

SIXTEENTH ANNUAL REPORT
2003-2004



Reliance
Industrial Infrastructure Limited

Board of Directors

Satyapal Jain	<i>Chairman</i>
Sandeep H. Junnarkar	
Bharat C. Gosalia	<i>Executive Director and President</i>
S. C. Malhotra	
Mahesh K. Kamdar	<i>Executive Director - Commercial</i>
Dilip V. Dherai	<i>Executive Director - Projects</i>

Company Secretary

N. Shanker

Registered Office

5th Floor, NKM International House,
178, Backbay Reclamation,
Babubhai Chinai Road,

Mumbai - 400 020.
Phone : 022 - 3041 1871
Fax : 022 - 3041 1074

Auditors

Chaturvedi & Shah

Solicitors & Advocates

Kanga & Company

Bankers

Syndicate Bank
HDFC Bank Limited
ICICI Bank Limited
IDBI Bank Limited

Share Transfer Agent

Karvy Computershare Private Limited

- Karvy House, 46, Avenue 4, Street No. 1,
Banjara Hills, Hyderabad - 500 034.
Phone : 040 - 2332 0666 / 0711 / 3031 / 3037
Fax : 040 - 2332 3058
Website : <http://www.karvy.com>
E-Mail : riilnkm@karvy.com
- Tulsiani Chambers,
10th Floor, Nariman Point,
Mumbai - 400 021.
Phone : 022 - 3032 5645 / 3032 5624
Fax : 022 - 3032 5633

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Sixteenth Annual General Meeting

On Saturday, 25th September 2004 at 11 a.m.
at Ashoka Hall, Arcadia,
Behind NCPA (Tata Theatre),
Nariman Point, Mumbai - 400 021.

Notice for the 16th Annual General Meeting

Notice is hereby given that the Sixteenth Annual General Meeting of the members of **Reliance Industrial Infrastructure Limited** will be held on **Saturday, 25th September, 2004 at 11.00 a.m. at Ashoka Hall, Arcadia, Behind NCPA (Tata Theatre), Nariman Point, Mumbai - 400 021**, to transact the following business :

Ordinary Business :

1. To consider and adopt the Balance Sheet as at 31st March 2004, the Profit and Loss Account of the Company for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Shri Sandeep H. Junnarkar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Chaturvedi & Shah, *Chartered Accountants*, the retiring Auditors of the Company, as Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Special Business :

5. 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 Section 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the re-appointment of and remuneration payable to Shri Dilip V. Dherai as a Whole-time Director designated as *Executive Director - Projects* of the Company for a further period of 5 (Five) years with effect from 1st July, 2004 on terms and conditions including remuneration as are set out in the Draft Agreement to be entered into between the Company and Shri Dilip V. Dherai, a copy whereof is placed before this meeting and is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said Appointment and/or remuneration and/or agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory modification(s) or re-enactment thereof for the time being in force or as may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to by Shri Dilip V. Dherai;

RESOLVED FURTHER THAT where in any financial year closing after 31st March, 2004, the Company has no profits or its profits are inadequate, the Company do 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;

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
N. Shanker
Company Secretary

Registered Office :

5th Floor, NKM International House,
178, Backbay Reclamation,
Babubhai Chinai Road,
Mumbai - 400 020

Dated : 14th August, 2004

Notes :

1. A member entitled to attend and vote at the above Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The proxy form in order to be effective should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. 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.
3. Members are requested to bring their copy of the Annual Report to the Meeting.
4. Members / Proxies should fill in the Attendance Slip for attending the Meeting.
5. 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.
6. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio numbers in the attendance slip for attending the Meeting.
7. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

8. Dividend :

- (a) The Company has already notified closure of Register of Members and Share Transfer Books of the Company from **Friday, 17th September 2004 to Friday, 24th September 2004** (both days inclusive) for determining the names of members eligible for payment of dividend on equity shares. In respect of shares held in dematerialised form, dividend will be paid on the basis of beneficial ownership as per details furnished by the Depositories for this purpose.
- (b) Dividend, as recommended by the Board, if declared at the Annual General Meeting, will be paid from 25th September, 2004 onwards.
- (c) Members are requested to note that the dividend warrants would be payable **at par** at the **designated branches** of the Bank as printed on the reverse of the dividend warrant within the initial validity period of 3 months. Members are advised to encash the dividend warrants within the initial validity period.
- (d) In order to provide protection against fraudulent encashment of the warrants, members holding shares in physical form, are requested to intimate, under the signature of the sole / first holder, to the Share Transfer Agent - Karvy Computershare Private Limited, the following information for printing of the dividend warrants :-
- Name of sole / first holder and folio number.
 - 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 or Current Account
 - Bank Account number allotted by the Bank.
- (e) Members holding shares in dematerialised form may please check and correct, if necessary, the bank account details given by them to their **Depository Participants (DPs)** as such bank details passed on to the Company by such DPs only would be printed on the dividend warrants of the concerned members. However, if any member wants to receive dividend in any other bank account, he / she should correct the bank account details with their concerned DPs. **The Company would not entertain any request directly from members for correction in the bank account details printed on the dividend warrants.**
- (f) Instructions, if any, given by a member in respect of shares held in physical form will not

be automatically applicable to shares held in dematerialised form or vice versa.

- (g) The Company has already transferred all unclaimed dividends declared upto the financial year ended 31st March 1994 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978. Members who have so far not claimed or collected their dividends upto the aforesaid financial year are requested to claim their dividend, in the prescribed form, from :-

**The Registrar of Companies, Maharashtra
CGO Complex, 2nd Floor
"A" Wing, CBD-Belapur
Navi Mumbai - 400 614
Telephone (091)(022) 2757 6802**

The prescribed form will be furnished by the Share Transfer Agent - Karvy Computershare Private Limited, on request.

- (h) Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividend for the financial year ended 31st March 1995 and thereafter, which remain unclaimed for a period of 7 years are transferable by the Company to the Investor Education and Protection Fund (IEP Fund) established by the Central Government pursuant to Section 205C of the Companies Act, 1956. Accordingly, unclaimed dividend pertaining to the financial years ended 31st March 1995 and 31st March 1996 are duly transferred to the said Fund.

Unclaimed dividend for the subsequent years will fall due for transfer to the said Fund as under :-

Dividend for financial year ended	Date of declaration of dividend	Last date for claiming unclaimed dividend	Due date for transfer to IEP Fund
31.03.1997	17.09.1997	16.09.2004	15.10.2004
31.03.1998	02.09.1998	01.09.2005	30.09.2005
31.03.1999	22.09.1999	21.09.2006	20.10.2006
31.03.2000	29.03.2000	28.03.2007	26.04.2007
31.03.2001	28.06.2001	27.06.2008	26.07.2008
31.03.2002	25.06.2002	24.06.2009	23.07.2009
31.03.2003	06.09.2003	05.09.2010	04.10.2010

- (i) Members who have not so far encashed the dividend warrant(s) (for the financial year ended on 31st March 1997 and thereafter) are requested to seek the issue of duplicate warrant(s) by writing to the Share Transfer Agent - Karvy Computershare Private Limited. **Members are requested to note that no claim shall lie against the said Fund or the Company in respect of any amount which was unclaimed and unpaid for a period of seven years from the date that it first**

became due for payment and no payment shall be made in respect of any such claim.

9. Members are requested to note that pursuant to the approval granted by the Securities and Exchange Board of India, the licence of the Share Transfer Agent of the Company has been changed from M/s. Karvy Consultants Limited to **Karvy Computershare Private Limited**. Accordingly, Karvy Computershare Private Limited, having their Registered Office at : Karvy House, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034 is the Share Transfer Agent of the Company.

10. **Electronic Clearing Service (ECS) Facility :**

With respect to payment of dividend, the Company will be providing facility of ECS to all members, holding shares in dematerialised and physical forms, residing in the following cities:

Ahmedabad, Bangalore, Bhubaneswar, Chandigarh, Chennai, Hyderabad, Jaipur, Kanpur, Kolkata, Mumbai, Nagpur, New Delhi, Patna, Pune and Thiruvananthapuram.

Members holding shares in physical form and who wish to avail ECS facility, may authorise the Company with their ECS mandate in the prescribed form which is available elsewhere in this Annual Report or which can be downloaded from the website of the Company's Share Transfer Agent - Karvy Computershare Private Limited: <http://www.karvy.com>. Requests for payment of dividend through ECS for the year 2003-2004 should be lodged with Karvy Computershare Private Limited on or before 15th September, 2004.

11. 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 certificate. Members holding shares in physical form but have not received these stickers may please write to the Share Transfer Agent - Karvy Computershare Private Limited, upon which, the stickers would be forwarded to them.
12. The Company's shares have been notified by SEBI for compulsory trading in **demat form only** for all investors with effect from **21st March 2000**. Hence members are requested to dematerialise their holdings.
13. Corporate Members are requested to send a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.
14. Consequent upon the introduction of Section 109A of the Companies Act 1956, a member is entitled to the facility of **nomination** in respect of the shares held by him in physical form by nominating a

person to whom the said shares shall vest in the event of death of the member. Members desirous of making **nominations** are requested to send their requests in Form 2B (available elsewhere in this Annual Report) to Karvy Computershare Private Limited. The said Form can also be downloaded from the website of Karvy Computershare Private Limited : <http://www.karvy.com>

15. Members are requested to **consolidate their holdings** if the shares are registered in the same name or in the same order of names but in several Folios.
16. Queries on the Annual Report and Operations of the Company, if any, may please be sent to the Company seven days prior to the date of the Meeting so that the answers may be made available at the Meeting.
17. **Re-appointment of Director :**

At the ensuing Annual General Meeting, Shri Sandeep H. Junnarkar retires by rotation, and being eligible, offers himself for re-appointment. Shri Sandeep H. Junnarkar is proposed to be re-appointed as Director of the Company. The information relating to Shri Sandeep H. Junnarkar, to be provided in terms of the Corporate Governance Code, is as under :-

Shri Sandeep H. Junnarkar, aged 53 years is a Science Graduate with a Degree in Law. He qualified as a Solicitor in the year 1977. Shri Junnarkar has had a brilliant academic career and is a Partner in the law firm M/s. Junnarkar & Associates. He is a member of the Shareholders' / Investors' Grievance Committee, Audit Committee and Remuneration Committee of the Company. He is also on the Board of Ambuja Cement India Limited, Ambuja Cement Eastern Limited, Excel Crop Care Limited, Jai Corp Limited, Sunshield Chemicals Limited, IL & FS Infrastructure Development Corporation Limited, Reliance Life Insurance Company Limited, Reliance Capital Limited, Reliance Industrial Investments & Holdings Limited, Sterlite Industries (India) Limited, Reliance Ports and Terminals Limited, Indian Petrochemicals Corporation Limited and Tilaknagar Industries Limited. He is also a Member of the Bombay Incorporated Law Society (Section 25 company) and a Public Representative Director on the Governing Board of the Inter-Connected Stock Exchange of India Limited. He is the Chairman of the Shareholders' / Investors' Grievance Committee of Sterlite Industries (India) Limited and a Member of the Audit Committee of Sterlite Industries (India) Limited, Indian Petrochemicals Corporation Limited, Ambuja Cement Eastern Limited, Reliance Capital Limited and Tilaknagar Industries Limited and a Member of the Remuneration Committee of Excel Crop Care Limited. He is also a Member of the Ethics Committee and the Committee for finalising Model

Rules & Bye-laws of the Inter-Connected Stock Exchange of India Limited.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 5

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

Shri Dilip V. Dherai, aged 48 years is a Chemical Engineer (B.Tech), 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.

The Board of Directors have now re-appointed Shri Dilip V. Dherai, as a Whole-time Director, designated as *Executive Director-Projects* of the Company for a further period of 5 (five) years from the expiry of his present term of office, that is on and with effect from 1st July 2004, subject to the approval of the shareholders at the ensuing Annual General Meeting. Shri Dilip V. Dherai, fulfils the conditions of appointment contained in Part I of Schedule XIII to the Companies Act, 1956.

The Remuneration Committee (constituted by the Board) as also the Board of Directors have duly considered and approved the terms of remuneration / reimbursement payable to Shri Dilip V. Dherai.

The Agreement proposed to be entered into by the Company with Shri Dilip V. Dherai in respect of his re-appointment and payment of remuneration, inter alia, contains the following principal terms and conditions :

Basic Salary per month : Rs. 63,450/-
Perquisites and Allowances : upto Rs. 58,310/-
per month.

He shall be entitled to perquisites and allowances like House Rent Allowance together with reimbursement of medical expenses, education allowance, leave travel concession for self and his family including dependents, medical insurance and all other payments in the nature of allowances and perquisites within the amounts specified above subject to overall ceiling of remuneration not exceeding the limit specified in Schedule XIII to the Companies Act, 1956 or any amendment made thereto. The said perquisites and allowances shall be evaluated, wherever applicable, as per the Income-Tax Act, 1961 or any rules thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force). However, Company's contribution to Provident Fund and Superannuation Fund, to the extent these singly or together are not taxable under the Income-Tax Act, 1961, as well as gratuity payable and encashment of leave at the end of tenure, as per the rules of the

Company, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

Shri Dilip V. Dherai, shall also be entitled to use of Company vehicle, telephone and corporate credit card, as per Company Rules, as also payment / reimbursement of all expenses incurred in connection with the business of the Company.

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).

In addition to the above, Shri Dilip V. Dherai shall also be eligible to an annual increment not exceeding 10% on the last drawn salary, perquisites and allowances during his tenure as Whole-time Director.

The terms and conditions set out for the re-appointment and payment of remuneration herein and / or in the Agreement may be altered and varied from time to time by the Board of Directors of the Company (which term shall be deemed to include the Remuneration Committee constituted by the Board), so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 or any amendment made thereto.

The Agreement may be terminated by either party (Company or the Whole-time Director) by giving, the other, three months prior notice of termination in writing.

The draft Agreement to be entered into between the Company and Shri Dilip V. Dherai is available for inspection 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 Annual General Meeting.

Your Directors commend the Resolution for your approval.

The above may also be treated as an abstract of the draft Agreement proposed to be entered into between the Company and Shri Dilip V. Dherai pursuant to Section 302 of the Companies Act, 1956.

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

N. Shanker
Company Secretary

Registered Office :

5th Floor, NKM International House,
178, Backbay Reclamation,
Babubhai Chinai Road,
Mumbai - 400 020

Dated : 14th August, 2004

Directors' Report

The Directors have pleasure in presenting the Sixteenth Annual Report and the Audited Accounts for the year ended on 31st March, 2004.

Financial Results :

	(Rs in Crore)	
	2003-2004	2002-2003
Gross Profit before interest and depreciation	32.64	49.02
Less : Interest	7.30	11.78
Depreciation	22.18	26.25
Less : Transfer from General Reserve	2.73	3.44
	19.45	22.81
Profit before Tax	5.89	14.43
Less : Provision for Taxation		
- Current Tax	1.30	6.34
- Deferred Tax	(12.42)	(7.40)
- Taxation for earlier year	-	0.44
	(11.12)	(0.62)
Profit after Tax	17.01	15.05
Add : Balance in Profit and Loss Account	29.98	25.38
Less : Provision for loss on impairment of Assets	19.31	-
	10.67	25.38
Amount Available for Appropriations	27.68	40.43
Appropriations :		
General Reserve	5.00	5.00
Proposed Dividend on Equity Shares	4.83	4.83
Tax on Dividend	0.64	0.62
Balance carried to Balance Sheet	17.21	29.98
	27.68	40.43

Dividend :

The Directors have recommended a dividend of Rs. 3.20 per Equity Share of Rs. 10/- each for the year ended on 31st March, 2004, which, if approved at the forthcoming Annual General Meeting, will be paid to (i) all those members whose names appear in the Register of Members as on 17th September, 2004 and (ii) to those whose names, as beneficial owners, are furnished by National Security Depository Limited and Central Depository Services (India) Limited. The total cash outflow on account of this dividend including distribution tax will be Rs 5.47 crore.

Management Discussion and Analysis

Financial Review :

Reliance Industrial Infrastructure Limited's (RIIL) gross income for the financial year ended 31st March, 2004 was lower at Rs. 59.95 crore, compared to Rs. 85.65 crore in the previous year. The reduction in income is due to realignment of business operations and lower utilisation of construction machinery.

As a result, the gross profit for the year was lower at Rs. 32.64 crore as against Rs. 49.02 crore in the previous year. Interest expenditure for the year under review decreased by 38 per cent to Rs. 7.30 crore from Rs. 11.78 crore in the previous year. Depreciation

during the year was lower at Rs. 19.45 crore, compared to Rs. 22.81 crore for corresponding period in the previous year. The Company has earned a higher net profit of Rs. 17.01 crore for the year as compared to Rs. 15.05 crore in the previous year.

Resources and Liquidity :

As on 31st March, 2004, the debt to equity ratio of the Company is healthy at 1.42 : 1.

The Company's networth as on 31st March, 2004 was Rs. 104.88 crore, with paid-up capital of Rs. 15.10 crore and accumulated reserves and surplus of Rs. 89.85 crore.

RIIL's cash profits of Rs. 25.34 crore for the year, representing 42.26 per cent of its gross revenues reflect the financial strength of the Company.

Industry Structure and Developments :

The infrastructure related project and construction industry in India is characterised by a few large sized companies involved in mega projects like roads, ports etc. and a very large number of small to medium sized companies involved in housing construction, IT Parks etc.

The infrastructure sector includes the services of transportation (railways, roads, ports and airports), telecommunications, power and other services such as water supply and sanitation, urban transport etc. The lack of adequate infrastructure has been a key constraint in the growth performance of the economy. Government has reiterated its thrust to infrastructure projects, principally roads, seaports and airports. This will continue to provide excellent growth momentum to the overall infrastructure development activities in the country.

Opportunities :

Infrastructure investment can potentially have a strong impact on GDP growth through its impact on demand side of the economy. The economy is poised to register a GDP growth rate of about 6% - 7% during this year. The increased thrust to the infrastructure sector by the Government will continue to provide significant investment opportunities in the future.

Challenges :

The Company faces normal business challenges of market competition in its business. The Company adopts suitable business strategies to counter these challenges enabling the Company to maintain satisfactory performance.

Outlook :

The Company intends to maintain its focus in the infrastructure sector while addressing new opportunities which would enable enhancement of shareholder value.

Risks and Concerns :

As a part of overall risk management strategy, RIIL consistently insures its assets and operations against wide range of risks. The Company continues to follow

a suitable strategy to modify its risk profile by eliminating and significantly reducing key business risks.

Adequacy of Internal Control :

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

- Efficient use and safeguarding of resources
- Compliance with policies and procedures
- Transactions being accurately recorded and promptly reported

The Audit Committee of the Board of Directors reviews the adequacy of internal controls.

Human Resource Development (HRD) :

RIL 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 169 persons and provides personal development opportunities and all round exposure to them.

Voluntary Delisting from Pune Stock Exchange :

Pursuant to the approval granted by the shareholders, at the last Annual General Meeting, the Company has voluntarily delisted its equity shares from the Pune Stock Exchange.

The Company's equity shares, however, continue to be listed on the Stock Exchange, Mumbai (BSE) and the National Stock Exchange of India (NSE), which have nation-wide trading terminals.

Fixed Deposits :

The Company has not accepted any fixed deposit from the Public during the year.

Directors :

The present term of Office of Shri Dilip V. Dherai expired on 30th June 2004. The Board of Directors have re-appointed Shri Dilip V. Dherai as a Whole-time Director of the Company designated as Executive Director-Projects for a further period of 5 (Five) years with effect from 1st July 2004.

Shri Sandeep Junnarkar retires by rotation and being eligible, offers himself for re-appointment.

The Board recommends their re-appointment.

Directors' Responsibility Statement :

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Board of Directors of your Company confirm :

- that in the preparation of the accounts for the financial year ended 31st March 2004, the applicable accounting standards have been followed alongwith proper explanation relating to material departures ;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and

prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2004 and of the profit of the Company for the year ended on that date ;

- that 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 ;
- that the Directors have prepared the accounts for the financial year ended 31st March 2004 on a going concern basis.

Auditors :

M/s Chaturvedi & Shah, *Chartered Accountants*, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. The Company has received requisite letter under Section 224(1B) of the Companies Act, 1956 from the Auditors regarding their eligibility for re-appointment as Auditors of the Company.

Personnel :

There was no employee in respect of whom information is required to be given pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

Corporate Governance :

As a Listed Company, necessary measures are taken to comply with the conditions stipulated in the Listing Agreements with the Stock Exchanges. A report on Corporate Governance, alongwith a certificate of compliance from the Auditors, forms part of this Report.

Other Information :

Particulars required to be furnished pursuant to 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 :

- Part A and B of the Rules, pertaining to conservation of energy and technology absorption, are not applicable to the Company.

- Foreign Exchange earnings and outgo :

Earnings - Nil

Outgo - Rs. 3.23 lac

Acknowledgement :

The Directors acknowledge, with gratitude, the co-operation and assistance received from the Government, Banks, other Business constituents, Members and Employees during the year under review.

For and on behalf of the Board

Satyapal Jain
Chairman

Mumbai,
Dated : 14th August, 2004

Annexure to the Directors' Report
Certificate on Compliance with Corporate Governance

To the Members of

Reliance Industrial Infrastructure Limited

We have examined the compliance of conditions of Corporate Governance by Reliance Industrial Infrastructure Limited, for the year ended on 31st March, 2004, 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.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Shareholders/ Investors Grievance Committee.

We further 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

H. P. Chaturvedi
Partner

Membership No. 33523

Mumbai

Dated : 14th August, 2004

Report on Corporate Governance

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges on Corporate Governance, the Company submits, hereunder, a report on the matters mentioned in the said Clause and the practice followed by the Company :

1. Company's Philosophy on Corporate Governance :

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all interactions with its stakeholders, government, lenders and employees.

2. Board of Directors of the Company :

The Board of Directors is comprised of :
Three Whole-time Directors and
Three Independent Non-Executive Directors including the Chairman.

Number of Board of Directors' Meetings held and the dates on which held :

The Company holds minimum of four Board Meetings in each year after the end of each financial quarter. Besides, additional Board Meetings may be convened at any time to address the specific needs of the Company. The Board may also approve permitted urgent matters by passing resolutions by circulation.

The Meetings of the Board of Directors are held at periodical intervals. The meeting dates are decided by giving appropriate notice for the same. The agenda papers are circulated in advance to the Directors. Adequate material information is circulated as part of the Board papers and is also made available at the Board Meeting to enable the Board to take meaningful, informed and focused decisions.

In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

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. The minutes of proceedings of the meeting are entered in the Minutes Book within 30 days from the conclusion of the Meeting.

Five Board Meetings were held during the year (as against the minimum requirement of four meetings). The meetings were held on 21st April 2003, 26th July 2003, 6th September 2003, 18th October 2003 and 24th January 2004. The maximum time gap between any two consecutive meetings was not more than three calendar months.

The following table gives details of Directors, attendance of Directors at the Board Meetings and at the last Annual General Meeting, number of directorships and memberships held by Directors in the Board/ Committees of various companies :-

Name of the Director and Category (†)	Attendance Particulars		Number of other Directorships (including directorships in private companies) and Committee Memberships/ Chairmanships		
	Board Meeting	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Satyapal Jain - C&NED	4	Present	11	1	-
Sandeep H. Junnarkar - NED	4	Present	13	6	1
Bharat C. Gosalia - WTD	5	Present	-	-	-
S. C. Malhotra - NED	5	Present	1	-	-
Mahesh K. Kamdar - WTD	5	Present	3	-	-
Dilip V. Dherai - WTD	5	Present	-	-	-

† Category :- C : Chairman ;
NED : Independent Non-Executive Director ;
WTD : Whole-time Director

Report on Corporate Governance (continued)

None of the Directors is a member in more than ten committees and acts as a chairman in more than five committees across all companies in which he is a director.

3. Audit Committee :

The Audit Committee constituted by the Board of Directors consists of 3 (three) Independent Non-Executive Directors. The constitution of the Audit Committee meets with the requirements of Section 292A of the Companies Act, 1956.

During the financial year 2003-2004 the Audit Committee met four times. The Meetings were held on 21st April 2003, 26th July 2003, 18th October 2003 and 24th January, 2004. The present composition and attendance of the members of the Committee is as follows :

Members	Number of Meetings attended
Satyapal Jain - Chairman	3
Sandeep H. Junnarkar	3
S. C. Malhotra	4

The terms of reference specified by the Board to the Audit Committee are as contained under Clause 49 of the Listing Agreement. They are as follows :

- a. Overseeing of the Company's financial reporting process and disclosure of its financial information.
- b. Recommending the appointment or removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on -
 - i. any changes in accounting policies and practices;
 - ii. major accounting entries based on exercise of judgement by management;
 - iii. qualifications in draft audit report;
 - iv. significant adjustments arising out of audit;
 - v. the going concern assumption;
 - vi. compliance with accounting standards;
 - vii. compliance with stock exchange and legal requirements concerning financial statements and
 - viii. any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.
- d. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.

- e. Reviewing the adequacy of internal audit functions.
- f. Discussion with internal auditors of any significant findings and follow up thereon.
- g. Reviewing the findings of any internal investigation 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.
- h. Discussion with external auditors before the audit commences, nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- i. Reviewing the Company's various financial and risk management policies.
- j. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debentureholders, shareholders (in case of non-payment of declared dividends) and creditors.

4. Remuneration Committee :

The Remuneration Committee constituted by the Board of Directors consists of 3 (three) Independent Non-Executive Directors, viz., Shri Satyapal Jain as Chairman; Shri Sandeep H. Junnarkar and Shri S. C. Malhotra as the other members of the said Committee. The Remuneration Committee has been constituted to determine/ review the remuneration package of the Whole-time Directors.

During the financial year 2003-2004 the Remuneration Committee met once. The Meeting was held on 10th May, 2003.

The remuneration policy 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 Directors are paid remuneration as per the Agreements entered into between them and the Company and are duly approved by the Remuneration Committee of Directors, the Board of Directors and the shareholders in General Meeting.

The aggregate value of salary, allowances and perquisites paid for the year ended on 31st March, 2004 to Shri Bharat C. Gosalia (re-appointed as a Whole-time Director designated as *Executive Director and President* with effect from 1st July, 2002) is Rs. 14.86 lac.

The aggregate value of salary, allowances and perquisites paid for the year ended on 31st March, 2004 to Shri Dilip V. Dherai (re-appointed as a Whole-time Director designated as *Executive Director - Projects* with effect from 1st July, 1999) is Rs. 11.74 lac.

Besides salary, allowances and perquisites, the aforesaid Whole-time Directors are also entitled to company's contribution to provident fund,

Report on Corporate Governance (continued)

gratuity and encashment of leave as per the rules of the Company.

No remuneration is paid to Shri Mahesh K. Kamdar (re-appointed as a Whole-time Director designated as *Executive Director - Commercial* with effect from 1st July, 2003) as per his terms of appointment/ agreement. However Shri Mahesh K. Kamdar is paid Sitting Fees as applicable for attending the Meeting of the Board of Directors and any Committee thereof, as per his terms of appointment/ agreement.

The Company pays sitting fees to all Directors other than paid Whole-time Directors, at the rate of Rs. 10,000/- (revised from Rs. 5,000/- with effect from 18th October, 2003) for attending each meeting of the Board and/ or Committee thereof. Sitting fees paid for the year ended 31st March, 2004, are as follows:-

Shri Satyapal Jain - Rs. 85,000/-, Shri Sandeep H. Junnarkar - Rs. 60,000/-, Shri S. C. Malhotra - Rs. 80,000/-, Shri Mahesh K Kamdar - Rs. 30,000/- .

5. Shareholders'/ Investors' Grievance Committee :

- The Committee comprised of Shri Satyapal Jain - *Chairman*, Shri Bharat C. Gosalia - *Executive Director and President* and Shri S C Malhotra - *Director*. This Committee was re-constituted on 6th September, 2003 to comprise of Shri Satyapal Jain - *Chairman*, Shri Bharat C. Gosalia - *Executive Director and President* and Shri Sandeep H. Junnarkar - *Director*. The Committee, inter alia, approves issue of duplicate share certificates and reviews all matters connected with transfer of securities. The Committee also looks into redressing of shareholders'/ investors' complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of dividend etc. and also notes transfers/ transmissions of securities issued by the Company. The Committee reviews the performance of the Share Transfer Agent and recommends measures for overall improvement in the quality of investor services.
- The Board has authorised Shri Bharat C. Gosalia - *Executive Director and President* and Shri N. Shanker - *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 securities, replacement of certificates etc.
- Shri N. Shanker - *Company Secretary* has been designated by the Board as the Compliance Officer in terms of the Listing Agreement.

- During the year under review, 198 complaints and 1338 requests were received from investors which were duly replied to/ resolved. Outstanding requests as on 31st March, 2004 were 4. The same were subsequently replied to/ resolved on 2nd April, 2004.
- There were no requests for transfer or demat pending for approval as on 31st March, 2004.
- The Company has also adopted a Code of internal procedure and conduct for prevention of insider trading in the shares of the Company, pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended. The Board has designated Shri N. Shanker - *Company Secretary* as the Compliance Officer for this purpose and has authorised this Committee to monitor the compliances as required under the aforesaid Regulations.

6. General Body Meetings :

The last three Annual General Meetings of the Company were held as under :

For the Year	Venue of the Meeting	Day and Date	Time	Number of special resolutions passed
2000-01	Ashoka Hall, Arcadia, Behind NCPA (Tata Theatre), Nariman Point, Mumbai - 400 021	Thursday 28.06.2001	11.00 am	1
2001-02	Same as above	Tuesday 25.06.2002	11.00 am	1
2002-03	Same as above	Saturday 06.09.2003	11.00 am	1

During the year ended 31st March 2004, no resolution was passed by the Company's shareholders requiring voting by postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed requiring voting by postal ballot.

7. Disclosures :

- 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 subsidiaries or relatives 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.
- Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**
During the last three years, there were no strictures or penalties imposed by either the

Report on Corporate Governance (continued)

Securities and Exchange Board of India or the Stock Exchanges or any statutory authority for non compliance of any matter related to the capital markets.

8. Means of Communication :

- The Quarterly/ Half Yearly/ Yearly Results of the Company are published in Free Press Journal (English) - Mumbai and Indore Editions and in Navshakti (Vernacular) - Mumbai Edition.
- Report for the half year ended on 30th September, 2003 was sent to the household of each member.

8. (continued)

- The Company uploads its financial results, shareholding pattern and other information on the EDIFAR Website maintained by National Informatics Centre (NIC), which can be accessed through the Website of the Securities and Exchange Board of India (SEBI) : <http://www.sebi.gov.in>
- Management Discussion and Analysis** forms part of the Annual Report which is posted to the members of the Company.

9. General Shareholder Information :

a. Annual General Meeting (Day, Date, Time and Venue)	Saturday, 25th September, 2004 at 11.00 a.m. Ashoka Hall, Arcadia, Behind NCPA (Tata Theatre), Nariman Point, Mumbai - 400 021			
b. Financial Calendar (2004-2005) (indicative)	17th Annual General Meeting	June, 2005		
	Board Meetings :			
	Results for Quarter ending 30th June, 2004	Held on 24th July, 2004		
	Results for Quarter/ Half Year ending 30th September, 2004	Last week of October, 2004		
	Results for Quarter ending 31st December, 2004	Last week of January, 2005		
	Results for Year ending 31st March, 2005	Last week of April, 2005		
c. Book Closure Date for Dividend	17th September, 2004 to 24th September, 2004			
d. Dividend Payment Date	25th September, 2004, onwards			
e. Listing of Equity Shares at	1) The Stock Exchange - Mumbai 2) The National Stock Exchange of India Limited - Mumbai			
f. Annual Listing Fees	Paid to the above Stock Exchanges for the financial year 2004-2005			
g. Stock Code :				
(i) Trading Symbol at	The Stock Exchange - Mumbai	523445		
	National Stock Exchange of India Limited	RIILEQ		
(ii) Demat ISIN Numbers in NSDL and CDSL	Equity Shares	INE046A01015		
h. Share Price Data :				
Month	Stock Exchange - Mumbai (BSE)		National Stock Exchange (NSE)	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April - 2003	39.20	35.15	41.00	34.70
May - 2003	40.00	34.60	39.90	34.50
June - 2003	58.50	34.00	58.80	34.85
July - 2003	54.50	43.00	54.60	43.05
August - 2003	60.00	44.35	62.90	44.30
September - 2003	59.80	48.00	60.00	48.00
October - 2003	53.90	47.50	53.10	47.40
November - 2003	75.00	47.15	76.00	47.45
December - 2003	87.20	67.00	87.80	66.50
January - 2004	82.00	60.00	82.00	60.05
February - 2004	65.45	56.45	68.00	56.60
March - 2004	61.45	48.75	60.25	48.35

Report on Corporate Governance (continued)

i. Share price performance in comparison to broad based indices - BSE Sensex and NSE Nifty

1. RIIL's share price performance in comparison to Sensex based on share price on 31st March, 2004

Period	% Change in		
	RIIL's share price	Sensex	RIIL in comparison to Sensex
Financial Year 2003-04	62	83	-21
3 years	63	55	8
5 years	80	49	31

2. RIIL's share price performance in comparison to Nifty based on share price on 31st March, 2004

Period	% Change in		
	RIIL's share price	Nifty	RIIL in comparison to Nifty
Financial Year 2003-04	61	81	-20
3 years	61	54	7
5 years	80	64	16

j. Share Transfer Agent :

Karvy Computershare Private Limited
Karvy House, 46, Avenue 4, Street No. 1
Banjara Hills, Hyderabad - 500 034
Website : <http://www.karvy.com>
E-Mail : riilnkm@karvy.com

k. Share Transfer System :

Presently, the share certificates which are received for transfer in physical form are processed and are returned within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Company had, as per SEBI guidelines with effect from 24th March, 2000, offered the facility of transfer-cum-demat. Under the said system, after the share transfer is effected, an option letter is sent to the transferee indicating the details of the transferred shares and requesting him, in case he wishes to demat the shares, to approach a Depository Participant (DP) with the option letter. The DP, based on the option letter, generates a demat request and sends the same to the Company alongwith the option letter issued by the Company. On receipt of the same, the Company dematerialises the shares. In case the transferee does not wish to dematerialise the shares, he need not exercise the option and the Company would in that event despatch the share certificates after 30 days from the date of such option letter.

However, in terms of SEBI Circular SEBI/MRD/Cir-10/2004 dated February 10, 2004, the Company has discontinued, with effect from 16th February, 2004, the aforesaid practice of sending option letter for dematerialisation subsequent to transfer.

l. Secretarial Audit

Pursuant to Listing requirements, the Company has established a system of Secretarial Audit which is carried out by a firm of Chartered Accountants to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms, on a quarterly basis, that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

m. Distribution of Shareholding as on 31st March, 2004 :

Category of Shareholders	% of total Shares held
Indian Financial Institutions/ Banks/ Mutual Funds.	0.02
International Investors (FIIs/ NRIs)	0.25
Bodies Corporate	67.07
Others	32.66
Total	100.00

Report on Corporate Governance (continued)

n. Categorywise Summary of Holders/ Holdings as on 31st March, 2004 :

Sr. No.	Category (Shares)	Electronic			Physical			Total		
		No. of holders	No. of shares	% to total shares	No. of holders	No. of shares	% to total shares	No. of holders	No. of shares	% to total shares
1	01 - 100	6439	598580	3.96	9848	984334	6.52	16287	1582914	10.48
2	101 - 500	3182	916458	6.07	1165	319400	2.12	4347	1235858	8.19
3	501 - 1000	591	488431	3.24	74	56700	0.37	665	545131	3.61
4	1001 - 5000	408	882748	5.85	38	63500	0.42	446	946248	6.27
5	5001 - 10000	45	335980	2.22	3	22200	0.15	48	358080	2.37
6	10001 - 50000	29	608397	4.03	0	0	0.00	29	608397	4.03
7	50001 - 100000	1	56279	0.37	0	0	0.00	1	56279	0.37
8	100001 & Above	8	9767093	64.68	0	0	0.00	8	9767093	64.68
Total		10703	13653866	90.42	11128	1446134	9.58	21831	15100000	100.00

o. Dematerialisation of Shares :

1,36,53,866 shares representing 90.42% of the total shares issued by the Company have been dematerialised upto 31st March, 2004. Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f. 21st March, 2000 as per notification issued by the Securities and Exchange Board of India (SEBI).

Liquidity :

The higher trading activity is witnessed on NSE. Relevant data for the average daily turnover for the financial year 2003-04 is given below :

	Stock Exchange Mumbai (BSE)	National Stock Exchange (NSE)	BSE + NSE
In no. of shares (in thousand)	13.34	28.11	41.45
In value terms (Rs. in lac)	8.11	17.24	25.35

- p. Address for Investor Correspondence :** **Karvy Computershare Private Limited**
(i.e. for transfer/ dematerialisation of shares, payment of dividend on shares and any other query relating to the shares of the Company)
Unit - Reliance Industrial Infrastructure Limited
21, Avenue 4, Street No.1
Banjara Hills
Hyderabad - 500 034.
Website : <http://www.karvy.com>
E-Mail : riiinkm@karvy.com

Note:

- Shareholders holding shares in demat form should address all correspondence regarding transfers, dematerialisation and change of address to their respective depository participants.
- The Share Transfer Agent of the Company is supported by a countrywide network of Investor Service Centres. Particulars and contact details of such Centers are given in page no. 15 of this Annual Report.

- q. Any query on Annual Report should be addressed to :** Company Secretary
Reliance Industrial Infrastructure Limited
5th Floor, NKM International House,
178, Backbay Reclamation,
Babubhai Chinai Road, Mumbai - 400 020.
For Communication →
Phone : 3041 1871 • Fax : 3041 1074

- r. Transfer of unclaimed amount to Investor Education and Protection Fund :** Members are advised to claim the unencashed dividend, for the year 1996-97 and onwards, lying in the unpaid dividend accounts of the Company before the due date (as indicated in note no. 8 (h) of the notice for the Annual General Meeting) for crediting the said unclaimed dividend to the Investor Education and Protection Fund.
During the year under review, the Company has credited a sum of Rs. 3,83,403/- to the Investor Education and Protection Fund pursuant to Section 205C of the Companies Act, 1956 and the Investor Education and Protection Fund (Awareness and Protection of Investor) Rules, 2001.

List of Investor Service Centres of Karvy Computershare Private Limited

Sr. No.	Name of the City / Town	STD Code	Telephone Nos.	Fax Nos.	Sr. No.	Name of the City / Town	STD Code	Telephone Nos.	Fax Nos.
Andhra Pradesh :					Madhya Pradesh :				
1	Anantapur	08554	249601/07/08		45	Bhopal	0755	2559332/37/2574731/ 569/589/2729762	
2	Bhimavaram	08816	231766 to 69		46	Indore	0731	2431250/42/54/ 2269891 to 93	2269894
3	Chilakaluripet	08547	257501	257502	Maharashtra :				
4	Eluru	08812	227851/52/54		47	Aurangabad	0240	2363517/23/24/30	
5	Guntur	0863	2326684/86	2326687	48	Mumbai	022	30325645/24	30325633
6	Hyderabad	040	23320666/ 23323037	23323058	- Nariman Point				
7	Kakinada	0894	2387382/83	2387381	49	Mumbai	022	26730799/843/311/ 867/153/292	26730152
8	Nellore	0861	2349935 to 37	2349939	50	Nashik	0253	2577811/ 5602542 to 44	
9	Proddatur	08564	250822 to 24		51	Pune	020	4048790 to 92	25456842
10	Rajahmundry	0883	2434468/69	2434471	52	New Delhi	011	23324401/ 23353835/981	23324621
11	Tirupati	0877	2252756		Orissa :				
12	Vijayawada	0866	2495200/400/500/ 600/700/ 800	2495300	53	Bhubaneswar	0674	2539287/387/ 2532103/2532804	
13	Vishakapatnam	0891	2752915 to 18	2752915 to 18	54	Cuttack	0671	2335187/88	
14	Vishakapatnam - Gajuwaka	0891	2511685/86		55	Rourkela	0661	2510771/72	
Bihar :					56	Pondicherry	0413	2220636/40/ 2220633/44	2220658
15	Jamshodpur	0657	2487020/45/48		Punjab :				
16	Patna	0612	2321354 to 57		57	Chandigarh	0172	5071726 to 28/5079702	
Goa :					Rajasthan :				
17	Panjim	0832	2426870 to 74		58	Jaipur	0141	2375099/2363321 /2375039	2364660
Gujarat :					Tamil Nadu :				
18	Ahmedabad	079	26420422/ 26400527/28	26565551	59	Chennai	044	28153445/ 28153658/28153181	28153181
19	Ankleswar	02646	243291/92/ 243392/243955		60	Coimbatore	0422	2237501 to 07	
20	Bharuch	02642	242082/242394/ 241546		61	Dindigul	0451	2436077/177	
21	Bhavnagar	0278	2525005/06/08/09		62	Erode	0424	2225601/03/15/16/17/24	
22	Jamnagar	0298	2557862 to 65	2553106	63	Gobichettipalayam	04285	2226275/76	
23	Junagadh	0285	2624154/40/25		64	Karaikudi	04565	437192/93	
24	Nadiad	0268	2563210/2563245/48		65	Karur	04324	241892 to 94	241891
25	Rajkot	0281	2239403/04/2239338/ 2294316		66	Madurai	0452	2350852 to 55	2350856
26	Surat	0261	2357356/2351976/ 2369928	2368693	67	Salem	0427	2335700 to 05	2335705
27	Vadodara	0265	2225325/2225389	2363207	68	Thanjavur	04362	279407/08	
28	Vallabh-Vidhyanagar	02692	239407/239420/50		69	Theni	04546	261285/261108	
Jharkand :					70	Tirupur	0421	2205865/5330158	
29	Ranchi	0651	2330386/2330394/ 2330320		71	Trichy	0431	2791322/2798200 2793799/800/2791000	2794132
Karnataka :					Uttar Pradesh :				
30	Bangalore	080	26621184/92	6621169	72	Agra	0562	2526660 to 63	2526663
31	Belgaum	0831	2402544/722/880	2402933	73	Aligarh	0571	2509106 to 08	2429272
32	Bellary	0839	254531 to 35		74	Allahabad	0532	2561073/04	2561073
33	Hubli	0836	2353961 to 63/2353973		75	Bareilly	0581	2476797/2476809	2476797
34	Mangalore	0824	2492302/2496332/52		76	Ghaziabad	0120	2701886/2701891/ 2700594	
35	Mysore	0821	2524292/93/2441520/ 24/2438003 to 06	2524294	77	Gorakhpur	0551	2333825/2333814	2346519
36	Shimoga	08182	2228795 to 97 / 2227485/2226747	2226747	78	Kanpur	0512	2330127/2331445/ 3092333	2558334
37	Tumkur	0816	2261891 to 94		79	Lucknow	0522	2236820 to 26	2236826
38	Udupi	0825	2530962 to 65		80	Renukoot	05446	253179	253179
Kerala :					81	Varanasi	0542	2225365/2223814	2223814
39	Calicut	0495	2760882/84		Uttaranchal :				
40	Kochi	0484	2310884/2322152	2323104	82	Dehradun	0135	2713351/2714046/47	2714047
41	Mattancherry	0484	2223243		West Bengal :				
42	Palghat	0491	2547143		83	Durgapur	0343	2586375 to 77	
43	Trichur	0487	2322483/84		84	Haldia	03224	312381/276755 to 57	
44	Trivandrum	0471	2725987/ 2725989 to 91	2725987	85	Kolkata	033	24644891/7231/ 24634788/89/5432/ 24652175 to 78	24634787/ 24644866

Auditors Report

The Members of Reliance Industrial Infrastructure Limited

1. We have audited the attached Balance Sheet of Reliance Industrial Infrastructure Limited as at 31st March, 2004, 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. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 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 comply 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, 2004 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2004 from being appointed as directors 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, 2004,
- (b) in the case of the Profit and Loss Account, of the Profit of the Company 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

H. P. Chaturvedi

Partner

Mumbai,

Dated : 14th August, 2004

Membership No. : 33523

Annexure to the 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.
 - b. 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 verification.
 - c. In our opinion, the Company has not disposed off substantial part of 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 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. There were no material discrepancies noticed on verification of physical inventory as compared to the book records.
3. a. The Company had granted loan to a company covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.580,000 thousand and the year end balance of loan granted was Rs. 20,000 thousand. The Company has not taken any loan, secured or unsecured from companies, firms or other

Annexure to the Auditors' Report (continued)

- parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- b. In our opinion the rate of interest and other terms and conditions on which loan has been granted to a company listed in the register maintained under Section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- c. The party has repaid the principal amounts as stipulated and has been regular in the payment of interest.
- d. There is no overdue amount of loan granted to a company listed in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures 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. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956 :
- a. 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.
- b. In our opinion and according to the information and explanations given to us, there are no transactions in pursuance of contracts or arrangements that needed to be entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rupees Five lakhs in respect of any party.
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 Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and 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, Sales Tax, Custom Duty, Excise Duty and Cess were in arrears, as at 31st March, 2004 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 Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty and Cess, which have not been deposited on account of any dispute.
10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company had no dues payable to a Financial Institution, Bank or Debenture holders during the year.
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, clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, 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 guarantees for loans taken by others from Banks or Financial Institutions during the year.
16. The Company has not raised any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of Balance Sheet of the Company, we are of the opinion that no funds raised on short term basis have been used for long term investment and no long term funds have been used to finance short term assets.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not raised any money by way of issue of debentures during the year.
20. The Company has not raised any money by way of issue of public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For Chaturvedi & Shah
Chartered Accountants

H. P. Chaturvedi

Partner

Mumbai,
Dated : 14th August, 2004

Membership No. : 33523

Balance Sheet as at 31st March, 2004

	Schedule No.	As at 31st March, 2004 Rs.	(Rs. in Thousand) As at 31st March, 2003 Rs.
Sources of Funds			
Shareholders' Funds :			
Share Capital	1	151,000	151,000
Reserves and Surplus	2	<u>898,499</u>	<u>1,003,444</u>
		1,049,499	1,154,444
Loan Funds :			
Unsecured Loans	3	1,194,750	1,424,125
Deferred Tax		262,944	387,096
Total		<u>2,507,193</u>	<u>2,965,665</u>
Application of Funds			
Fixed Assets :			
Gross Block	4	3,971,300	3,970,215
Less : Depreciation / Impairment		3,189,620	2,932,536
Lease Adjustment		<u>(101,697)</u>	<u>(67,356)</u>
Net Block		883,377	1,105,035
Capital Work-in-Progress		-	153,759
		883,377	1,258,794
Investments	5	1,343,678	1,389,723
Current Assets, Loans and Advances :			
Current Assets			
Interest / Premium Accrued on Investments		216,374	162,508
Inventories	6	26,777	26,193
Sundry Debtors	7	64,472	127,815
Cash and Bank Balances	8	<u>15,605</u>	<u>9,403</u>
		323,228	325,919
Loans and Advances	9	<u>156,482</u>	<u>220,979</u>
		479,710	546,898
Less : Current Liabilities and Provisions :	10		
Current Liabilities		139,472	177,824
Provisions		<u>60,772</u>	<u>58,921</u>
		200,244	236,745
Net Current Assets		279,466	310,153
Miscellaneous Expenditure	11	672	6,995
(To the extent not written off or adjusted)			
Total		<u>2,507,193</u>	<u>2,965,665</u>
Significant Accounting Policies	16		
Notes on Accounts	17		

As per our Report of even date

For Chaturvedi & Shah
Chartered Accountants

H.P. Chaturvedi
Partner

For and on behalf of the Board

Satyapal Jain

Chairman

Sandeep H. Junnarkar }
S.C. Malhotra }

Directors

Bharat C. Gosalia
Mahesh K. Kamdar
Dilip V. Dherai

Executive Director and President
Executive Director - Commercial
Executive Director - Projects

Mumbai,
Dated : 14th August, 2004

N. Shanker

Company Secretary

Profit and Loss Account for the year ended 31st March, 2004

	Schedule No.	2003-2004		(Rs. in Thousand) 2002-2003	
		Rs.	Rs.	Rs.	Rs.
Income					
Income from Operations	12	438,119		746,399	
Other Income	13	161,397		110,063	
			599,516		856,462
Expenditure					
Establishment and Other Expenses	14		273,121		366,198
Interest	15		73,040		117,824
Depreciation		221,735		262,533	
Less : Transferred from General Reserve (Refer Note 4 of Schedule 17)		27,318		34,431	
			194,417		228,102
Profit before Tax			58,938		144,338
Provision for Taxation :					
- Current		13,031		63,436	
- Deferred		(124,152)		(74,049)	
- Taxation for earlier year		-		4,438	
			(111,121)		(6,175)
Profit after Tax			170,059		150,513
Balance brought forward from last year		299,746		253,744	
Less : Provision for Loss on Impairment of Assets		193,051		-	
			106,695		253,744
Amount Available For Appropriations			276,754		404,257
Appropriations					
General Reserve		50,000		50,000	
Proposed Dividend on Equity Shares		48,320		48,320	
Tax on Dividend		6,315		6,191	
			104,635		104,511
Balance carried to Balance Sheet			172,119		299,746
Basic and Diluted Earnings per share of Rs. 10/- each (in Rs.) (Refer Note 9 of Schedule 17)			11.26		9.97
Significant Accounting Policies	16				
Notes on Accounts	17				

As per our Report of even date

For Chaturvedi & Shah
Chartered Accountants

H.P. Chaturvedi
Partner

Mumbai,
Dated : 14th August, 2004

For and on behalf of the Board

Satyapal Jain

Chairman

Sandeep H. Junnarkar }
S.C. Malhotra

Directors

Bharat C. Gosalia
Mahesh K. Kamdar
Dilip V. Dherai

Executive Director and President
Executive Director - Commercial
Executive Director - Projects

N. Shanker

Company Secretary

Schedules forming part of the Balance Sheet

	As at 31st March, 2004		(Rs. in Thousand) As at 31st March, 2003	
	Rs.	Rs.	Rs.	Rs.
Schedule 1 : Share Capital				
Authorised :				
200,000,000 Equity Shares of Rs.10/- each (200,000,000)		<u>2,000,000</u>		<u>2,000,000</u>
Issued, Subscribed and Paid up :				
15,100,000 Equity Shares of Rs.10/- each fully paid up (15,100,000)		<u>151,000</u>		<u>151,000</u>
Schedule 2 : Reserves and Surplus				
Capital Reserve				
As per last Balance Sheet		295,296		295,296
Share Premium Account				
As per last Balance Sheet		96,000		96,000
Revaluation Reserve				
As per last Balance Sheet		210,057		210,057
General Reserve				
As per last Balance Sheet	102,345		86,776	
Add : Transferred from Profit and Loss Account	50,000		50,000	
	<u>152,345</u>		<u>136,776</u>	
Less : Transferred to Profit and Loss Account (Refer Note 4 of Schedule 17)	27,318 †		34,431	
		<u>125,027</u>		<u>102,345</u>
Profit and Loss Account		172,119		299,746
Total		<u>898,499</u>		<u>1,003,444</u>

† Cumulative amount (net) transferred on account of Depreciation on revaluation is Rs. 105,145 thousand (Previous Year Rs. 77,827 thousand).

Schedule 3 : Unsecured Loans

Other Loans and Advances			
- From Other than Banks		1,194,750	1,424,125
Total		<u>1,194,750</u>	<u>1,424,125</u>

Note : Other Loans and Advances include Rs.229,375 thousand (Previous Year Rs. 229,375 thousand) repayable within one year.

Schedules forming part of the Balance Sheet

Schedule 4 : Fixed Assets

(Rs. in Thousand)

Description	Lease										
	Gross Block				Depreciation / Impairment				Adjustment	Net Block	
	As at	Additions /	Deductions	As at	Upto	For the	Deductions	Upto	Upto -	As at	As at
	01.04.2003	Adjustments		31.03.2004	01.04.2003	year		31.03.2004	31.03.2004	31.03.2004	31.03.2003
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Freehold Land	6,628	-	2,366	4,262	-	-	-	-	-	4,262	6,628
Leasehold Land	3,473	-	-	3,473	1,104	207	-	1,311	-	2,162	2,369
Buildings	23,227	-	-	23,227	7,554	758	-	8,312	-	14,915	15,673
Plant and Machinery	1,638,436	5,334	-	1,643,770	1,293,065	63,424	-	1,356,489	-	287,281	345,371
Construction Machinery	1,399,490	-	-	1,399,490	1,076,005	90,209	†	1,166,214	-	233,276	323,485
Furniture and Fixtures	5,221	-	-	5,221	2,659	287	-	2,946	-	2,275	2,562
Office Equipment	9,892	399	4,105	6,186	5,807	557	3,192	3,172	-	3,014	4,085
Vehicles	6,103	3,429	1,606	7,926	1,640	628	752	1,516	-	6,410	4,463
Sub-Total	3,092,470	9,162	8,077	3,093,555	2,387,834	156,070	3,944	2,539,960	-	553,595	704,636
Assets Given on Leases :											
Construction Equipment	182,560	-	-	182,560	142,895	9,916	-	152,811	(29,749)	-	-
LPG Cylinders	695,185	-	-	695,185	401,807	95,042	-	496,849	131,446	329,782	400,399
Sub-Total	877,745	-	-	877,745	544,702	104,958	-	649,660	101,697	329,782	400,399
Total	3,970,215	9,162	8,077	3,971,300	2,932,536	261,028	3,944	3,189,620	101,697	883,377	1,105,035
Previous Year	3,969,197	1,979	961	3,970,215	2,670,811	262,533	808	2,932,536	67,356	1,105,035	
Capital Work-in-Progress										153,759	153,759
Less : Provision for loss on Impairment (Refer Note 11 of Schedule 17)										153,759	-
										-	153,759

- 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) Capital Work-in-Progress includes project development expenditure Rs.Nil (Previous Year Rs. 143,685 thousand).
- (iv) Gross Block includes Rs. 530,088 thousand being the amount added on revaluation of Plant and Machinery as at 01.04.1997. (Refer Note 4 of Schedule 17)
- † includes provision for loss on impairment of Construction Machinery Rs. 39,292 thousand. (Refer Note 11 of Schedule 17)

	As at 31st March, 2004 Rs.	(Rs. in Thousand) As at 31st March, 2003 Rs.
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Schedule 5 : Investments

LONG TERM INVESTMENTS

Other Investments :

In Equity Shares -

Quoted, fully paid up :

86,000 Equity Shares of Reliance Industries Limited	11,219	11,219
(86,000) of Rs.10/- each		

Unquoted, fully paid up :

554,250 Equity Shares of Reliance Europe Limited	19,669	19,669
(554,250) of Sterling Pound 1/- each		
(Company under the same management)		
8,100 Equity Shares of Rai Investment Private Limited	81	81
(8,100) of Rs.10/- each		
8,100 Equity Shares of LPG Infrastructure (India) Private Limited	81	81
(8,100) of Rs.10/- each		
18,000 Equity Shares of Rosche Trading Private Limited	180	180
(18,000) of Rs.10/- each		

Schedules forming part of the Balance Sheet

		As at 31st March, 2004 Rs.	(Rs. in Thousand) As at 31st March, 2003 Rs.
Schedule 5 : Investments (continued)			
In Preference Shares -			
Unquoted, fully paid up :			
10,700,000	9% Cumulative Redeemable Preference Shares	535,000	-
(-)	of Reliance Infocomm Limited of Re. 1/- each (Company under the same management)		
In Debentures -			
Unquoted, fully paid up :			
140,000	Zero Coupon Unsecured Optionally Fully Convertible	14,000	14,000
(140,000)	Debentures of Ral Investment Private Limited of Rs. 100/- each		
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		
49,670	Unsecured Redeemable Non - Convertible	611,032	341,300
(34,130)	Debentures of Reliance Utilities and Power Limited (maturity value of Rs.19,165/- each)		
-	Unsecured Redeemable Non - Convertible	-	975,011
(53,000)	Debentures of Reliance Utilities and Power Limited (maturity value of Rs.20,200/- each)		
-	Unsecured Redeemable Non - Convertible	-	12,811
(17)	Debentures of Reliance Ports and Terminals Limited (maturity value of Rs.10,00,000/- each)		
75,700	Unsecured Redeemable Non - Convertible	136,984	-
(-)	Debentures of Reliance Utilities and Power Limited (maturity value of Rs.1,965/- each)		
In Others -			
Quoted, fully paid up :			
-	Units of Unit Scheme, 1964 of Unit Trust of India	-	11,010
(1,100,000)	of Rs. 10/- each (Deposited with Mumbai Port Trust)		
110,100	Units of 6.75% Tax Free US64	11,010	-
(-)	Bonds of Unit Trust of India of Rs. 100/- each (Deposited with Mumbai Port Trust)		
Unquoted, fully paid up :			
130,194.798	Units of Reliance Liquid Fund (Treasury Plan)	1,422	1,361
(124,299.131)	of Rs. 10/- each		
Total		1,343,678	1,389,723

Note : Units of Unit Scheme, 1964 of Unit Trust of India are converted into 6.75% Tax Free US 64 Bonds having face value of Rs.100/- each.

		As at 31st March, 2004 Rs.	As at 31st March, 2003 Rs.	(Rs. in Thousand) As at 31st March, 2003 Rs.
Aggregate Value of :		Book Value	Market Value	Book Value
Quoted Investments		22,229	58,218	22,229
Unquoted Investments		1,321,449	-	1,367,494

Schedules forming part of the Balance Sheet

	(Rs. in Thousand)	
	As at	As at
	31st March, 2004	31st March, 2003
	Rs.	Rs.
Schedule 6 : Inventories		
Stores and Spares	26,777	26,193
Total	26,777	26,193

Schedule 7 : Sundry Debtors

(Unsecured)

Debts outstanding for a period exceeding six months

Considered good	11,989	16,770
Considered doubtful	918	-
	<u>12,907</u>	<u>16,770</u>
Less : Provision for doubtful debts	<u>918</u>	<u>-</u>
	11,989	16,770
Others, considered good	52,483	111,045
Total	64,472	127,815

Note : Other Debts include Rs.5,251 thousand (Previous Year Rs.3,880 thousand) from Reliance Infocomm Limited, a company under the same management.

Schedule 8 : Cash and Bank Balances

Cash on hand	6	11
Balances with Scheduled Banks :		
In Current Accounts	14,549	8,092
In Deposit Accounts	1,050	1,300
Total	15,605	9,403

Schedule 9 : Loans and Advances

(Unsecured and Considered Good)

Advances recoverable in cash or in kind or for value to be received	132,222	189,944
Advance Tax (net of provisions)	24,260	31,035
Total	156,482	220,979

Notes : Loans and Advances include -

- Rs. 21,493 thousand (Previous Year Rs. Nil) recoverable from Reliance Capital Limited, a company under the same management. Maximum amount outstanding during the year Rs. 580,000 thousand (Previous Year Rs. 185,000 thousand)
- Rs. 41 thousand (Previous Year Rs. 302 thousand) recoverable from Gas Transportation and Infrastructure Company Limited, a company under the same management. Maximum amount outstanding during the year Rs. 441 thousand (Previous Year Rs.398 thousand)
- Rs. 19 thousand (Previous Year Rs. Nil) recoverable from Reliance General Insurance Company Limited, a company under the same management. Maximum amount outstanding during the year Rs. 19 thousand (Previous Year Rs.Nil)

Schedules forming part of the Balance Sheet

	As at 31st March, 2004 Rs.	(Rs. in Thousand) As at 31st March, 2003 Rs.
Schedule 10 : Current Liabilities and Provisions		
Current Liabilities :		
Sundry Creditors other than small scale industrial undertaking(s)	129,244	163,526
Unclaimed Dividends #	4,908	4,549
Interest accrued but not due on loans	5,320	9,749
	139,472	177,824
Provisions :		
For Wealth Tax	21	17
For Gratuity and Other Staff Benefits	6,116	4,393
For Proposed Dividend	48,320	48,320
For Tax on Dividend	6,315	6,191
	60,772	58,921
Total	200,244	236,745

These figures do not include any amount, due and outstanding, to be credited to Investor Education and Protection Fund.

Schedule 11 : Miscellaneous Expenditure

Preliminary Expenses	672	1,661
Deferred Revenue Expenditure	-	5,334
Total	672	6,995

Schedules forming part of the Profit and Loss Account

	2003-2004		(Rs. in Thousand)	
	Rs.	Rs.	Rs.	Rs.
Schedule 12 : Income from Operations				
Income from Infrastructure Activity		316,304		572,879
(Tax deducted at source Rs. 3,116 thousand ; Previous Year Rs. 5,689 thousand)				
Lease Income	87,474		167,611	
Less : Lease Equalisation	<u>(34,341)</u>		<u>(5,909)</u>	
		121,815		173,520
Total		<u>438,119</u>		<u>746,399</u>

Schedules forming part of the Profit and Loss Account

	2003-2004		(Rs. in Thousand)	
	Rs.	Rs.	Rs.	Rs.
Schedule 13 : Other Income				
Income from Long Term Investments :				
Other Investments				
Dividend	491		1,645	
(Tax deducted at source Rs. Nil ; Previous Year Rs.162 thousand)				
Interest	144,757		105,886	
(Tax deducted at source Rs. 22,258 thousand ; Previous Year Rs.50,777 thousand)				
Premium on Investments in Preference Shares	7,304		-	
		152,552		107,531
Interest on Loans and Deposits		8,217		2,323
(Tax deducted at source Rs. 404 thousand ; Previous Year Rs.407 thousand)				
Miscellaneous Income		628		209
(Tax deducted at source Rs. Nil ; Previous Year Rs.7 thousand)				
Total		161,397		110,063
Schedule 14 : Establishment and Other Expenses				
Salaries, Wages and Bonus	56,199		57,620	
Contribution to Provident Fund and Other Funds	3,204		3,068	
Employees' Welfare Expenses and other amenities	2,675		3,698	
		62,078		64,386
Stores and Spares Consumed		32,529		21,492
Repairs and Maintenance :				
- Plant and Machinery	8,465		17,844	
- Buildings	20		19	
- Others	2,381		2,035	
		10,866		19,898
Operating Expenses		110,182		141,082
Plant Utilities		6,000		6,000
Power and Fuel		433		38,324
Rent		37,844		7,787
Rates and Taxes		7,000		2,864
Insurance Charges		13,792		14,969
Professional Fees		6,377		6,506
Auditors' Remuneration		662		658
Lease Rent		7,084		7,084
Security Charges		2,221		6,559
Exchange Differences (Net)		-		14
Miscellaneous Expenses		7,425		9,436
Loss on Sale of Investments		-		9,179
Diminution on Investment		-		9,890
Provision for Doubtful Debts		918		-
Loss on Sale of Assets (Net)		696		70
		306,107		366,198
Less : Reimbursement of Expenses		32,986		-
Total		273,121		366,198
Schedule 15 : Interest				
Fixed Loans		70,759		113,838
Others		2,281		3,986
Total		73,040		117,824

Schedule 16 : Significant Accounting Policies

1. Basis of preparation of Financial Statements :

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

2. Use of Estimates :

The presentation of financial statements in conformity with the generally accepted accounting principles 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. The difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

3. Fixed Assets :

- (i) Fixed Assets are stated at cost and includes amounts added on revaluation, as reduced by accumulated depreciation. 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.

4. 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 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.

5. Revenue Recognition :

- (i) Revenue Income is recognised net of discount when no significant uncertainty as to its determination or realisation exists.
- (ii) Premium on Investments in Preference Shares is recognised as income over the maturity period of the Investment.

6. Foreign Currency Transactions :

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Monetary items denominated in foreign currency remaining unsettled at the end of the year are translated 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, except where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

7. Investments :

Long term investments are carried at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary, in the opinion of the management.

8. Inventories :

Inventories are stated at lower of cost and net realisable value. Cost is arrived at by applying weighted average method.

9. Lease Income :

In respect of fixed assets given on finance lease on or before 31.03.2001, income from leased assets is accounted for in the year in which lease rentals fall due, by applying the interest rate implicit in the lease to the

Significant Accounting Policies (continued)

net investment in the lease during the period, as recommended by the Institute of Chartered Accountants of India in the guidance note on accounting for leases.

In respect of fixed assets given on lease on or after 01.04.2001, the Company has followed Accounting Standard (AS) 19 on Leases issued by the Institute of Chartered Accountants of India. Initial direct cost in respect of finance leases are recognised immediately as expense in the Profit and Loss Account.

10. Lease Rent Expenditure :

Lease rentals relate to assets acquired on or before 31.03.2001 and are hence written off in the Profit and Loss Account on shorter of contractual period of lease or the useful life of the asset except for rentals pertaining to the period upto the date of commissioning of the assets which are capitalised.

11. Employee Retirement Benefits :

Company's contributions to Provident Fund are charged to Profit and Loss Account. Gratuity and Leave Encashment benefit are charged to Profit and Loss Account on the basis of actuarial valuation. Gratuity payments are made to the fund / trust maintained with Life Insurance Corporation of India.

12. Current Tax and Deferred Tax :

- (i) Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.
- (ii) Deferred tax resulting from "timing difference" between the book and taxable profit is accounted for using the tax rates and laws that have been 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 reasonable certainty that the assets will be realised in future.

13. 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 necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

14. Preliminary Expenses:

Preliminary expenses are written off over a period of ten years.

Schedule 17 : Notes on Accounts

- 1. Previous year's figures have been reworked, regrouped, rearranged and reclassified, wherever necessary.
- 2. Interest / Premium accrued on Investments include **Rs. 7,304 thousand** (Previous Year Rs. Nil). receivable from Reliance Infocomm Limited, a company under the same management.
- 3. Loans and advances includes interest free loans of **Rs. 783 thousand** (Previous Year Rs. 1,041 thousand) given to various employees as per Company's policy. Maximum amount outstanding during the year - **Rs.1,056 thousand** (Previous Year Rs.1,087 thousand).
- 4. 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. 27,318 thousand** (Previous Year Rs. 34,431 thousand) and an equivalent amount has been withdrawn from General Reserve and is credited to the Profit and Loss Account.

5. Segment Information :

Two business segments viz. Infrastructure and Leasing were identified as reportable business segment upto financial year 2002-2003. In the current financial year, on a re-assessment of the business, its future plans and nature of risks and returns, the Company is considered to be a infrastructure company with all its activities revolving around this business and accordingly has only one reportable segment as per Accounting Standard (AS-17).

6. Related Party Disclosures :

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

Name of the Related Party	Nature of Relationship
Reliance Industries Limited	Associate
Shri Bharat C. Gosalia Shri Mahesh K. Kamdar Shri Dilip V. Dherai	} Key Management Personnel

Schedule 17 : Notes on Accounts (continued)

6. Related Party Disclosures (continued)

(ii) Transactions during the year with related parties :

a) With Associate :

(Rs. in Thousand)

Sr. No.	Nature of Transaction (excluding reimbursements)	2003-2004		2002-2003	
		Rs.	Rs.	Rs.	Rs.
(1)	Unsecured Loans				
	Opening Balance		1,184,125		1,063,500
	Taken during the year		-		350,00
	Repaid during the year		229,375		229,375
	Closing Balance		954,750		1,184,125
(2)	Fixed Assets				
	Assets sold during the year		2,818		-
(3)	Sundry Debtors		22,674		70,791
(4)	Loans and Advances				
	Opening Balance		74,014		160,152
	Given during the year		-		7,854
	Recovered during the year		52,513		93,992
	Closing Balance		21,501		74,014
(5)	Sundry Creditors		-		2,645
(6)	Interest accrued but not due on loans		5,320		9,749
(7)	Income from Infrastructure Activity		212,651		407,119
(8)	Lease Income		10,863		38,074
(9)	Dividend on Other Investment		430		409
(10)	Establishment Expenses				
	Stores and Spares Consumed				
	- Purchase of Stores and Spares	612		3,056	
	- Sale of Stores and Spares	(1,423)		(3,058)	
			(811)		(2)
	Plant Utilities		6,000		6,000
	Professional Fees		431		1,467
(11)	Interest Expenses		70,759		113,838

b) With Key Management Personnel :

(Rs. in Thousand)

Sr. No.	Nature of Transaction (excluding reimbursements)	2003-2004		2002-2003	
		Rs.	Rs.	Rs.	Rs.
(1)	Establishment Expenses				
	Salaries, Wages and Bonus		2,815		2,503
	(Refer Note 12 (ii) to Schedule 17)				

7. Fixed Assets taken on lease prior to 01.04.2001 amount to **Rs. 80,339 thousand** (Previous Year Rs.80,339 thousand). Future obligations towards lease rentals under the relevant lease agreement as on 31st March, 2004 amount to **Rs. 322 thousand** (Previous Year Rs. 402 thousand).

Schedule 17 : Notes on Accounts (continued)

8. Finance Lease Disclosures :

- (i) Reconciliation between total gross investments in lease and present value of minimum lease payments receivable as at balance sheet date in respect of assets given on finance lease on or after 01.04.2001:

(Rs. in Thousand)

	Total		Within one year		Later than one year and not later than five years		Later than five years	
	2003-2004 Rs.	2002-2003 Rs.	2003-2004 Rs.	2002-2003 Rs.	2003-2004 Rs.	2002-2003 Rs.	2003-2004 Rs.	2002-2003 Rs.
Future lease rental Receivables	57,736	123,585	30,167	65,850	27,569	54,019	-	3,716
Add : Unguaranteed residual value	7,741	7,741	7,741	-	-	7,741	-	-
Gross investment in lease	65,477	131,326	37,908	65,850	27,569	61,760	-	3,716
Less : Unearned finance income	10,687	17,120	8,597	3,535	2,090	13,165	-	420
Present value of minimum lease payments	54,790	114,206	29,311	62,315	25,479	48,595	-	3,296

- (ii) A general description of leasing arrangements :

- a) Assets are given on lease for periods ranging from three to six years.
b) Lease Rentals are charged on the basis of rate of interest agreed to by the lessee.

9. Earnings per Share :

	2003-2004	2002-2003
(i) Net Profit after tax available for equity shareholders (Rs. in thousand)	170,059	150,513
(ii) Weighted average of number of equity shares (in thousand)	15,100	15,100
(iii) Basic and Diluted Earnings per share (Rs) (Face value of Rs. 10/- each)	11.26	9.97

10. Deferred Tax :

The breakup of deferred tax liability as at 31st March, 2004 is as under :

Timing Differences on account of :	2003-2004		(Rs. in Thousand) 2002-2003	
	Rs.	Rs.	Rs.	Rs.
(i) Deferred Tax Liability				
Depreciation on Fixed Assets	272,584		333,316	
Amortised Expenses	11,986		14,971	
Project Development Expenses	-		51,561	
		284,570		399,848
(ii) Deferred Tax Asset				
Finance Lease	17,122		8,125	
Loss / Diminution on Investments	3,293		4,307	
Provision for Doubtful Debts	329		-	
Expenditure U/s 43B of Income Tax Act, 1961	882		320	
		21,626		12,752
(iii) Deferred Tax (Net)		262,944		387,096

Schedule 17 : Notes on Accounts (continued)

11. Impairment :

Accounting Standard on impairment of assets (AS-28) issued by the Institute of Chartered Accountants of India has become mandatory with effect from 01.04.2004. However, as a matter of good corporate governance the Company has decided for early implementation of the said Accounting Standard.

Accordingly, on account of substantial wear and tear / obsolescence of construction machinery as well as infructuous expenditure on leasehold land an amount of Rs.193,051 thousand was charged as impairment and the same is adjusted against the opening balance of revenue reserves, as per the transitional provisions contained in AS-28. The recoverable value of construction machinery has been based on comparable estimate of net selling price of the assets.

12. Managerial Remuneration :

(i) The Company has been advised that the 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 includes Managerial Remuneration by way of :-

	2003-2004	(Rs. in Thousand) 2002-2003
	Rs.	Rs.
Salary and Allowances	2,543	2,263
Contribution to Provident Fund	154	136
Perquisites	118	104
Total	2,815	2,503

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

13. Project Development Expenditure : (In respect of projects upto 31st March, 2004)

	As at 31st March, 2004	(Rs. in Thousand) As at 31st March, 2003
	Rs.	Rs.
Salaries, Wages and Bonus	-	2,999
Employees' Welfare Expenses	-	22
Repairs and Maintenance	-	3,000
Rent	-	120,303
Rates and Taxes	-	10,737
Professional Fees	-	3,119
Miscellaneous Expenses	-	1,571
Interest Expenses	-	1,934
Total	-	143,685

14. Auditors' Remuneration :

	2003-2004	(Rs. in Thousand) 2002-2003
	Rs.	Rs.
(i) Statutory Audit Fees	426	420
(ii) Tax Audit Fees	178	178
(iii) For Certification and Consultation	58	60
Total	662	658

Schedule 17 : Notes on Accounts (continued)

15. Income Tax :

Income tax assessments of the Company are completed upto Assessment Year 2001-2002. The total demand raised by the Income Tax department upto the said assessment year is **Rs. Nil** (Previous Year Rs. 82,799 thousand)

16. Value of Imports on CIF basis in respect of :

Stores and Spares imported by the Company during the financial year is **Rs. Nil** (Previous Year Rs.1,870 thousand)

17. Expenditure in Foreign Currency on account of :

	2003-2004	(Rs. in Thousand) 2002-2003
	Rs.	Rs.
i) Travelling Expenses	173	34
ii) Other Matters	150	65

18. Additional Information :

	As at 31st March, 2004	(Rs. in Thousand) As at 31st March, 2003
	Rs.	Rs.
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	591	63,000
(ii) Contingent Liability in respect of claims against the Company not acknowledged as debts estimated at	774	102,867

19. Value of Stores and Spares Consumed :

	2003-2004		2002-2003	
	(Rs. in Thousand)	% of total Consumption	(Rs. in Thousand)	% of total Consumption
Imported	-	-	483	2.25
Indigenous	32,529	100.00	21,009	97.75
Total	32,529	100.00	21,492	100.00

Schedule 17 : Notes on Accounts (continued)

20. Balance Sheet Abstract and Company's General Business Profile :

I. Registration Details

Registration Number	1 1 - 4 9 0 1 9	State Code	
Balance Sheet Date	3 1 - 0 3 - 0 4		

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	2 7 0 7 4 3 7	Total Assets	2 7 0 7 4 3 7
-------------------	---------------	--------------	---------------

SOURCES OF FUNDS :

Paid up Capital	1 5 1 0 0 0	Reserves and Surplus	8 9 8 4 9 9
Secured Loan		Unsecured Loans	1 1 9 4 7 5 0
Deferred Tax	2 6 2 9 4 4		

APPLICATION OF FUNDS :

Net Fixed Assets	8 8 3 3 7 7	Investments	1 3 4 3 6 7 8
Net Current Assets	2 7 9 4 6 6	Miscellaneous Expenditure	6 7 2

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

Gross Turnover	5 9 9 5 1 6	Total Expenditure	5 4 0 5 7 8
Profit Before Tax	5 8 9 3 8	Profit After Tax	1 7 0 0 5 9
Earnings per share in Rs.	1 1 . 2 6	Dividend Rate %	3 2

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

Item Code No. (ITC Code)	NOT APPLICABLE
Product Description	Infrastructure and Leasing Activities

As per our Report of even date

For Chaturvedi & Shah
Chartered Accountants

H.P. Chaturvedi
Partner

Mumbai,
Dated : 14th August, 2004

For and on behalf of the Board

Satyapal Jain

**Sandeep H. Junnarkar }
S.C. Malhotra }**

**Bharat C. Gosalia
Mahesh K. Kamdar
Dilip V. Dherai**

N. Shanker

Chairman

Directors

*Executive Director and President
Executive Director - Commercial
Executive Director - Projects*

Company Secretary

Cash Flow Statement for the year ended 31st March, 2004

	2003-2004		(Rs. in Thousand) 2002-2003	
	Rs.	Rs	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit as per Profit and Loss Account		170,059		150,513
Adjusted for :				
Tax Provision	13,031		67,874	
Deferred Tax Provision	(124,152)		(74,049)	
(Profit) / Loss on Sale of Assets (Net)	696		70	
Loss on Sale of Investments	-		9,179	
Diminution on Investment	-		9,890	
Depreciation	221,735		262,533	
Lease Equalisation	(34,341)		(5,909)	
Transferred from General Reserve	(27,318)		(34,431)	
Dividend Income	(491)		(1,645)	
Interest / Other Income	(160,906)		(108,418)	
Lease Rent written off	7,084		7,084	
Preliminary Expenses written off	989		1,707	
Interest Expenses	73,040		117,824	
		(30,633)		251,709
Operating profit before working capital changes		139,426		402,222
Adjusted for :				
Trade and Other Receivables	141,413		174,323	
Inventories	(584)		(12,389)	
Trade and Other Payables	(44,508)		575,582	
		96,321		737,516
Cash generated from operations		235,747		1,139,738
Taxes paid		(2,121)		(71,249)
Net Cash from Operating Activities		233,626		1,068,489
B. CASH FLOW FROM INVESTMENT ACTIVITIES :				
Purchase of Fixed Assets	(4,318)		(25,220)	
Sale of Fixed Assets	3,436		83	
Purchase of Investments	(941,716)		(1,117,710)	
Sale of Investments	987,822		529,762	
(Increase) / Decrease in Loans	(19,041)		(271)	
Dividend Income	430		366	
Interest / Other Income	107,040		43,580	
Net Cash used in Investing Activities		133,653		(569,410)
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Repayment of Long Term Borrowings	(229,375)		(229,375)	
Net increase in Other Borrowings	-		(90,000)	
Repayment of Finance Lease Liabilities	(80)		(80)	
Dividend Paid	(54,153)		(47,867)	
Interest Paid	(77,469)		(128,005)	
Net cash used in Financing Activities		(361,077)		(495,327)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		6,202		3,752
Opening Balance of Cash and Cash Equivalents		9,403		5,651
Closing Balance of Cash and Cash Equivalents		15,605		9,403

Note : Previous year's figures have been regrouped, wherever necessary.

As per our Report of even date

For Chaturvedi & Shah
Chartered Accountants

H.P. Chaturvedi
Partner

For and on behalf of the Board

Satyapal Jain

Chairman

Sandeep H. Junnarkar }
S.C. Malhotra }

Directors

Bharat C. Gosalia
Mahesh K. Kamdar
Dilip V. Dherai

Executive Director and President
Executive Director - Commercial
Executive Director - Projects

Mumbai,
Dated : 14th August, 2004

N. Shanker

Company Secretary

Circular to Members on Dematerialisation of Shares

Dear Members

We are happy to inform you that over 90% of the equity share capital of our Company is held in dematerialised form. We request those members still holding shares in physical form to convert their shares to dematerialised form.

1. Why dematerialise Shares?

i) Compulsory Dematerialisation

As you may be aware, trading in the shares of Reliance Industrial Infrastructure Limited is under compulsory dematerialisation segment.

ii) Elimination of Odd Lot

The concept of an "Odd Lot" in respect of dematerialised shares stands abolished i.e. market lot becomes ONE share for shares in dematerialised form.

iii) Dematerialisation – Most Preferred

Dematerialised securities are most preferred by Banks and other financiers for providing credit facility against securities. Generally, dematerialised securities attract lower margin and lower interest rate compared to physical securities. Registered Brokers at the Stock Exchanges prefer dealing in dematerialised shares.

iv) Safety

Securities in dematerialised form reduce all risk of loss of certificates. Under your specific instructions the same can be kept in "Frozen Mode" by your Depository Participant (DP).

2. How to dematerialise Shares ?

Please follow the following procedure for dematerialising your shares :

- i) Open a Demat Account with any of the Depository Participants (DPs).
- ii) Submit Demat Request Form (DRF) duly signed by all the holders alongwith the share certificates only to the DPs.
- iii) Obtain acknowledgement from the DP for having accepted the share certificates.
- iv) Receive a confirmation statement of holding from your DP within 15 days from the lodgement of securities with DPs.

3. Please do not send the share certificates / documents to the company or our Share Transfer Agent - Karvy Computershare Private Limited.

4. In case you need any additional information on this matter please feel free to contact :

Demat Advisory Cell
Karvy Computershare Private Limited
Karvy House, 46, Avenue 4,
Street No.1, Banjara Hills,
Hyderabad - 500 034.
Phone : 040-2332 0666 / 0711 / 3031 / 3037
Website : <http://www.karvy.com>

5. In case you have already dematerialised your holdings kindly ignore this Circular.

Nomination Form - 2B

(Only for shares held in physical form)

(To be filled in by individual(s) applying singly or jointly)

To. Karvy Computershare Private Limited Unit : Reliance Industrial Infrastructure Limited 21, Avenue 4, Street No.1 Banjara Hills Hyderabad - 500 034	From Name of member and address <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> Folio No. No. of Shares
--	--

I am / we are holder(s) of equity shares of the Company as mentioned above. I / We nominate the following person in whom all rights of transfer and / or amount payable in respect of said equity shares shall vest in the event of my / our death.

Nominee's name		Age									
To be furnished in case the nominee is a minor		Date of Birth									
Guardian's Name & Address											
Occupation of Nominee Tick (✓)	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">1 Service</td> <td style="width: 25%; text-align: center;">2 Business</td> <td style="width: 25%; text-align: center;">3 Student</td> <td style="width: 25%; text-align: center;">4 Household</td> </tr> <tr> <td style="text-align: center;">5 Professional</td> <td style="text-align: center;">6 Farmer</td> <td style="text-align: center;">7 Others</td> <td></td> </tr> </table>	1 Service	2 Business	3 Student	4 Household	5 Professional	6 Farmer	7 Others			
1 Service	2 Business	3 Student	4 Household								
5 Professional	6 Farmer	7 Others									
Nominee's Address											
		Pin Code									
Telephone No.		Fax No.									
Email Address		STD Code									
Specimen signature of Nominee / Guardian (in case nominee is minor)											

Kindly take the aforesaid details on record.

* To be filled in case nominee is a minor

Thanking you,
Yours faithfully,

Date.....

Name and address of member(s) (as appearing on the Certificate(s))	Signature (as per specimen with company)				
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Sole / 1st holder</td> <td></td> </tr> <tr> <td>Address</td> <td></td> </tr> </table>	Sole / 1st holder		Address		
Sole / 1st holder					
Address					
2nd holder					
3rd holder					
4th holder					

Witnesses (two)	
Name and Address	Signature & Date
1.	
2.	

INSTRUCTIONS :

1. Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
2. The nomination can be made by members who are individuals only. This facility is not available to members who are non individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family and holders of power of attorney. If the shares are held jointly all joint holders must sign (as per the specimen registered with the Company) the nomination form.
3. A minor can be nominated by a holder of shares and in that event the name and address of the Guardian should be given by the holder.
4. The nominee cannot be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family, or a power of attorney holder. A non-resident Indian can be a nominee on re-patriable basis.
5. Transfer of shares in favour of a nominee shall be a valid discharge by the Company against the legal heir(s).
6. Only one person can be nominated for a given folio.
7. Details of all holders in a folio need to be filled in, else the request will be rejected.
8. The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee.
9. This nomination will stand rescinded whenever the shares in the given folio are entirely transferred or dematerialised.
10. Upon receipt of a duly executed nomination form, the Share Transfer Agent of the Company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
11. The nomination can be varied or cancelled by executing fresh nomination form.
12. The Company will not entertain any claim other than that of a registered nominee, unless so directed by any competent court.
13. The intimation regarding nomination / nomination form should be filed **in duplicate** with the Share Transfer Agent of the Company who will return one copy thereof to the Members.
14. For shares held in dematerialised form nomination is required to be filed with the Depository Participant in their prescribed form.

FOR OFFICE USE ONLY	
Nomination Registration Number	
Date of Registration	
Checked by (Name and Signature)	

ELECTRONIC CLEARING SERVICES (ECS) MANDATE FORM

To,
 Karvy Computershare Private Limited
 Unit : Reliance Industrial Infrastructure Limited
 21, Avenue 4, Street No. 1, Banjara Hills
 Hyderabad - 500 034.

Dear Sirs,

FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND

Please fill-in the information in CAPITAL LETTERS in ENGLISH ONLY. Please ☒ wherever is applicable.

For shares held in physical form

Master Folio No.

For shares held in electronic form

DP. ID

Client ID

FOR OFFICE USE ONLY

ECS
 Ref.No.

Name of
 First holder

Bank name

Branch name

Branch code

--	--	--	--	--	--	--	--	--	--

(9 Digits Code Number appearing on the MICR Band of the cheque supplied by the Bank).
 Please attach a xerox copy of a cheque or a blank cheque of your bank duly cancelled for
 ensuring accuracy of the bank's name, branch name and code number.

Account type



Savings

Current

Cash Credit

A/c. No. (as appearing
 in the cheque book)



--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Effective date of this
 mandate



--	--	--	--	--	--	--	--

I, hereby, declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information supplied as above, Karvy Computershare Private Limited, will not be held responsible. I agree to avail the ECS facility provided by RBI, as and when implemented by RBI/ Reliance Industrial Infrastructure Limited.

I further undertake to inform the Company any change in my Bank/branch and account number.

Dated : _____

(Signature of First holder)

Note : On dematerialisation of existing physical shares, for which you have availed ECS facility, the above form needs to be re-submitted.

**ATTENDANCE SLIP****Reliance Industrial Infrastructure Limited**

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

PLEASE FILL IN THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.
Joint shareholders may obtain additional attendance slip on request at the venue.

DP. ID #	
Client ID #	

Master Folio No.	
No. of Share(s) held	

Applicable for members holding shares in dematerialised form.

NAME AND ADDRESS OF THE MEMBER: _____

I hereby record my presence at the Sixteenth Annual General Meeting of the Company held at Ashoka Hall, Arcadia,
Behind NCPA (Tata Theatre), Nariman Point, Mumbai - 400 021 on Saturday, 25th September 2004 at 11.00 a.m.

SIGNATURE OF THE MEMBER* OR PROXY*

*Strike out whichever is not applicable.

----- - TEAR HERE - -----

**PROXY FORM****Reliance Industrial Infrastructure Limited**

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

DP. ID #	
Client ID #	

Master Folio No.	
No. of Share(s) held	

Applicable for members holding shares in dematerialised form.

I / We _____

of _____

being a member / members of Reliance Industrial Infrastructure Limited hereby appoint _____

of _____

or failing him _____ of _____

as my / our proxy to vote for me / us and on my / our behalf at the Sixteenth Annual General Meeting to be held on Saturday
the 25th September 2004 at 11.00 a.m. or at any subsequent adjournment thereof.

Signed this _____ day of _____ 2004.

15 paise
Revenue
Stamp

Note: This form, duly completed and signed, should be deposited at the Registered Office of the Company not later
than 48 hours before the time of the meeting.