,000

### SCHEDULE 2 : RESERVES AND SURPLUS

#### Capital Reserve

As per last Balance Sheet 295,296

#### Share Premium Account

As per last Balance Sheet 96,000

#### Revaluation Reserve

As per last Balance Sheet 199,232

Less : Transferred to Profit and Loss Account 8,589

(Refer Note 5 of Schedule 15)

190,643

#### General Reserve †

As per last Balance Sheet 528,580

Add : Transferred from Profit and Loss Account 171,420

700,000

#### Profit and Loss Account

458,584

#### Total

1,740,523

† Cumulative amount (net) withdrawn on account of Depreciation on Revaluation is Rs. 157,659 thousand

### SCHEDULE 3 : UNSECURED LOANS

#### Long Term

- From Other than Banks 250,000

#### Total

250,000

### SCHEDULE 4 : FIXED ASSETS

(Rs. in Thousand)

Description	Gross Block			As at 01.04.08	Depreciation		Lease Adjustment	Net Block
	As at 01.04.08	Additions	Deductions		For the year	Upto 31.03.09	Upto 31.03.09	As at 31.03.09
Freehold Land	4,262	-	-	4,262	-	-	-	4,262
Leasehold Land	3,473	-	-	3,473	207	2,343	-	1,130
Buildings	23,227	-	-	23,227	758	12,104	-	11,123
Plant and Machinery	1,725,158	-	-	1,725,158	33,013	1,557,793	-	167,365
Construction Machinery	1,380,020	-	757	1,379,263	18,866	1,268,893†	-	110,370
Furniture and Fixtures	5,082	-	46	5,036	238	4,018	-	1,018
Equipments	6,847	-	2	6,845	332	5,014	-	1,831
Vehicles	9,900	1,786	2,284	9,402	933	3,601	-	5,801
<b>Sub-Total</b>	<b>3,157,969</b>	<b>1,786</b>	<b>3,089</b>	<b>3,156,666</b>	<b>54,347</b>	<b>2,853,766</b>	-	<b>302,900</b>
<b>Assets leased</b>								
<b>prior to 01.04.2001 :</b>								
LPG Cylinders	695,185	-	-	695,185	-	695,109	82,772	82,848
<b>Sub-Total</b>	<b>695,185</b>	-	-	<b>695,185</b>	-	<b>695,109</b>	<b>82,772</b>	<b>82,848</b>
<b>Total</b>	<b>3,853,154</b>	<b>1,786</b>	<b>3,089</b>	<b>3,851,851</b>	<b>54,347</b>	<b>3,548,875</b>	<b>82,772</b>	<b>385,748</b>
Capital Work-in-Progress								<u>2,022,900</u>

Notes : (i) Leasehold Land includes Rs.2,344 thousand in respect of which lease deed is pending execution.

(ii) Leasehold Land includes one fully paid Equity Share of Rs. 1 thousand in a Company.

(iii) Gross Block includes Rs. 530,088 thousand being the amount added on revaluation of Plant and Machinery as at 01.04.1997. (Refer Note 5 of Schedule 15)

(iv) Capital Work-in-Progress includes Rs. 36 thousand on account of pre-operative expenses. (Refer Note 9 of Schedule 15)

† includes provision for loss on impairment, Rs. 4,946 thousand,

## Schedules forming part of the Consolidated Balance Sheet

(Rs. in Thousand)  
As at  
31st March, 2009

### SCHEDULE 5 : INVESTMENTS

#### (A) INVESTMENT IN ASSOCIATES

##### LONG TERM INVESTMENTS

##### Other Investments :

##### In Equity Shares -

##### Unquoted, fully paid up :

1,108,500	Equity Shares of Reliance Europe Limited of Sterling Pound 1/- each	264,088
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##### Total Investments in Associates (A)

264,088

#### (B) INVESTMENT IN OTHERS

##### LONG TERM INVESTMENTS

##### Other Investments :

##### In Equity Shares -

##### Quoted, fully paid up :

86,000	Equity Shares of Reliance Industries Limited of Rs.10/- each	5,834
4,300	Equity Shares of Reliance Capital Limited of Rs.10/- each	146
86,000	Equity Shares of Reliance Communications Limited of Rs.5/- each	4,342
6,450	Equity Shares of Reliance Infrastructure Limited of Rs.10/- each	819
86,000	Equity Shares of Reliance Natural Resources Limited of Rs. 5/- each	78

##### Unquoted, fully paid up :

18,000	Equity Shares of Rosche Trading Private Limited of Rs.10/- each	180
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##### In Debentures -

##### Unquoted, fully paid up :

140,000	Zero Coupon Unsecured Optionally Fully Convertible Debentures of Ral Investment Private Limited of Rs. 100/- each	14,000
30,000	Zero Coupon Unsecured Optionally Fully Convertible Debentures of LPG Infrastructure (India) Private Limited of Rs. 100/- each	3,000

##### Total Investments in Others (B)

28,399

##### Total (A+B)

292,487

### SCHEDULE 6 : INVENTORIES

##### Stores and Spares

17,939

##### Total

17,939

### SCHEDULE 7 : SUNDRY DEBTORS

##### (Unsecured)

##### Debts outstanding for a period exceeding six months

Considered Good	4,252
Considered Doubtful	918

5,170

Less : Provision for doubtful debts

918

4,252

##### Others, considered good

81,040

##### Total

85,292

### SCHEDULE 8 : CASH AND BANK BALANCES

##### Balances with Scheduled Banks :

In Current Accounts	9,055
In Deposit Accounts	250

##### Total

9,305

### SCHEDULE 9 : LOANS AND ADVANCES

##### (Unsecured and Considered Good)

##### Advances recoverable in cash or in kind or for value to be received

1,733,761

##### Advance Tax (net of provisions)

93,398

##### Total

1,827,159



## Schedules forming part of the Consolidated Balance Sheet

(Rs. in Thousand)  
As at  
31st March, 2009

### SCHEDULE 10 : CURRENT LIABILITIES AND PROVISIONS

#### Current Liabilities :

Sundry Creditors - Micro and Small Enterprises @	-	
Sundry Creditors - Others	2,153,133	
Unpaid Dividends #	5,930	
		2,159,063

#### Provisions :

Provision for Wealth Tax	36	
Provision for Leave Encashment/Superannuation/Gratuity	31,212	
Provision for Proposed Dividend	52,850	
Provision for Tax on Dividend	8,985	
		93,083

#### Total

2,252,146

@ Based on the intimation received from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, there are no amounts unpaid as at year end under this Act.

# These figures do not include any amount, due and outstanding, to be credited to Investor Education and Protection Fund except Rs.29 thousand which is held in abeyance due to legal cases pending.

## Schedules forming part of the Consolidated Profit and Loss Account

2008-2009

### SCHEDULE 11 : OTHER INCOME

Dividend:		
From Current Investments	3,448	
From Long Term Investments	1,247	
		4,695
Interest on Loans and Deposits (Tax deducted at source Rs. 402 thousand)		74,343
Profit on Sale of Current Investment		73
Miscellaneous Income		1,114
Share in Associate		17,600
		97,825

#### Total

### SCHEDULE 12 : ESTABLISHMENT AND OTHER EXPENSES

Salaries, Wages and Bonus	90,888	
Contribution to Provident Fund and Other Funds	5,749	
Employees' Welfare and other amenities	3,957	
		100,594
Stores and Spares Consumed		59,977
Repairs and Maintenance :		
- Plant and Machinery	3,225	
- Buildings	18	
- Others	121	
		3,364
Operating Expenses		143,033
Electric Power		267
Rent		34,163
Rates and Taxes		10,738
Insurance Charges		3,290
Professional Fees		5,230
Payment to Auditors		1,000
Exchange Differences (Net)		3
Miscellaneous Expenses		12,405
Loss on Sale of Fixed Assets		799
		374,863

#### Total

### SCHEDULE 13 : INTEREST AND FINANCE CHARGES

Fixed Loans		21,374
Others		58
		21,432

#### Total



## Significant Accounting Policies and Notes on Consolidated Accounts

### SCHEDULE 14 :

#### SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

##### 1. Principles of Consolidation

The Consolidated financial statements relate to Reliance Industrial Infrastructure Limited (“the Company”) and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary companies are combined on line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating the inter group balances and intra group transactions in accordance with Accounting Standard (AS-21) – “Consolidated Financial Statements”.
  - b) The difference between the cost of investment in subsidiaries over the net assets at the time of acquisition of shares in the subsidiary is recognised in the financial statements as goodwill or capital Reserve as the case may be.
  - c) In case of associates, where the Company directly or indirectly through the subsidiary holds more than 20% of equity investments in associates are accounted for using the equity method in accordance with the Accounting Standard (AS-23) – Accounting for investment in associates in consolidated financial statements.
  - d) The Company accounts for its share in the change in net assets of the associates, post acquisition, after eliminating unrealised profits and losses resulting from transaction between the Company and its associates to the extent of its share through its profit and loss account the extent such change is attributable to the associates’ profit and loss account and through its reserves for the balance, based on available information.
  - e) The difference between the cost of investment in the associates and share of net assets at the time of acquisition of shares in the associate is identified in the financial statements as a goodwill or capital reserves as the case may be.
  - f) As far as possible the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in same manner as the Company’s separate financial statements.
2. Investments other than subsidiaries and associates have been accounted as per the Accounting Standard (AS-13) “Accounting for Investments”.
  3. Other Significant policies  
These are set out under “Significant Accounting Policies” as given in the standalone financial statements of Reliance Industrial Infrastructure Limited.

### SCHEDULE 15 :

#### NOTES ON ACCOUNTS TO THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

1. This being the first year of preparation of consolidated financial statement, previous year figures are not given.
2. The Subsidiary Companies considered in consolidated financial statements are:

Name of the Subsidiaries	Country of Incorporation	Proportion of Ownership interest
Reliance Corporate Centre Limited (From 19th July, 2008)	India	100%
Reliance Convention and Exhibition Centre Limited (From 19th July, 2008)	India	100%

3. The significant associate companies considered in consolidated financial statements are:

Name of the associate company	Country of Incorporation	Proportion of Ownership interest
Reliance Europe Limited	U.K.	50%

4. The audited financial statements of Reliance Europe Limited are upto 31st December, 2008 and there is no change in Company’s interest from 1st January, 2009 till 31st March, 2009.
5. Gross Block of Fixed Assets include Rs.530,088 thousand on account of revaluation of Fixed Assets carried out in the past. Consequent to the said revaluation there is an additional charge of depreciation of Rs. 8,589 thousand and an equivalent amount has been withdrawn from Revaluation Reserve and credited to the Profit and Loss Account.

##### 6. Segment Information :

The Company is mainly engaged in Infrastructure Activity in India. All activities of the Company revolve around this main business. As such, there are no separate reportable segments as per the Accounting Standard on Segment Reporting (AS - 17).



## Significant Accounting Policies and Notes on Consolidated Accounts

### SCHEDULE 15 :

#### NOTES ON ACCOUNTS TO THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (continued)

#### 7. Related Party Disclosures :

As per Accounting Standard 18, disclosures of the transactions with the related parties as defined in the Accounting Standard are given below:

(i) List of Related Parties with whom transactions have taken place and Relationships :

Name of the Related Party	Relationship
Reliance Industries Limited	Associate
Shri Dilip V. Dherai	Key Managerial Personnel

(ii) Transactions during the year with related parties :

		(Rs. in Thousand)		
Sr. No	Nature of Transactions (Excluding reimbursements)	Associate	Key Managerial Personnel	Total
<b>A)</b>	<b>Unsecured Loans</b>			
	Balance as at 1st April, 2008	350,000	-	350,000
	Repaid during the year	100,000	-	100,000
	Balance as at 31st March, 2009	250,000	-	250,000
<b>B)</b>	<b>Investments</b>			
	Balance as at 1st April, 2008	5,834	-	5,834
	Balance as at 31st March, 2009	5,834	-	5,834
<b>C)</b>	<b>Sundry Debtors as at 31st March, 2009</b>	46,519	-	46,519
<b>D)</b>	<b>Income from Operations</b>	458,219	-	458,219
<b>E)</b>	<b>Other Income</b>			
	Dividend from Long Term Investments	1,118	-	1,118
<b>F)</b>	<b>Expenditure</b>			
	Interest Expenses	21,374	-	21,374
	Payment to Key Managerial Personnel	-	1,884	1,884
<b>G)</b>	<b>Guarantee taken</b>	40,425	-	40,425

#### 8. Earnings per Share :

	2008-2009
(i) Net Profit after tax available for equity shareholders (Rs. in thousands)	242,331
(ii) Weighted average of number of equity shares	1,51,00,000
(iii) Basic and Diluted Earnings per share (Rs) (Face value of Rs. 10/- each)	16.05

#### 9. Project Development Expenditure :

(in respect of Projects upto 31st March, 2009, included under Capital Work in Progress)

	(Rs. in Thousand)	
	2008-2009	
Opening Balance		13
Add : Audit Fees	13	
Filing Fees	7	
Bank Charges	1	
Miscellaneous Expenses	2	
		23
Closing Balance		36

## Significant Accounting Policies and Notes on Consolidated Accounts

### SCHEDULE 15 :

#### NOTES ON ACCOUNTS TO THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (continued)

##### 10. Deferred Tax Liability :

Deferred tax liability comprise of the following :	(Rs. in Thousand)
	<b>2008-2009</b>
(i) <b>Deferred Tax Liability</b>	
Related to Fixed Assets	377,675
(ii) <b>Deferred Tax Asset</b>	
Finance Lease	113,119
Provision for Doubtful Debts	312
Expenditure U/s 43B of Income Tax Act, 1961	<u>17,021</u>
	<u>130,452</u>
	<u>247,223</u>

##### 11. Managerial Remuneration :

- (i) The Company has been advised that computation of net profits for the purpose of managerial remuneration under Section 349 of the Companies Act, 1956 need not be enumerated, since no commission by way of percentage of profit is payable for the year to any of the Directors of the Company.
- (ii) Establishment and Other expenses include Managerial Remuneration by way of :-

	(Rs. in Thousand)
	<b>2008-2009</b>
Salaries	1,755
Perquisites	18
Contribution to Provident Fund and Superannuation Fund	111
	<u>1,884</u>

The above remuneration excludes provision for gratuity and leave encashment since these are based on actuarial valuation done on an overall company basis.

- (iii) Miscellaneous Expenses include Rs. 490 thousand towards sitting fees paid to non-executive directors.

##### 12. Additional Information :

	(Rs. in Thousand)
	<b>As at</b>
	<b>31st March, 2009</b>
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	530,025
(ii) Contingent Liability in respect of claims against the Company not acknowledged as debts	1,200
(iii) Income tax assessments of the Company have been completed upto Assessment Year 2006-2007. The total demand raised by the Income Tax department upto the said assessment year is Rs. 35,921 thousand. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.	

As per our Report of even date  
For **Chaturvedi & Shah**  
*Chartered Accountants*

**Amit Chaturvedi**  
*Partner*

**Mumbai**

Dated : **22nd April, 2009**

For and on behalf of the Board

**Mahesh K. Kamdar**

**Chandra Raj Mehta**

**Sandeep H. Junnarkar**

**S. C. Malhotra**

**Dilip V. Dherai**

**Swatantra Kumar Sethi**

Chairman

Directors

Executive Director - Projects

Company Secretary



## Annexure 1 to Shareholders' Referencer

**List of Investor Service Centres of Karvy Computershare Private Limited**

Sr. No.	City / Centre	SID Code	Phone - Office	Fax Nos.	E-mail
1	AGRA	0562	2526660 to 63	2526663	sandeepagar@karvy.com, ksblagra@karvy.com
2	AHMEDABAD	079	26420422 / 26400527 / 28	26565551	ahmedabad@karvy.com
3	ALIGARH	0571	2509106 to 08	2429272	aligarh@karvy.com; ksblaligarh@karvy.com
4	ALLAHABAD	0532	2260291/ 2260292	2260293	pradeept@karvy.com, ksblallahabad@karvy.com
5	ANANTAPUR	08554	249601 / 249607 / 249608	~	Irajesh@karvy.com, ksblanantpur@karvy.com
6	ANKLESHWAR	02646	227348/227349	~	ronak.patel@karvy.com, ksblankleshwar@karvy.com
7	AURANGABAD	0240	2363517 / 23 / 24 / 30	~	kunal.deshpande@karvy.com, ksblabad@karvy.com
8	BENGALURU	080	26621192 / 26621193	26621169	ramapriyanpb@karvy.com
9	BAREILLY	0581	2310470	2476797	pankaj.khare@karvy.com, ksblbareilly@karvy.com
10	BELGAUM	0831	2402544 / 2402722 / 2402880	2402933	ksblbelgaum@karvy.com, rajeshpatki@karvy.com
11	BELLARY	08392	254531, 254532, 34, 35	254533	esrinivasan@karvy.com, ksblbellary@karvy.com
12	BHARUCH	02642	225207/225208	~	paresh.pistolwala@karvy.com, ksblbharuch@karvy.com
13	BHAVNAGAR	0278	2567005/3001004	30013007	dipeshk@karvy.com, bhavnagar@karvy.com
14	BHIMAVARAM	08816	231766 / 67 / 68 / 69	231769	venkatsrinivas@karvy.com, ksblbvaram@karvy.com
15	BHOPAL	0755	4092712/714/704	4092709	naseem.sd@karvy.com, ksblbhopal@karvy.com
16	BHUBANESHWAR	0674	2511011 - 14, 2547531 / 32 / 33	3092166	ksblbbsr@karvy.com, akshaya.mishra@karvy.com
17	CALICUT	0495	2760882, 2760884, 2760883	~	bijesh@karvy.com, ksblcalicut@karvy.com
18	CHANDIGARH	0172	5071726, 5071727, 5071728, 5079702	~	sanjay@karvy.com, chandigarh@karvy.com
19	CHENNAI	044	28153445, 28151034, 28153658	28153181	chennaiirc@karvy.com, sarath@karvy.com
20	COIMBATORE	0422	4291000-30	4291020	srn@karvy.com, coimbatorekis1@karvy.com
21	CUTTACK	0671	2332680, 3110827, 3109972	~	niranjan@karvy.com, ksblcuttack@karvy.com
22	DEHRADUN	0135	2713351, 2714046, 2714047	2714047	abhishek@karvy.com, ksbldehradun@karvy.com
23	DINDIGUL	0451	2436177/47 / 2435027	~	dindigul@karvy.com, pappuraj.g@karvy.com
24	DURGAPUR	0343	2586375 to 77	2586375	jagdish@karvy.com, ksblurgapur@karvy.com
25	ELURU	08812	227851 / 52 / 54	227854	ksbleluru@karvy.com, prabhakar.m@karvy.com
26	ERODE	0424	2225601 / 03 / 15 / 16 / 17 / 24	2216160	erode@karvy.com, manivannan.s@karvy.com
27	GHAZIABAD	0120	2701886, 2701891, 2700594	~	manojlath@karvy.com, ksblghaziabad@karvy.com
28	GOBICHETTIPALAYAM	04285	226275, 226276	~	gobi@karvy.com
29	GORAKHPUR	0551	2346519 / 2333825 / 2333814	2346519	abhinav@karvy.com, ksblgorakhpur@karvy.com
30	GUNTUR	0863	2326684 / 2326686 / 87/85	6641102	ksblguntur@karvy.com
31	HALDIA	03224	276755 to 57	~	joshiss@karvy.com, ksblhaldia@karvy.com
32	HUBLI	0836	2353962, 2353974, 2353975	2353961	vinayak.bhosale@karvy.com, hubli@karvy.com
33	HYDERABAD	040	23312454 / 23320251	23312946	irchyd@karvy.com
34	INDORE	0731	3014200 to 19	3014209	indore@karvy.com
35	JAIPUR	0141	2378703 / 604 / 605 / 2363321	2378703	mbmaheshwari@karvy.com, ksbljaipur@karvy.com
36	JAMNAGAR	0288	2556520, 2556260, 2556420	~	jamnagar@karvy.com; naemuddian@karvy.com
37	JAMSHEDPUR	0657	2487020, 2487045, 2487048	~	jamshedpur@karvy.com, ksbljamshedpur@karvy.com
38	JUNAGADH	0285	2624154 / 2624140 / 2624125	~	junagadh@karvy.com

Sr. No.	City / Centre	SID Code	Phone - Office	Fax Nos.	E-mail
39	KAKINADA	0884	2387382 / 2387383	2387381	ksblkakinada@karvy.com
40	KANPUR	0512	2330127, 2331445, 3092333, 3096000	2331445	prashant@karvy.com, ksblkanpur@karvy.com
41	KARAIKUDI	04565	237192, 237193	~	karaikudi@karvy.com
42	KARUR	04324	241892, 241893, 241894	241891	karur@karvy.com
43	KOCHI	0484	2310884, 2322152	2323104	rganesan@karvy.com, ksblcochin@karvy.com
44	KOLKATA	033	24634787 to 89, 24647231, 24647232, 24644891,	24634787	alokc@karvy.com, ksblcalcutta@karvy.com
45	LUCKNOW	0522	2236820 to 26	2236826	nitinsaxena@karvy.com, adminlucknow@karvy.com
46	MADURAI	0452	2350855, 2350852 to 854	2350856	madurai@karvy.com, ksblmadurai@karvy.com
47	MANGALORE	0824	2492302, 2496332, 2492901	2496352	cshetty@karvy.com, mangalore@karvy.com
48	MATTANCHERRY	0484	2223243		bharat.desai@karvy.com, ksblmattancherry@karvy.com
49	MUMBAI	022	26730799 / 843 / 311 / 867 / 153 / 292	26730152	pbamlani@karvy.com, mumbaiandheri@karvy.com
50	MUMBAI	022	30325600, 30325624, 30325645	2285731	francisjf@karvy.com
51	MYSORE	0821	2524292, 2524294	2524293	abdulrafiq@karvy.com, mysore@karvy.com
52	NADIAD	0268	2563210 / 2563245 / 2563248	~	nadiad@karvy.com
53	NASIK	0253	6602542/43/44	301283	nasik@karvy.com
54	NEW DELHI	011	43681710 / 23324401/23353835 / 981	23324621	apsec@karvy.com, ksbldelhi@karvy.com
55	PALGHAT	0491	2547143	~	palghat@karvy.com
56	PANJIM	0832	2426870, 2426871, 2426872	2426873	ksblpanajim@karvy.com
57	PATNA	0612	2321355 / 56	~	sanjayn@karvy.com, ksblpatna@karvy.com
58	PONDICHERRY	0413	2220636, 2220640	2220659	vipul@karvy.com, ksblpondicherry@karvy.com
59	PRODDATUR	08564	250822 / 250823 / 250824	~	ksblproddatur@karvy.com
60	PUNE	020	66048790	25456842	anandjaju@karvy.com, pune@karvy.com
61	RAJAHMUNDRY	0883	3097391	2434471	gv@karvy.com; rajahmundry2@karvy.com
62	RAJKOT	0281	3291043/3291042 /2239338	~	rajkotris@karvy.com, rajkot@karvy.com
63	RANCHI	0651	2330386, 2330394, 2330320	~	ranchi@karvy.com, ksblranchi@karvy.com
64	RENUKOOT	05446	254201	~	renukoot@karvy.com
65	ROURKELA	0661	2510771, 2510772	~	nmohanty@karvy.com, rourkela@karvy.com
66	SALEM	0427	2335700 TO 704	2335705	salem@karvy.com
67	SHIMOGA	08182	228795, 228796, 227485	2226747	shimoga@karvy.com, ksblshimoga@karvy.com
68	SURAT	0261	8357356 / 8351976 / 8369928	8368693	surat@karvy.com, ksblsurat@karvy.com
69	TANJORE	04362	279407, 279408	~	tanjore@karvy.com
70	THENI	04546	261285, 261108	~	jaya@karvy.com, theni@karvy.com
71	TIRUPATI	0877	2252756	~	venkatreddy@karvy.com, ksbltirupati@karvy.com
72	TIRUPUR	0421	2205865, 5330158	~	tirupur@karvy.com
73	TRICHUR	0487	2322483, 2322484	~	josephka@karvy.com
74	TRICHY	0431	2798200, 2791000	2794132	trichy@karvy.com
75	TRIVANDRUM	0471	2725987, 2725989 to 991	2725987	csjoy@karvy.com, ksbltvm@karvy.com
76	TUMKUR	0816	2261891, 2261892, 2261893	~	somnath@karvy.com, tumkur@karvy.com
77	UDUPI	0820	2530962, 2530963, 2530964	~	ksbludupi@karvy.com, udupi@karvy.com
78	VADODARA	0265	2225325 / 2225389	2363207	shoban@karvy.com, ksblbaroda@karvy.com
79	VALLABH-VIDHYANAGAR	02692	248980, 248873	~	mukesh.patel@karvy.com, vvnagar@karvy.com
80	VARANASI	0542	2225365, 2223814	2223814	ashutosh@karvy.com, ksblvaranasi@karvy.com
81	VIJAYAWADA	0866	2495200 / 400 / 500 / 600 / 700 / 800	2495300	cchrao@karvy.com, vijayawada@karvy.com
82	VISHAKAPATNAM	0891	2752915 to 18	2752915 - 18	ysrinivas@karvy.com, ksblvizag@karvy.com
83	VISHAKAPATNAM-GAJUWAKA	0891	2511685, 2511686	~	ksblgajuwaka@karvy.com



**ATTENDANCE SLIP**

Registered Office : NKM International House, 5th Floor, 178 Backbay Reclamation,  
Behind LIC Yogakshema Building, Babubhai Chinai Road, Mumbai - 400 020.

PLEASE FILL THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL  
Joint Shareholders may obtain additional Attendance Slip at the venue of the Meeting

DP. Id*	
Client Id*	

Master Folio No.	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the **21st Annual General Meeting** of the Company held on Tuesday, 1st September, 2009 at 11.30 a.m. at 4th Floor, Walchand Hirachand Hall, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai - 400 020.

\*Applicable for investors holding shares in dematerialised form

Signature of Shareholder / Proxy

**PROXY FORM**

Registered Office : NKM International House, 5th Floor, 178 Backbay Reclamation,  
Behind LIC Yogakshema Building, Babubhai Chinai Road, Mumbai - 400 020.

DP. Id*	
Client Id*	

Master Folio No.	
------------------	--

I/We .....  
of ..... being  
a member / members of Reliance Industrial Infrastructure Limited hereby appoint .....  
of ..... or failing him .....  
of .....  
as my / our proxy to attend and vote for me / us on my / our behalf at the **21st Annual General Meeting** of the Company, to be held on Tuesday, 1st September, 2009 at 11.30 a.m. and at any adjournment thereof.

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Adoption of Accounts, Reports of the Board of Directors and Auditors		
2. Declaration of a dividend		
3. Re-appointment of Shri Mahesh K. Kamdar, Director retiring by rotation		
4. Appointment of Auditors		
5. Re-appointment of Shri Dilip V. Dherai as a Whole-time Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

\*Applicable for investors holding shares in dematerialised form

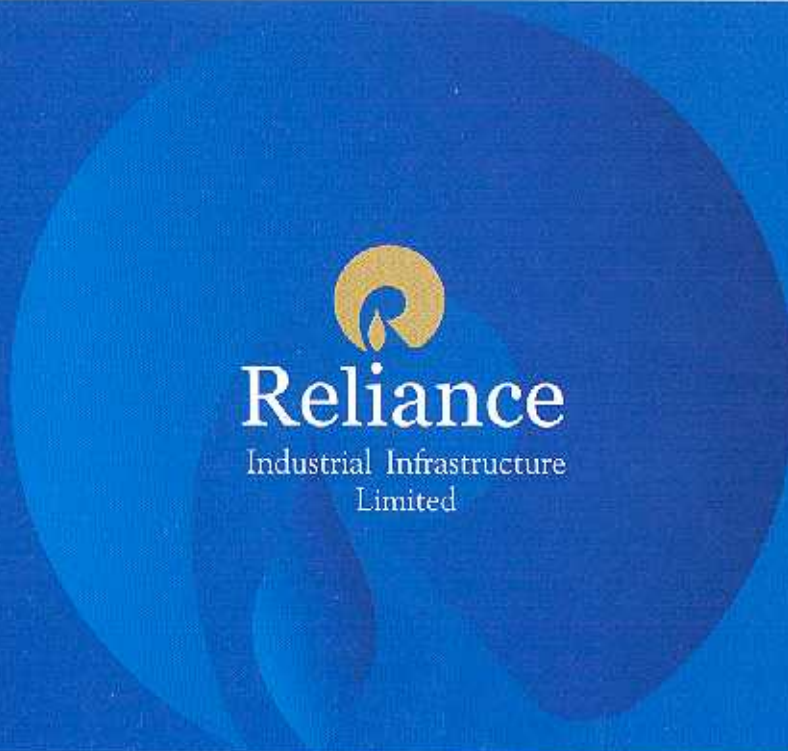
Affix  
15 paise  
Revenue  
Stamp

Please see the instructions overleaf.

Signature

- NOTE : (1) **The Proxy, to be effective, should be deposited at the Registered Office of the Company at NKM International House, 5th Floor, 178 Backbay Reclamation, Behind LIC Yogakshema Building, Babubhai Chinai Road, Mumbai - 400 020 not less than 48 hours before the commencement of the aforesaid meeting.**
- (2) **A Proxy need not be a Member of the Company.**
- \*\* (3) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate. Should you so desire, you may also appoint the Chairman or the Company Secretary of the Company as your Proxy, who shall carry out your mandate as indicated above in the event of a poll being demanded at the meeting.

BOOK-POST



If undelivered please return to : Karvy Computershare Private Limited  
Unit : Reliance Industrial Infrastructure Limited  
"Karvy House", 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034  
Tel: +91-40-2332 0666 / 0711 / 3031 / 3037 Fax: +91-40-2332 3058