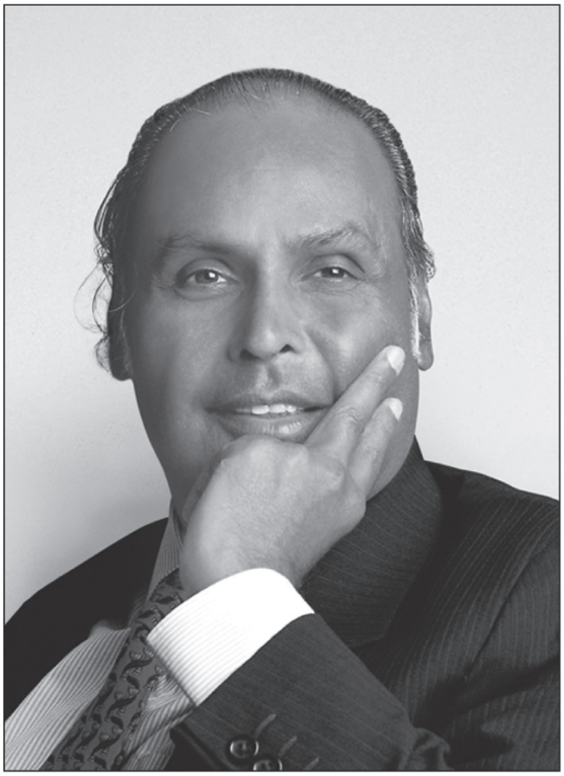
Reliance

Infrastructure

Annual Report 2010-11



Dhirubhai H. Ambani

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

Reliance Group – Founder and Visionary

Profile

Reliance Infrastructure Limited is a part of the Reliance Group, one of the leading business houses in India.

Incorporated in 1929, Reliance Infrastructure is one of India's fastest growing companies in the infrastructure sector. It ranks among India's top listed private companies on all major financial parameters, including assets, sales, profits and market capitalization.

Reliance Infrastructure companies distribute more than 36 billion units of electricity to over 30 million consumers across an area that spans over 1,24,300 sq kms and includes India's two premier cities, Mumbai and Delhi. The Company generates over 940 MW of electricity through its power stations located in Maharashtra, Andhra Pradesh, Kerala, Karnataka and Goa.

Reliance Infrastructure has emerged as the leading player in India in the Engineering, Procurement and Construction (EPC) segment of the power sector.

In the last few years, Reliance Infrastructure has expanded its foot-print much beyond the power sector. Currently, Reliance Infrastructure group is engaged in the implementation of projects not only in the fields of generation, transmission, distribution and trading of power but also in other key infrastructural areas such as highways, roads, bridges, metro rail and other mass rapid transit systems, special economic zones, real estate, airports, cement, etc.

Mission: Excellence in Infrastructure

- To attain global best practices and become a world-class utility.
- To create world-class assets and infrastructure to provide the platform for faster, consistent growth for India to become a major world economic power.
- To achieve excellence in service, quality, reliability, safety and customer care.
- To earn the trust and confidence of all customers and stakeholders, exceeding their expectations and make the Company a respected household name.
- To work with vigour, dedication and innovation with total customer satisfaction as the ultimate goal.
- To consistently achieve high growth with the highest levels of productivity.
- To be a technology driven, efficient and financially sound organisation.
- To be a responsible corporate citizen nurturing human values and concern for society, the environment and above all people.
- To contribute towards community development and nation building.
- To promote a work culture that fosters individual growth, team spirit and creativity to overcome challenges and attain goals.
- To encourage ideas, talent and value systems.
- To uphold the guiding principles of trust, integrity and transparency in all aspects of interactions and dealings.

This Report is printed on environmental friendly paper.

Highlights – at a glance

Year Ended 31st March	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**
Units Sold – (Million Units)	9186	10163	9582	9271	8743	8064	7969	7691	5880^	5676^
Maximum Demand MVA	1671	1516	1509	1408	1457	1331	1320	1274	1226	1201
High Tension Mains KMs	3814	3651	3860	3606	3448	3114	3012	2915	2829	2789
Low Tension Mains KMs	4871	4713	3619	3313	3179	3116	3039	3002	2965	2923
No. of Substations	5596	5384	5081	4909	4720	4002	3848	3735	3653	3547
No. of Consumers (in '000) Licensed Area – 384 sq.km	2805	2761	2692	2630	2506	2496	2381	2329	2223	2142
No. of Shareholders (in '000)	1454	1509	1591	1596	1577	109	99	96	122	145
Financial Data (₹ in crore)										
Assets :										
Fixed Assets (Net)	6855	4079	3905	3637	3104	2874	2912	3093	1813	1951
Investments	12584	10020	12147	7726	2512	1193	696	2875	1030	611
Current Assets (Net)	2297	5326	3382	5561	9954	8277	6731	1410	531	850
Total Assets	21736	19425	19434	16924	15570	12344	10339	7378	3374	3412
Sources of Funds :										
Share Capital	267	245	226	236	229	212	186	175	138	138
Equity Warrants		541	784	783		88	568			
Reserves & Surplus	17400	14366	10898	10668	9252	7573	5586	4936	2426	2540
Borrowings	3969	4115	7332	4989	5858	4267	3739	2030	632	661
Deferred Tax Liabilities	100	158	194	248	231	204	260	237	178	73
Total Sources of Funds	21736	19425	19434	16924	15570	12344	10339	7378	3374	3412
Gross Revenue	10267	10908	10959	7501	6575	4608	4593	3583	2777	2783
Profit Before Tax	1135	1297	1193	1152	872	781	570	417	153	302
Profit After Tax	1081	1152	1139	1085	801	650	520	367	297 *	281
Dividends	191	174	156	148	121	104	87	70	61	61
Dividend Tax	31	10	27	25	21	16	12	9	8	0.17
Retained Earnings (including statutory reserves)	859	968	956	912	699	529	421	295	54	244
Equity Share Capital	267	245	226	236	229	212	186	175	138	138
Rate of Dividend on Equity Shares (₹)	7.2	7.1	7.0	6.3	5.3	5.0	4.7	4.5	4.4	4.3
Earnings Per Share (₹)	43	51	49	47	37	33	28	26	22 *	22

* Prior to one time adustments of ₹ 135 crore

^ Does not include sales in respect of Samalkot and Goa Power Stations

1 crore = 10 million

Board of Directors

Shri Anil Dhirubhai Ambani	-	Chairman
Shri Satish Seth	-	Vice Chairman
Shri S C Gupta	-	Director (Operations)
Shri Lalit Jalan	-	Whole-time Director
Gen V P Malik		
Shri S L Rao		
Dr Leena Srivastava		
Shri R R Rai		

Company Secretary

Shri Ramesh Shenoy

Auditors

M/s. Haribhakti & Co.
M/s. Pathak H D & Associates

Registered Office

H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710
Maharashtra, India

Registrar and Transfer Agent

Karvy Computershare Private Limited
Madhura Estate, Municipal No. 1-9/13/C
Plot No. 13 & 13C, Madhapur Village
Hyderabad 500 081
Andhra Pradesh, India
Website: www.karvy.com

Investor Helpdesk

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Telephone no.	:	+91 40 4030 8000
Fax no.	:	+91 40 2342 0859
Email	:	rinfra@karvy.com
Post your request	:	http://kcpl.karvy.com/adag

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Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circular stating that service of notices/documents including Annual Report can be made by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their email address, so far, are requested to register their email addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with Karvy Computershare Private Limited.

82nd Annual General Meeting on Tuesday, September 27, 2011 at 4.00 p.m. or soon after AGM of Reliance Power Limited convened on the same day, whichever is later at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020

This Annual Report can be accessed at www.rinfra.com

Letter to Shareowners

My dear fellow Shareowners,

It gives me great pleasure to share with you the highlights of our Company's performance during the year 2010-11.

I am delighted to inform you that Reliance Infrastructure, one of the country's fastest growing companies in the infrastructure sector, continues to play a pivotal role in driving the India growth story. Our rapid strides towards achieving leadership positions across all major infrastructure domains, is leading the way in creating inclusive growth for the nation and superior returns for stakeholders.

Over the past few years, the infrastructure sector in India has undergone a paradigm shift. The Government, for long the lead direct investor in infrastructure creation, has increasingly played the role of a facilitator, focusing its attention instead on formulating the appropriate policy framework for attracting private investments into the sector through the public-private-partnership model.

The private sector has responded to this shift in economic perspective with a great deal of excitement and alacrity as is evident from its growing participation in the entire spectrum of infrastructure projects, be it roads, ports, airports, urban utilities and transport systems or power..

I am proud to report that Reliance Infrastructure is now the largest private sector infrastructure developer in India. We have made significant strides in the development of roads and highways, metro rails and other mass rapid transit systems, sea link, airports, cement, etc. We have already commissioned or are in the process of doing so over 2 dozen large infrastructure projects including 11 road projects, 3 metro rails, 5 transmission lines, 5 brown field airports, 2 cement plants and the Mumbai sea link.

We are at the threshold of an exciting journey that will take us to even greater heights. I seek your continued support in this mission.

Performance Review

I am happy to share with you the highlights of our financial and operational performance during the year 2010-11.

- Total Income of ₹ 10,266 crore (US$ 2.3 billion), as against ₹ 10,908 crore in the previous financial year.
- Cash Profit of ₹ 1,336 crore (US$ 300 million) against ₹ 1,435 crore in the previous financial year.
- Net Profit of ₹ 1,081 crore (US$ 242 million) against ₹ 1,152 crore in the previous financial year
- Cash Earnings Per Share for the year of ₹ 50 (US$ 1.1) against ₹ 59 in the previous financial year.
- Earnings Per Share (EPS) of ₹ 43 (US$ 1) against ₹ 51 in the previous financial year.

With a net worth of about ₹ 17,670 crore (US$ 4 billion), Reliance Infrastructure ranks among the top performing Indian private sector companies in the country.

Our group revenues stand at about ₹ 28,270 crore (US$6.34 billion), while our gross fixed assets amount to ₹ 26,050 crore (US$ 5.84 billion).

Buy-back of Shares

In keeping with our overriding philosophy of creating value for our investors, we decided to utilize a part of our accumulated surpluses for buy-back of shares, improving in the process our return on equity. Our Company has bought back 18 lakh equity shares for an aggregate value of ₹ 115.58 crore up to May 27, 2011.

Power generation, transmission and distribution

Power Generation

Our power generation units at Dahanu, Samalkot, Goa and Kochi continue to demonstrate significant improvements across major operational, environmental and safety performance parameters. The Dahanu Thermal Power Station, the flagship plant of the Company, continues to operate at Plant Load Factor of over 100 per cent over the last eight years while all our other power plants recorded plant availability in the range of over 90 to 96 per cent. The Dahanu plant continues to make significant progress on six sigma quality initiatives for all round improvement in business processes. During the year, the Dahanu plant implemented the Energy Management system, BS EN 16001-2009.

Power Transmission

The Company is developing five transmission projects worth about ₹ 7,000 crore, making it the largest private player in the transmission sector. Reliance Power Transmission Limited (RPTL), the transmission arm of the Company, has emerged as the successful bidder in four of the eight inter-state transmission projects notified by the Ministry of Power, Government of India.

RPTL will actively participate in the bidding for new projects worth approximately ₹ 8,000 crore so far notified by the Ministry of Power.

RPTL has completed two transmission lines of 440 ckt kms associated with the Western Region System Strengthening Scheme-II with line length of 116 kms. These are the first set of 100 per cent privately owned extra high voltage transmission line in India to achieve commercial operation. The first line was commissioned in a record of 15 months and ahead of schedule.

The Company has also made substantial progress in the remaining transmission projects including the Parbati Koldam 40 kV transmission line currently being executed by our joint venture company with Power Grid Corporation of India Limited and in which RInfra holds 74 per cent equity stake.

Power Distribution

Our Company's distribution network in Mumbai continues to enjoy the distinction of consistently operating its network at 99.98 per cent reliability. The Company's distribution license mentions the terminal date as August 15, 2011. The Company has submitted an application to Maharashtra Electricity Regulatory Commission (MERC) for a fresh license for distribution of electricity. With its consistent performance over the last eight decades and world class quality and system reliability, the Company is confident that MERC would grant the distribution license and ensure that we continue to serve the consumers of Mumbai suburbs with

Letter to Shareowners

renewed vigour and commitment. The Company has also initiated various energy conservation and energy efficiency programmes under Demand Side Management to create greater social awareness on the importance of smarter usage and conservation of energy. To bridge the shortfall in the supply of power, the Company has initiated procurement of power for medium and long term through a competitive bidding process.

Our two power distribution companies in Delhi, BSES Rajdhani Power Limited (BRPL) and BSES Yamuna Power Limited (BYPL) again clocked strong operating numbers backed by improvement across all major performance parameters. These Discoms have succeeded in achieving significant reduction of AT&C losses.

While BRPL reduced its losses from 19.03 per cent to 16.83 per cent, BYPL brought them down from 23.11 per cent to 19.89 per cent during FY11. This continuing reduction in losses entitles the two companies to a performance incentive from the state regulator for the fourth year in a row.

I am also proud to report that these Discoms played a pivotal role in the successful organization of the Commonwealth Games by ensuring uninterrupted power supply, a fact widely acknowledged and appreciated by the organizers as well as the Government.

Power Trading

Reliance Energy Trading Limited (RETL), the trading arm of the Company, has positioned itself as a favoured trader for trading of power from captive / independent power plants and has been consistently ranked among the top five trading licensees in terms of volume. RETL is also expecting a significant boost in volume through the trading of merchant power from the group's upcoming power projects.

The EPC Business

The Engineering, Procurement and Construction Division (EPC) achieved a turnover of ₹ 3,389 crore during the year. It has a record order book position of ₹ 29,635 crore as on March 31, 2011. The Division is equipped with the requisite expertise and experience to efficiently undertake large and complex EPC projects and complete them ahead of schedule.

We employ state-of-the-art technology in engineering design and project management to execute our projects. The Division is currently implementing 7 power projects aggregating 9,900 MW, apart from transmission and road projects. We are also developing competencies in other infrastructure sectors such as metro/mono rails, airports and cement plants.

Infrastructure Projects

Road Projects

Our Company is now one of the largest developers of road and highway projects for the National Highways Authority of India (NHAI) under the build, own, transfer (BOT) scheme. Our roads portfolio includes 11 projects totaling 970 kms and connecting major urban centres in 6 States at an investment of about ₹ 12,000 crore. Three of the projects are operational and six more road projects will be commissioned in the current financial year. Construction work is in full swing at all the project sites. I am glad to inform you that the Company was the first developer to introduce Enterprise Toll Management System which would facilitate real time toll plaza monitoring, auto MIS and single console for the projects.

Metro Projects

I am glad to inform you that our Company is today the largest established private player in metro rail sector in the country. The Delhi airport express link started commercial operations from February 2011, the first ever public-private partnership project to become operational in India. The airport express link has been built in a record time of 27 months and connects New Delhi Railway Station to Dwarka via the Indira Gandhi International airport. The construction of Mumbai Metro Line I covering Versova-Andheri-Ghatkopar is in full swing and we expect to commission the corridor ahead of the contractual commissioning date. For Mumbai Metro Line II covering Charkop-Bandra-Mankhurd corridor, financial closure has been achieved and preliminary work is in progress.

Cement Business

Reliance Cementation Private Limited, a wholly owned subsidiary of the Company, is developing two cement plants of 5 million tonnes each at Maihar in Madhya Pradesh and Mukutban in Maharashtra respectively. Significant progress has been made in project related activities.

Airport Projects

Reliance Airport Developers Private Limited has been awarded lease rights to develop and operate 5 brownfield airports in Maharashtra. It is also developing an airstrip/airport at Sasan in Madhya Pradesh where a captive power plant is being developed by a subsidiary of Reliance Power.

Western Freeway Sealink

The Company has formed a special purpose vehicle to execute the Western Freeway Sea Link Project which envisages operation and maintenance of the existing Bandra-Worli Sealink and construction of Sealink between Worli to Haji Ali in Mumbai for a concession period of 40 years. The project is proposed to be completed within a period of 42 months from the date of handing over of the existing Bandra-Worli Sealink.

Corporate Governance

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

Social Commitments

As a responsible corporate citizen, we take our social obligations seriously. During FY 2011, we pursued a number of welfare programmes aimed at improving the quality of life of communities in and around our businesses. Our initiatives have focused on education, health, water, sanitation, rural development, safety and environment, giving priority to the needy and economically vulnerable sections of society in the vicinity of our power stations and contracting sites.

Awards and Recognitions

It is a matter of pride and satisfaction that our Company has received several prestigious national and global awards in appreciation of our outstanding contribution in various fields, viz. energy management and enegy conservation, quality, environment best practices, water management, health and safety, human resource training and development.

Our Commitment

Our founder, the legendary Shri Dhirubhai Ambani, gave us a simple mantra: to aspire to the highest global standards of quality, efficiency, operational performance and customer care. We remain committed to upholding that vision. Dhirubhai exhorted us to think big. With your continued support, we will think bigger. Indeed not just bigger but better, creating ever greater value for all our stakeholders.

Anil Dhirubhai Ambani
Chairman

Notice

Notice is hereby given that the 82nd Annual General Meeting (AGM) of the members of **Reliance Infrastructure Limited** will be held on Tuesday, September 27, 2011 at 4.00 p.m. or soon after conclusion of the AGM of Reliance Power Limited convened on the same day, whichever is later at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020, to transact the following business:

Ordinary Business

1. To consider and adopt the audited Balance Sheet as at March 31, 2011, the Profit and Loss Account for the financial year ended on that date and the Reports of the Board of Directors and Auditors' thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Shri S L Rao, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Dr Leena Srivastava, who retires by rotation and being eligible, offers herself for reappointment.
5. To appoint Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT M/s. Haribhakti & Co., Chartered Accountants (Firm Registration No 103523W) and M/s. Pathak H D & Associates, Chartered Accountants (Firm Registration No 107783W), be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors."

Special Business

6. Appointment of Shri R R Rai as Director, liable to retire by rotation

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 257 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), Shri R R Rai, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 and Articles of Association of the Company, be and is hereby appointed as Director of the Company subject to retirement by rotation under the provisions of the Articles of Association of the Company."

7. Issue of equity shares to the Qualified Institutional Buyers

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

a) "RESOLVED THAT pursuant to Section 81(1A) and all other applicable provisions of the Companies Act, 1956 (Act) (including any statutory modification or re-enactment thereof, for the time being in force) and enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into with the Stock Exchanges and subject to the provisions of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR"), the provisions of the Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, applicable rules, regulations, guidelines or laws and/or any approval, consent, permission or sanction of the Central Government, Reserve Bank of India and any other appropriate authorities, institutions or bodies (hereinafter collectively referred to as the "appropriate authorities"), and subject to such conditions as may be prescribed by any one of them while granting any such approval, consent, permission and/or sanction (hereinafter referred to as the "requisite approvals"), which may be agreed to by the Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution), the Board be and is hereby authorised to issue, offer and allot equity shares/fully convertible debentures/partly convertible debentures/non convertible debentures with warrants/ any other securities (other than warrants), which are convertible into or exchangeable with equity shares on such date as may be determined by the Board but not later than 60 months from the date of allotment (collectively referred to as "QIP Securities"), to the Qualified Institutional Buyers (QIBs) as per the SEBI ICDR, whether or not such QIBs are Members of the Company, on the basis of placement document(s), at such time or times in one or more tranche or tranches, at par or at such price or prices, and on such terms and conditions and in such manner as the Board may, in its absolute discretion determine, in consultation with the Lead Managers, Advisors or other intermediaries, provided however that the aggregate amount raised by issue of QIP Securities as above shall not result in increase of the issued and subscribed equity share capital of the Company by more than 25% of the then issued and subscribed equity shares of the Company.

b) RESOLVED FURTHER THAT the relevant date for the determination of applicable price for the issue of the QIP Securities shall be the date on which the Board of the Company decide to open the proposed issue, or the date on which the holder of the securities which are convertible into or exchangeable with equity shares at a later date becomes entitled to apply for the said shares, as the case may be ("Relevant Date").

c) RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of any Securities referred to in paragraph (a) above or as may be necessary in accordance with the terms of the offering, all such shares being pari passu with the then existing shares of the Company in all respects, as may be provided under the terms of the issue and in the offering document.

d) RESOLVED FURTHER THAT such of these QIP Securities to be issued as are not subscribed may be disposed of by the Board to such persons and in such manner and on such terms as the Board in its absolute discretion thinks fit in accordance with the provisions of law.

e) RESOLVED FURTHER THAT the issue to the holders of the Securities with equity shares underlying such securities shall be inter alia, subject to suitable adjustment in the number of shares, the price and the time period etc., in the event of any change in the equity capital structure of the Company consequent upon any merger, amalgamation, takeover or any other re-organisation or restructuring in the Company.

f) RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of QIP Securities or instruments representing the same, as described in paragraph (a) above, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may at its absolute discretion, deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing and institution/trustees/ agents and similar agreements/and to remunerate the Managers, underwriters and all other agencies/ intermediaries by way of commission, brokerage, fees and the like as may be involved or connected in such offerings of Securities, with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment as it may in its absolute discretion deem fit.

g) RESOLVED FURTHER THAT for the purpose aforesaid, the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of QIP Securities and utilisation of the issue proceeds including but without limitation to the creation of such mortgage/ hypothecation/charge on the Company's assets under Section 293(1)(a) of the said act in respect of the aforesaid QIP Securities either on pari passu basis or otherwise or in the borrowing of loans as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

h) RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any other Officer(s)/Authorised Representative(s) of the Company to give effect to the aforesaid resolution."

8. Raising of Resources through Issue of Securities in the International Markets

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

a. "RESOLVED THAT pursuant to Section 81(1A) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements with the Stock Exchanges and subject to the provisions of the applicable rules, regulations, guidelines or laws and/or any approval, consent, permission or sanction of the Central Government, Reserve Bank of India and any other appropriate authority, institution or body (hereinafter collectively referred to as the "appropriate authorities"), and subject to such conditions as may be prescribed by any one of them while granting any such approval, consent, permission, and / or sanction (hereinafter referred to as the "requisite approvals"), which may be agreed to by the Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution), the Board be and is hereby authorised to issue, offer and allot, in International offerings any securities including Global Depositary Receipts and / or American Depositary Receipts convertible into equity shares, preference shares whether Cumulative / Redeemable / Convertible at the option of the Company and / or the option of the holders of the security and / or securities linked to equity shares / preference shares and / or any instrument or securities representing convertible securities such as convertible debentures, bonds or warrants convertible into depositary receipts underlying equity shares/ equity shares / preference shares, (hereinafter referred to as the "Securities") to be subscribed by foreign / domestic investors/institutions and / or corporate bodies/entities including mutual funds, banks, insurance companies and / or individuals or otherwise, whether or not such persons/entities/investors are Members of the Company, whether in one or more currency, such issue and allotment to be made at such time or times in one or more tranche or tranches, at par or at such price or prices, and on such terms and conditions and in such manner as the Board may, in its absolute discretion think fit, in consultation with the Lead Managers, Underwriters, Advisors or other intermediaries provided however that the issue of securities as above shall not result in increase of the issued and subscribed equity share capital of the Company by more than 25 per cent of the then issued and subscribed equity shares.

b. RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue of Securities may have all or any terms or combination of terms including as to conditions in relation to payment of interest, additional interest, premia on redemption, prepayment and any other debt service payments whatsoever, and all such other terms as are provided in Securities offerings of this nature including terms for issue of such Securities or variation of the conversion price of the Security during the duration of the Securities and the Company is also entitled to enter into and execute all such arrangements as the case may be with any lead managers, managers, underwriters, bankers, financial institutions, solicitors, advisors, guarantors, depositaries, custodians and other intermediaries in such offerings of Securities and to remunerate all such agencies including the payment of commission, brokerage, fees or payment of their remuneration for their services or the like, and also to seek the listing of such Securities on one or more stock exchanges including international Stock Exchanges, wherever permissible.

c. RESOLVED FURTHER THAT the Company may enter into any arrangement with any agency or body authorised by the Company for the issue of Securities in registered or bearer form with such features and attributes as are prevalent in capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the domestic and / or international practice and regulations, and under the norms and practices prevalent in securities markets.

d. RESOLVED FURTHER that the Board and/or an agency or body authorised by the Board may issue Depositary Receipt(s) or Certificate(s) or Shares, representing the underlying securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in Indian and/or International capital markets for the instruments of this nature and to provide for the tradability or free transferability thereof, as per the Indian/International practices and regulations and under the norms and practices prevalent in the Indian/ International markets.

e. RESOLVED FURTHER THAT the Securities issued in foreign markets shall be deemed to have been made abroad and / or in the market and / or at the place of issue of the Securities in the international market and may be governed by the applicable laws.

f. RESOLVED FURTHER THAT the Board or any Committee thereof be and is hereby authorised to issue and allot such number of shares as may be required to be issued and allotted upon conversion of any Securities referred to in paragraph (a) above or as may be necessary in accordance with the terms of the offering, all such shares being pari passu with the then existing shares of the Company in all respects, as may be provided under the terms of the issue and in the offering document.

g. RESOLVED FURTHER THAT such of these Securities to be issued as are not subscribed may be disposed of by the Board to such persons and in such manner and on such terms as the Board in its absolute discretion thinks fit in the best interest of the Company and as is permissible by law.

h. RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of Securities or instruments representing the same, as described in paragraph (a) above, the Board or any Committee thereof be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing and depositary arrangements with institutions / trustees / agents and similar agreements / and to remunerate the Managers, underwriters and all other agencies / intermediaries by way of commission, brokerage, fees and the like as may be involved or connected with such offerings of Securities, with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment as it may in its absolute discretion deem fit.

i. RESOLVED FURTHER THAT for the purpose aforesaid, the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilisation of the issue proceeds including but without limitation to security created or to be created for such Securities as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members.

j. RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or the Chairman or any other Officers / Authorised Representatives of the Company to give effect to the aforesaid resolution."

By Order of the Board of Directors

Ramesh Shenoy
Company Secretary

Registered Office:

H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710

May 27, 2011

Notes

1. **A member entitled to attend and vote at the Annual General Meeting (the Meeting) is entitled to appoint a proxy to attend and vote on a poll instead of herself/ himself and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.**
2. Corporate members are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the Annual General Meeting.
3. Members/proxies should fill in the attendance slip for attending the Meeting and bring their attendance slip along with their copy of the annual report to the Meeting.
4. 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.
5. Members who hold share(s) in electronic form are requested to write their DP Id and Client Id number and those who hold share(s) in physical form are requested to write their folio numbers in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Meeting.
6. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days except Saturdays between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
7. a. The Company's Register of Members and Transfer Books will remain closed from Monday, September 19, 2011 to Tuesday, September 27, 2011 (both days inclusive) for determining the names of members eligible for dividend, if declared, on equity shares for the year ended March 31, 2011. In respect of shares held in electronic form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the depositories for this purpose.
   b. The dividend on equity shares, as recommended by the Board of Directors, if declared at the meeting will be payable on and from September 27, 2011.
   c. Members may please note that the dividend warrants shall be payable at par at the designated branches of the bank for an initial period of three months only. Thereafter, the dividend warrants on revalidation shall be payable only at limited centres / branches of the said bank. The members are therefore, requested to encash dividend warrants within the initial validity period.
8. Members may please note that for shares in electronic form, bank particulars registered against their depository accounts will be used by the Company for payment of dividend. Members are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they maintain their demat accounts. The Company or its Registrars and Transfer Agents cannot change bank particulars or bank mandates for shares in electronic form.
9. Members holding shares in physical form are requested to advise any change of address immediately to the Company/ Registrars and Transfer Agents, Karvy Computershare Private Limited.
10. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the financial years 1995-96 to 2003-04, to the Investor Education and Protection Fund (IEPF) established by the Central Government.
11. Non-resident Indian members are requested to inform Karvy Computershare Private Limited immediately on:
    a. the change in the residential status on return to India for permanent settlement, and
    b. the particulars of the bank accounts maintained in India with complete name of Bank, branch, account type, account number and address of the bank, if not furnished earlier.

Notes

12. a. Appointment of director : Shri R R Rai is proposed to be appointed as a Director of the Company subject to retirement by rotation at the ensuing AGM.

    b. Re-appointment of directors: At the ensuing AGM, Shri S L Rao and Dr Leena Srivastava, retire by rotation, and being eligible, offer themselves for re-appointment.

    The details pertaining to all directors including those proposed to be appointed / reappointed as required to be provided pursuant to Clause 49 of the listing agreement are furnished in the Corporate Governance Report forming part of this Annual Report.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents, Karvy Computershare Private Limited.
14. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.rinfra.com under the section 'Investor Relations'.
15. Members are advised to refer to the section titled 'Investor Information' provided in this Annual Report.
16. Members are requested to fill in and send the Feedback Form provided in the 'Investor Relations' section on the Company's website www.rinfra.com to aid the Company in its constant endeavour to enhance the standards of service to investors.
17. Pursuant to Circular No. SEBI/CFD/DIL/LA/2/2007/26/4 dated April 26, 2007, issued by the Securities and Exchange Board of India, the statement containing the salient features of the balance sheet, profit and loss account and auditors' report (Abridged Financial Statements), is sent to the members, along with the Abridged Consolidated Financial Statements. Any member interested in obtaining a copy of the full Annual Report, may write to the Registrar and Transfer Agent of the Company.
18. 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.
19. Green initiative in Corporate Governance: The Ministry of Corporate Affairs (MCA) has vide its circular dated April 29, 2011 stated that service of notice / documents including Annual Report to the members can be made by e-mail. To support this green initiative of the MCA , members who have not yet registered their email addresses are requested to do so (i) in respect of electronic holdings through their concerned depository participants and (ii) in respect of the physical holdings, to Karvy Computershare Private Limited.

Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 to the accompanying Notice dated May 27, 2011

Item No. 6

Appointment of Shri R R Rai as Director, liable to retire by rotation

The Board of Directors on May 10, 2011 appointed, pursuant to the provisions of Section 260 of the Companies Act, 1956 (the 'Act') and Article 106 of the Articles of Association of the Company, Shri R R Rai as an Additional Director of the Company. In terms of the provisions of Section 260 of the Act, Shri R R Rai would hold office up to the date of this Annual General Meeting.

The Company has received notice in writing from a member along with a deposit of ₹ 500 proposing the candidature of Shri R R Rai for office of Director of the Company under the provisions of Section 257 of the Act. Accordingly, Shri R R Rai is proposed to be appointed as a non- executive, independent director on the Board of the Company, liable to retire by rotation.

Shri R R Rai is a graduate in science and holds a degree in law from the Delhi University. He has served Life Insurance Corporation of India in various areas such as marketing and management, PR and Publicity, Personnel and Industrial Relations, Management Development Centre, Zonal Manager in-charge of Western Zone and Executive Director (Corporate Communication and International Operations). He is also on the Board of Tourism Finance Corporation of India Limited. Shri Rai is not related to any Director of the Company.

The Board recommends the resolution set out in Item No. 6 of the Notice for the approval of the members of the Company.

Save and except Shri R R Rai, none of the other Directors of the Company is in any way concerned or interested in the resolution set out in Item No. 6 of the Notice.

Item No. 7

Issue of equity shares to the Qualified Institutional Buyers

The Company, in order to enhance its global competitiveness and increase the ability to compete with the peer group in domestic and international markets, needs to strengthen its financial position by augmenting long term resources, from time to time.

For the above purposes as also for meeting the requirements for general corporate purposes, as may be decided by the Board from time to time, it is proposed to seek the enabling authorisation of the Members of the Company in favour of the Board of Directors ("Board"), without the need of any further approval from the Members, to undertake the Qualified Institutional Placement ("QIP") with the Qualified Institutional Buyers ("QIB"), in accordance with the provisions of Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("SEBI ICDR"), as set out in the resolution at Item No. 7 of the accompanying Notice.

Pursuant to the above, the Board may, in one or more tranches, issue and allot fully convertible debentures/ partly convertible debentures / non-convertible debentures with warrants/ any other securities (other than warrants), which are convertible into or exchangeable with equity shares on such date as may be determined by the Board but not later than 60 months from the date of allotment (collectively referred to as "QIP Securities").

The said QIP by the Board shall be subject to the provisions of the SEBI ICDR including the pricing, which will not be less than the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchanges during the two weeks preceding the relevant date. The Relevant Date for the determination of applicable price for the issue of the QIP Securities shall be the date of allotment of the QIP Securities by the Board pursuant to the applications received by the Company.

For the reasons aforesaid, an enabling resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalise the terms of the issue. The QIP Securities issued pursuant to the offering would be listed on the Indian stock exchanges.

The proposed issue of QIP Securities as above may be made on or after February 13, 2012 or after completion of the buy-back of shares (under the current buy-back programme) whichever is earlier, in one or more tranches such that the Securities to be issued shall not result in (a) allotment of any equity shares of the Company on or before August 13, 2012 or within a period of six months from the date of completion of buy-back, whichever is earlier and (b) increasing the then issued equity shares of the Company by more than 25 per cent of the then issued equity shares of the Company.

The Securities issued under QIP issue pursuant to the offer, if necessary, may be secured by way of mortgage / hypothecation on the Company's assets as may be finalized by the Board of directors in consultation with the Security Holders / Trustees in favour of Security Holders / Trustees for the holders of the said securities. The security that may have to be created for the purposes of this issue, as above may come within the purview of Section 293(1)(a) of the Companies Act, 1956. Necessary approval has already been accorded by Members of the Company for creation of such Security(s) through postal ballot at the meeting held on February 15, 2003.

Section 81 of the Companies Act, 1956 and the Listing Agreements entered into with the Stock Exchanges, provide, inter alia, that where it is proposed to increase the subscribed share capital of the Company by allotment of further shares, such further shares shall be offered to the persons, who on the date of the offer are holders of the equity shares of the Company, in proportion to the capital paid-up on those shares as of that date unless the Members decide otherwise. The Special Resolution seeks the consent and authorization of the Members to the Board of Directors to offer and issue the QIP Securities, in consultation with the Lead Managers, Legal Advisors and other intermediaries to offer and issue the QIP Securities to any persons, whether or not they are members of the Company..

The Board of Directors accordingly recommends the special resolution set out at Item No. 7 of the accompanying Notice for the approval of the Members.

None of the Directors of the Company may be , in any way, deemed to be concerned or interested in the said resolution, except to the extent of their shareholding in the Company.

Item No. 8

Raising of Resources through Issue of Securities in the International Markets

The Company had through Postal Ballot on January 7, 2008, approved and authorized the Board to raise funds through issue of securities in the international markets for an amount not exceeding ₹ 5,000 crore or any equivalent thereof. However, no issue of securities was made pursuant to the said Resolution, inter alia, as the Company successfully raised capital by other capital issues.

The Company either directly or through subsidiaries or through investee companies and on its own or in consortium is engaged in a number of projects under implementation or under consideration in the field of power generation, transmission, distribution as also infrastructure development such as highways, roads, bridges, metro rail and other mass rapid transit systems, airports, sea link, etc. In order to enhance its net worth and to have greater financial strength to implement these large projects and for other corporate purposes as may be permitted from time to time under the relevant guidelines, the Company proposes to raise funds by issue of securities in international market, in appropriate tranches and at appropriate time.

It is accordingly proposed to obtain an enabling resolution from the Members of the Company so as to issue securities in the international market as contemplated in the resolution set out at Item No. 8 of the Notice at such time and on such terms, as may be decided by the Board and found to be expedient and in the interests of the Company.

The detailed terms and conditions of the Issue as and when made will be determined by the Board of Directors in consultation with the Merchant Bankers, Lead Managers, Advisors, Underwriters and other experts in accordance with the applicable provisions of law.

The proposed issue of Securities as above may be made on or after February 13, 2012 or after completion of the buy-back of shares (under the current buy-back programme), whichever is earlier, in one or more tranches, in the international market in one or more currency, such that the Securities to be issued shall not result in (a) allotment of any equity shares of the Company on or before August 13, 2012 or within a period of six months from the date of completion of buy-back, whichever is earlier, and (b) increasing the then issued and outstanding equity shares of the Company by more than 25 per cent. The issue price of the security to be issued in the proposed offerings will be determined by the Board of Directors at the time of the offer depending on the then prevailing market conditions and the applicable regulations. The Securities will be listed on such International / Indian Stock Exchanges as the Board may be advised and as it may decide.

Section 81 of the Companies Act, 1956, and the listing Agreements entered into with the Stock Exchanges, provide, inter alia, that where it is proposed to increase the subscribed share capital of the Company by allotment of further shares, such further shares shall be offered to the persons who on the date of the offer are holders of the equity shares of the Company, in proportion to the capital paid up on those shares as of that date unless the Members decide otherwise. The Special Resolution seeks the consent and authorisation of the Members to the Board of Directors to make the proposed issue of Securities and in the event it is decided to issue Securities convertible into equity shares, to issue to the holders of such convertible Securities in such manner and such number of equity shares on conversion as may be required to be issued in accordance with the terms of the issue.

This Special Resolution gives (a) adequate flexibility and discretion to the Board to finalise the terms of the issue, in consultation with the Lead Managers, Underwriters, Legal Advisors and experts or such other authority or authorities as need to be consulted including in relation to the pricing of the Issue which will be fixed keeping in view the then prevailing market conditions and in accordance with the applicable provisions of rules, regulations or guidelines, and (b) powers to issue and market any Securities issued pursuant to the international offer including the power to issue such Securities in such tranche or tranches with / without voting rights.

The Board of Directors accordingly recommends the resolution set out at Item No. 8 of the accompanying Notice for the approval of the Members.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution except to the extent of their shareholding in the Company

By Order of the Board of Directors

Ramesh Shenoy
Company Secretary

Registered Office:

H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710

May 27, 2011

Directors' Report

Dear Shareowners,

Your Directors present the 82nd Annual Report and the audited accounts for the financial year ended March 31, 2011.

Financial Results

The standalone performance of the Company for the financial year ended March 31, 2011 is summarised below:

Particulars	**Financial Year ended March 31, 2011**		*Financial Year ended March 31, 2010	
	₹ crore	****US $ in million**	₹ crore	**US $ in million
Total income	**10,266.44**	**2,302.15**	10,908.06	2,429.41
Gross profit before depreciation	**1,448.46**	**324.80**	1,616.78	360.08
Depreciation	**313.41**	**70.28**	319.84	71.23
Profit before taxation	**1,135.05**	**254.52**	1,296.94	288.85
Tax expenses (Net) (including deferred tax and tax for earlier years)	**54.14**	**12.14**	145.25	32.35
Profit after taxation	**1,080.91**	**242.38**	1151.69	256.50
Add :				
Balance of profit brought forward from previous year	**598.46**	**134.20**	683.20	152.16
Profit available for appropriations	**1,679.37**	**376.58**	1,834.89	408.66
Appropriations :				
Dividend on equity shares (including tax on dividend)	**222.28**	**49.84**	183.64	40.90
Statutory Reserves	**19.06**	**4.27**	16.96	3.78
Transfer to General Reserve	**1,000.00**	**224.24**	1,000.00	222.72
Transfer to Debenture Redemption Reserve	**37.89**	**8.50**	35.83	7.98
Balance carried to Balance Sheet	**400.14**	**89.73**	598.46	133.28

*Figures of previous year have been regrouped and reclassified wherever required

**₹ 44.595 = US $ 1 Exchange rate as on March 31, 2011 (₹ 44.90 = US $ 1 as on March 31, 2010)

Financial Performance

During the year under review, your Company earned an income of ₹ 10,266 crore, against ₹ 10,908 crore in the previous year. The Company earned Profit after tax of ₹ 1,081 crore as compared to ₹ 1,152 crore in the previous year. Shareholders equity (Net worth) increased to ₹ 17,668 crore from ₹ 15,152 crore in the previous year. The factors contributing to the financial performance are discussed more elaborately in the Management Discussion and Analysis Report which is included as part of the Annual Report.

Dividend

Your Directors have recommended a dividend of ₹ 7.20 (72 per cent) per equity share (Previous year ₹ 7.10 per equity share) aggregating ₹ 191.25 crore for the financial year 2010-11 which, if approved at the ensuing 82nd Annual General Meeting (AGM), will be paid to (i) those members whose names appear on the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company on or before September 17, 2011, and (ii) those members whose names appear as beneficial owners as on September 17, 2011, as per particulars to be furnished for this purpose, by the Depositories, viz. National Securities Depository Limited and Central Depository Services (India) Limited.

The dividend payout as proposed is in accordance with the Company's policy to pay sustainable dividend linked to long term performance, keeping in view the capital needs for the Company's growth plans and to achieve optimal financing of such plans through internal accruals.

Management Discussion and Analysis

The Management Discussion and Analysis Report for the year under review as stipulated under Clause 49 of the listing agreement with the stock exchanges in India, is presented in a separate section forming part of the Annual Report.

The Company has entered into various contracts in the area of infrastructure and value added service businesses. Some of them have already been completed and benefits of the same have already been started accruing. Contracts under progress are periodically reviewed by the Board.

Issue of Securities and Share Capital

(i) Conversion of warrants

Pursuant to approval of the members of the Company accorded through postal ballot on June 24, 2009, the Company allotted 4,29,00,000 warrants at ₹ 928.89 each (including a premium of ₹ 918.89 per equity share) on preferential basis to one of the promoter companies, AAA Project Ventures Private Limited (AAAPVPL), on July 9, 2009.

During the year, AAAPVPL subscribed to equity shares of the Company on exercise of option attached to warrants, whereupon the Company allotted 2,25,50,000 equity shares to the warrant holder. Consequent upon the allotment of these shares, the paid-up capital of the Company increased to 26,74,20,262 equity shares.

AAAPVPL did not opt for conversion of balance 7,50,000 options and accordingly, the same stand lapsed.

(ii) Buy-back of shares

Pursuant to the resolution passed by the Board of Directors of the Company and in accordance with the provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, the Company made a Public announcement to buy-back the equity shares of the Company at a maximum price of ₹ 725 per equity share, up to an amount not exceeding

10 per cent of the paid-up equity share capital and free reserves (including securities premium) of the Company, i.e. up to ₹ 1,000 crore. The buy-back offer opened from April 11, 2011 and shall remain open until twelve months from the date of the resolution passed by the Board of Directors i.e. February 13, 2012 or when the Company completes the Buy-back to the extent of ₹ 1,000 crore or if the Board opts to close the Buy-back upon reaching 25% of the maximum offer size, whichever is earlier. The Company, up to the date of this report, bought-back 18,00,000 equity shares at an aggregate amount of ₹ 115.58 crore. Consequently, the paid-up equity share capital of the Company declined from ₹ 267.42 crore to ₹ 265.62 crore as on May 27, 2011.

Scheme of Arrangement

(a) Withdrawal of Scheme of Arrangement

The Scheme of Arrangement dated May 9, 2009, envisaging transfer of various operating divisions of the Company, viz., Dahanu Thermal Power Station division, Goa and Samalkot Power Stations division, Power Transmission division, Power Distribution division, Toll Roads division and Real Estate division to its respective resulting six wholly owned subsidiaries was sanctioned by the Hon'ble Bombay High Court on July 24, 2009, subject to the Company receiving the requisite approvals.

Taking into consideration, inter alia, the considerable lapse of time of nearly two years and subsequent changes in the business environment, the proposal was no longer considered relevant and the same was withdrawn on March 25, 2011 with the approval of the Hon'ble Bombay High Court. The withdrawal of the Scheme would not impact the profitability or business of the Company.

(b) Scheme of Amalgamation of Reliance Infraprojects Limited

Reliance Infraprojects Limited, a wholly owned subsidiary of the Company was amalgamated with the Company with effect from May 21, 2011 in terms of the Scheme of Amalgamation ('Scheme') sanctioned by the Hon'ble Bombay High Court vide order dated March 30, 2011. The appointed date of the Scheme was April 1, 2010.

Standby Charges

In the pending litigation on standby charges, The Tata Power Company Limited (TPC) had filed an appeal in the Hon'ble Supreme Court which admitted it and directed TPC to deposit ₹ 227 crore (being 50 per cent of the amount of refund including interest up to December 31, 2006) as per the order of the Appellate Tribunal for Electricity and furnish a bank guarantee for ₹ 227 crore. The Company was permitted to withdraw the amount after giving an undertaking to repay the amount, if required, without demur, on the final order being passed. The Company, after giving such an undertaking received ₹ 227 crore on March 12, 2007. The Company is yet to receive further order from the Hon'ble Supreme Court.

Power Distribution License

The Power distribution license issued to the Company is valid up to August 15, 2011. Maharashtra Electricity Regulatory Commission (MERC) had published a public notice on October 6, 2010 inviting Expression of Interest (EOI) from parties interested in obtaining license for supply of power in RInfra's area of supply in suburbs of Mumbai. Since MERC did not respond to clarification on whether the said Notice is an invitation for issue of parallel license in RInfra's area or whether the same intends to replace the existing license, the Company filed a writ petition in the Bombay High Court as well as before the Appellate Tribunal for Electricity, against the EOI seeking an immediate stay on the same. The hearing is pending.

Meanwhile, the Company filed a petition before MERC seeking renewal / extension of its license by extending the period by 25 years from August 16, 2011. MERC vide its order dated April 1, 2011, directed the Company to file an application for fresh licence under the Electricity Act, 2003, instead of amendment of licence. As directed by MERC, the Company filed an application for fresh licence on April 25, 2011. The licence application has been admitted by MERC after technical validation in the presence of consumer representatives on May 5, 2011.

Subsidiary Companies

During the year under review, Utility Infrastructure and Works Private Limited, Reliance Cement Private Limited and Reliance Infrastructure Engineers Private Limited, became subsidiaries of the Company.

As per approval granted by the Ministry of Corporate Affairs vide circular No.02/2011 dated February 8, 2011, copies of the Balance Sheet, Profit and Loss Account, Report of the Board of Directors and Auditors of the subsidiary companies are not being attached to the Balance Sheet of the Company. The financial information of the subsidiary companies as required by the above circular is disclosed under 'Financial Information of Subsidiary Companies', which forms part of the Annual Report.

The Company will make available hard copies of Annual Accounts of the subsidiary companies and related detailed information to the shareholders of the Company seeking the same.

The annual accounts of the subsidiary companies will also be kept for inspection by any shareholders at the Registered Office of the Company and that of respective subsidiary companies.

Further, pursuant to Accounting Standard (AS) -21 prescribed under the Companies (Accounting Standards) Rules, 2006 and Listing Agreement as prescribed by the Securities and Exchange Board of India, Consolidated Financial Statements presented by the Company include financial information of subsidiary companies, which forms part of the Annual Report.

Fixed Deposits

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

Directors

In terms of the provisions of the Companies Act, 1956, Shri S L Rao and Dr Leena Srivastava, Directors of the Company retire by rotation and being eligible offer themselves for re-appointment.

Shri R R Rai was appointed as an Additional Director in terms of Section 260 of the Companies Act, 1956 effective from May 10, 2011. He holds office up to the date of the ensuing AGM. The Company has received a notice in writing from a member proposing the candidature of Shri R R Rai for the office of a Director of the Company, liable to retire by rotation and accordingly, his candidature for appointment as a Director has been included in the Notice convening the AGM.

Brief resume of all directors, including those proposed to be appointed at the ensuing AGM, nature of expertise in specific functional areas and names of companies in which they hold directorships and/or memberships/chairmenship of Committees of the Board, shareholding and relationships between directors, inter se, if any, as stipulated under Clause 49 of the listing agreement with the Stock Exchanges in India, is provided in the report on Corporate Governance forming part of the Annual Report.

Directors' Report

Directors' Responsibility Statement

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

i. in the preparation of the annual accounts for the financial year ended March 31, 2011, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;

ii. the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2011 and of the profit of the Company for the year under review;

iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

iv. the Directors had prepared the annual accounts for the financial year ended March 31, 2011, on a 'going concern' basis.

Group

Pursuant to an intimation received from the Promoters, the names of the Promoters and entities comprising 'Group' as defined under the Monopolies and Restrictive Trade Practices Act, 1969 are disclosed in the Annual Report for the purpose of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

Consolidated Financial Statements

The Audited Consolidated Financial Statements based on the Financial Statements received from subsidiaries, joint ventures and associates, as approved by their respective board of directors have been prepared in accordance with the Accounting Standard (AS) - 21 on 'Consolidated Financial Statements' read with Accounting Standard (AS) - 23 on 'Accounting for Investments in Associates' and Accounting Standard (AS) - 27 on 'Financial Reporting of Interests in Joint Ventures', notified under Section 211 (3C) of the Companies Act, 1956 read with the Companies (Accounting Standards) Rules, 2006, as applicable.

Auditors and Auditors' Report

M/s. Haribhakti & Co., Chartered Accountants and M/s. Pathak H D & Associates, Chartered Accountants, the auditors of the Company hold office until the conclusion of the ensuing AGM and are eligible for re-appointment.

The Company has received letters from M/s. Haribhakti & Co., Chartered Accountants and M/s. Pathak H D & Associates, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956, and that they are not disqualified for such appointment within the meaning of Section 226 of the Companies Act, 1956.

The observations and comments given by Auditors in their report read together with notes to Accounts are self explanatory and hence do not call for any further comments under Section 217 of the Companies Act, 1956.

Cost Auditor

Pursuant to the direction of the Central Government that the cost accounts maintained by the Company be audited by a cost auditor, the Company has appointed M/s. V J Talati & Company, Cost Accountants, for conducting the cost audit for the generation, transmission and distribution of electricity businesses of the Company for the financial year ended March 31, 2011.

Particulars of Employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and the Companies (Particular of Employees) Amendment Rules, 2011, the names and other particulars of employees are set out in the Annexure to the Directors' Report. However, having regard to the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

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

The particulars as required to be disclosed 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, are given in Annexure-A forming part of this report.

Corporate Governance

The Company has adopted the Reliance Group – Corporate Governance Policies and Code of Conduct which has set out the systems, processes and policies conforming to international standards. The report on Corporate Governance as stipulated under Clause 49 of the listing agreement with the Stock Exchanges, forms part of the Annual Report.

A certificate from the Auditors of the Company, M/s. Haribhakti & Co., Chartered Accountants and M/s. Pathak H D & Associates, Chartered Accountants confirming compliance with conditions of Corporate Governance as stipulated under clause 49 of the listing agreement, is attached to this Report.

Acknowledgment

Your directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, debentureholders, bankers, financial institutions, government authorities, regulatory bodies and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff of the Company, resulting in the successful performance of the Company during the year.

For and on behalf of the Board of Directors

Mumbai
May 27, 2011

Anil Dhirubhai Ambani
Chairman

Annexure A

Disclosure under the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988

A. Conservation of Energy

I a. Energy conservation measures taken at Distribution Division and offices

i. Awareness of seminars and e-bulletin for employees and consumers on various aspects of energy conservation opportunities including use of BEE star labeled energy efficient appliances, energy efficient building construction, use of renewable energy sources.

ii. Installation of energy efficient lighting technologies such as Light Emitting Diodes (LED), higher efficiency T5 FTL lamps, CFL, electronic choke and efficient fixtures with better ergonomics for lighting.

iii. Installation of variable capacitors (APFC panels) at substations and LT fixed capacitors at office buildings for improvement of power factor and loss reduction.

b. Additional investment and proposals being implemented

i. Installation of Light Pipe technology for efficient use of natural light reducing energy consumption for artificial lighting

ii. Installation of solar lighting and solar water heating systems in building roof-tops

iii. Replacement of old inefficient Air Conditioning units with energy efficient 5star split air Conditioning units

c. Impact of the measures outlined at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

i. Reduction in energy consumption

ii. Demand reduction during peak period

iii. Increased energy conservation awareness among employees and customers.

II a. Energy conservation measures taken at Power Stations and offices

- Energy Audit of Power Plant systems consisting of main process and equipments
- Replacement of Turbine HP Module during annual overhaul of Dahanu Thermal Power station
- Implementation of Energy Management System, BS EN 16001:2009
- Installation of VFD in pump motors
- Development of energy management system by installation of communicable Energy meters for LT auxiliaries
- Installation of additional Cooling Tower cells at Samalkot Power Plant
- Modifying cooling tower makeup system from motor driven pumping to gravity system
- Gas Turbine Up rate at Goa Power Plant
- HRSG HP Evaporator re-engineering / installation at Goa Power Plant
- De-staging of High pressure boiler feed pump
- Replacement of auxiliary cooling water pump bowl assembly with higher efficiency one
- Introduction of high efficiency nozzles and drift eliminator in cooling tower
- Installation of solar water heater system in colony residence and 2HP solar water pump
- Replacement of Conventional lighting system by CFLs/LED at various locations

b. Additional investment and proposals being implemented

- Replacement of street lights with energy efficient lights
- Additional cooling tower cells
- Conversion of Naphtha based plant to Gas based plant

c. Impact of the measures outlined at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

- Improvement in plant Heat Rate.
- Reduction in auxiliary power consumption.
- Improvement in cycle efficiency
- Improvement in system reliability
- Increased energy conservation awareness among employees and customers.

B. Technology Absorption: Efforts made in technology absorption

FORM 'B'

Research and Development (R&D)

1. Distribution Division

Areas in which R&D was carried out

- IIT Mumbai is appointed as a consultant for Network Management - 2030 road map - study in fields such as load forecasting, network design, technology uses and validation of existing practices.
- Receiving station layout design optimization study and standardization completed.
- Redesigning LT Pillar for theft prone areas fitted with flush mounted double door, insulated bus bars, Moulded Case Circuit Breakers and Miniature Circuit Breakers, electronic lock and night vision camera with communication system.
- Piranha connectors- Insulation piercing type and fully waterproof, an alternative to bus bar type mini-pillars.
- Introduction of Cable route tracer and locator for exact identification of underground cables.
- Insulcoat for Air Bus bars 11kV Switchgear – All 11 kv air insulated switchgears were insulated with new type of paint for moisture proofing.
- New statistical tool designed to arrive at effective LT cable load on system.
- Improving the Operation & Maintenance (HT and LT) processes through implementation of network management systems.

Benefits derived

- Building world class infrastructure with the help of Indian Institute of Technology, Mumbai to meet the ever increasing demand of Mumbai and customer satisfaction with the help of new advanced technologies and energy efficient equipment.

- Enhanced probability of getting receiving station space and optimum use of such spaces on account of receiving station optimization study and building the best-in-class infrastructure for Mumbai
- Redesigning Low tension Pillar - For improvement in safety, quality and theft prevention in theft prone areas
- Piranha connectors - For improvement in safety, quality, space reduction and theft prevention from Low tension mini pillars. This being water proof, it helps during monsoon.
- Cable locator and Marker - For improvement in cable identification process, prevent potential damage to the cable and improve the personnel safety.
- Insulcoat - Reduction in failures of air bus bar switch gears during monsoon due to moisture absorption.
- Statistical tool - better network planning and LT network management.
- HT & LT network management system - Improved measurement for reliability indices at a defined level to pinpoint exact area of improvement. Measurement of equipment availability thereby introducing the concept of reliability centered maintenance and automation of basic LT.

Future plan of action

- Implementation of Substation monitoring system
- Implementation of 33KV outlet evacuation program in view of new EHV stations, in-order to reduce the technical losses and improve the reliability
- Introduction of new fuse strip type pillar with enhanced safety arrangements

2. Transmission Division

Areas in which R&D was carried out

- Hot line maintenance
- Polymer Insulators

Benefits derived

- Replacement of insulator strings, repositioning of vibration dampers, tightening of nut-bolts and jumpers can be carried out without outage and down time.
- Installation of polymer insulators will reduce insulator failures and improve reliability.

Future plan of action

- Installation of online Dissolved Gas Analyzer for all 220 KV Transformer.
- Introduction of 220 kV cables for new EHV stations.
- Introduction of 33 kV and 220 kV GIS at proposed EHV stations at Gorai, Nagri Nivara Parishad, Goregaon (E), Goregaon (W) and Chembur.

3. Power Plants

Areas in which R&D was carried out

- Installation of new off-line water wash nozzles in Gas Turbine
- Dry ice blasting for cleaning of Heat Recovery Steam Generator(HRSG) coil surface.
- Replacements of Cooling Tower Cell fill with improved design and drift eliminators.
- Flue Gas Heat Recovery
- LLDPE (Linear low density polyethylene) and HDPE (High Density Polyethylene) lining is used to prevent the leachate to enter into the ground water thereby preventing its contamination.
- Renolith is being used in BTG laydown area and Reinforcement Yard for providing a firm surface for Equipment storage
- Use of 30-35 % of fly ash at all RMC Plants for construction of Power plant structures.
- Use of Fly Ash Blocks (Fly Ash ~ 50- 60%) for construction of Boundary wall & Building for all UMPP.

Benefits derived

- Performance improvement of Gas Turbine / HRSG
- Performance improvement of cooling tower
- Energy savings
- Heat Recovery
- Resource conservation
- Better utilization of fly ash
- Improved unit heat rate

Future plan of action

- Setting of coarse ash grinding system in order to utilize coarse ash gainfully.
- Interconnection of Chillers of Inlet air of Gas Turbine.
- Study on Feasibility of LNG and CNG as alternate fuel for Gas Turbine.
- Design of Main Control room with modern concepts, including Large Video Displays adopted to enhance ease of Operation and enable faster response.
- Adoption of Wireless communication, typically for Communication between Raw Water Intake system PLC system (located at a distance from main plant) and in plant water treatment PLC system.

4. Expenditure incurred on R&D

		₹ in crore
a.	Capital	8.80
b.	Recurring	4.24
c.	Total	12.64
d.	Total R & D expenditure as a per cent of total turnover	0.12

C. Technology absorption, adaptation and innovation

a. Power Plants

1. Efforts, in brief, made towards technology absorption, adaption and innovation

- Upgradation of EHTC control of governing system.
- CDMA (Code Division Multiple Access) technology for Automated Remote Metering at Goa Distribution.

2. Benefits derived as a result of the above efforts

- Increase in the reliability of governing and related system (HPBP, TSI, LPBP & Axial shift will improve for long run). Testing and modifications will be user friendly.
- Overall reduction in billing system cycle time, manpower, manual errors. Value addition for consumers
- Improved power station reliability

b. EPC Division

1. Efforts, in brief, made towards technology absorption, adaptation and innovation

- Installation of energy efficient centrifugal compressors for Instrumentation and Service air requirement.
- Installation of higher efficiency concrete involute pumps for Sea Water Intake system and Cooling Water system application.
- Adoption of ground improvement techniques for improving the load bearing capacity of soil mainly in coastal areas where soil conditions are poor.
- Use of Over Land Coal Conveyor system in place of conventional Rail transportation system for better availability and reliability.
- Use of Pre-fabricated structures in place of site fabricated structures to reduce erection time.
- Installation of GIS Switchyard which has an advantage in terms of space conservation, reliability and better performance in corrosive environment.
- Installation of transmission system at 765 KV for reducing transmission losses.
- Intelligent Generator Circuit Breaker online condition monitoring device for early warning for maintenance requirement and thereby enhancing equipment life.
- Extensive use of better efficiency tube shaped florescent lamp with electronic ballasts and CFL lamps, at projects and offices.
- Application of Wireless Technology for Monitoring and Controlling Raw Water Intake Pumps
- Adoption of attached Growth Technology as against Activated Sludge Concept for Sewage Treatment System.
- Use of Condensed Aerosol suppression system for all Remote controlled Control Rooms envisaged.

2. Benefits derived as a result of the above efforts

- Performance improvement of Service Air system and associated equipment.
- Better performance of pumps with sea water application.
- Better life expectancy of equipment in adverse conditions.
- Ground improvement techniques are cost effective as compared to Piling.
- Dedicated systems and better reliability as compared to conventional systems.
- Approach to adopt Eco-friendly systems with higher factor of safety.

c. Information regarding Imported Technology

Technology imported	Year of import	Status
Gas Turbine Compressor blades coated by M/s Sermatech, Germany to enhance life and efficiency improvement	2005	Absorbed

D. Foreign Exchange earnings and outgo

a. Activities relating to export, initiatives taken to increase exports, development of new export markets for products and services, and export plants:

The Company is not engaged in export activities.

b. Total foreign exchange earnings and outgo for the financial year are as follows:

i	Total Foreign Exchange earnings (Previous year ₹ 42.69 crore)	: ₹ 116.18 crore
ii	Total Foreign Exchange outgo (Previous year ₹ 115.54 crore)	: ₹ 91.47 crore

Annexure B – Auditors' Certificate on Corporate Governance

To the Members of Reliance Infrastructure Limited

We have examined the compliances of the conditions of Corporate Governance by Reliance Infrastructure Limited ('the Company')for the year ended March 31, 2011, as stipulated in clause 49 of the listing agreements of the Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliances of the conditions of Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreements.

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

For Haribhakti & Co.	**For Pathak H D & Associates**
Chartered Accountants	Chartered Accountants
Firm Registration No 103523W	Firm Registration No 107783W
Rakesh Rathi	**Vishal D Shah**
Partner	Partner
Membership No. 45228	Membership No. 119303

Date : May 27, 2011

Place : Mumbai

Management Discussion and Analysis

Forward looking statements

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include interconnect usage charges, determination of tariff and such other charges and levies by the regulatory authority, changes in government regulations, tax laws, economic developments within the country and such other factors globally.

The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 1956 (the Act) and comply with the Accounting Standards notified under Section 211(3C) of the Act read with the Companies (Accounting Standards) Rules, 2006. The management of Reliance Infrastructure ("Reliance Infrastructure" or "RInfra" or "the Company") has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs and profits for the year.

The following discussions on our financial condition and result of operations should be read together with our audited consolidated financial statements and the notes to these statements included in the annual report.

Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "RInfra", "Reliance" or "Reliance Infrastructure" are to Reliance Infrastructure Limited and its subsidiary companies and its associates.

Macro Economics

The Indian economy, during the financial year 2010-11, achieved a robust growth with appreciable contribution mainly from agriculture, industries and services and proactive initiatives from the country's policy makers. According to recent estimates, India's Gross Domestic Product (GDP) was expected to rise to 8.5 per cent in 2010-11 as against 8 per cent in 2009-10. However, inflation remains primary policy concern and principal threat to economic stability. Going forward, the rise in interest rates and continued inflation may impact the pace of capital investments and impede the industrial growth.

Outlook

The India's GDP is expected to consolidate at 8 per cent in the financial year 2011-12 compared to 8.5 per cent in the financial year 2010-11 on account of continuing tightening by the Reserve Bank of India to manage the inflation. The medium term prospects remain positive due to healthy expansion in private services, strong consumption in both rural and urban sectors, acceleration in export demand and strong investment pipeline with emphasis on infrastructure

Overall Review

Reliance Infrastructure is India's leading private sector Infrastructure Company, with aggregate group revenues of about ₹ 28,270 crore (US$ 6.34 billion) and gross fixed assets of ₹ 26,050 crore (US$ 5.84 billion). Reliance Infrastructure is ranked amongst India's leading private companies on all major financial parameter, including assets, sales, profits and market capitalisation.

- Total Income of ₹ 10,266 crore (US$ 2.3 billion), as against ₹ 10,908 crore in the previous financial year.
- Cash Profit of ₹ 1,336 crore (US$ 300 million) against ₹ 1,435 crore in the previous financial year.
- Net Profit of ₹ 1,081 crore (US$ 242 million) against ₹ 1,152 crore in the previous financial year
- Cash Earnings per Share for the year of ₹ 50 (US$ 1.1) against ₹ 59 in the previous financial year.
- Earnings per Share (EPS) of ₹ 43 (US$ 1) against ₹ 51 in the previous financial year.

In order to optimise shareholder value, the Company continues to focus on in-house opportunities as well as selective large external projects for its Engineering, Procurement and Construction (EPC) Division. The EPC Division had an order book position of ₹ 29,635 crore (US$ 6.6 billion) as on March 31, 2011.

Financial Review

Reliance Infrastructure's total income for the year ended March 31, 2011 was ₹ 10,266 crore (US$ 2.3 billion), compared to ₹ 10,908 crore (US$ 2.4 billion) in the previous year.

The total income includes earnings from sale of electrical energy of ₹ 5,806 crore (US$ 1.3 billion) as compared to ₹ 6,368 crore (US$ 1.4 billion) recorded last year. The sale of electrical energy includes income of ₹ 398 crore (US$ 89 million) and ₹ 308 crore (US$ 69 million) from the Samalkot Power Station (SPS) and the Goa Power Station (GPS) respectively.

The income of the EPC business was ₹ 3,609 crore (US$ 809 million), against ₹ 3,522 crore (US$ 790 million) in the previous year.

During the year, interest expenditure declined to ₹ 242 crore (US$ 54 million) as compared to ₹ 292 crore (US$ 65 million) in the previous year, The Company had, in order to reflect the true value of its prime assets, revalued the assets of its Dahanu Power Station as at April 1, 2003 by ₹ 725 crore (US$ 163 million). In view of this, the depreciation on such revalued assets is higher by ₹ 54 crore (US$ 12 million), and the same has been adjusted by withdrawing equivalent amount from the general reserve, which is credited to the profit and loss account.

The generation plants – Samalkot power station, Goa power station and the wind farm in Karnataka are all eligible for tax holiday under Section 80IA of the Income-tax Act, 1961 for a total of 10 consecutive years out of 15 years. Hence, the effective tax rate for the Company as a whole is governed by Section 115JB of the Income-tax Act, 1961.

The corporate tax liability for the year was ₹ 54 crore (US$ 12 million), compared to ₹ 145 crore (US$ 33 million) in the previous year.

Cash profit for the year was ₹ 1,336 crore (US$ 300 million) compared to ₹ 1,435 crore (US$ 322 million) in the previous year.

Operating profit i.e. profit before depreciation, interest and tax (PBDIT) was ₹ 1,691 crore (US$ 379 million) against ₹ 1,909 crore (US$ 430 million) in the previous year.

Net profit for the year was ₹ 1,081 crore (US$ 242 million), against ₹ 1,152 crore (US$ 258 million) in the previous financial year.

At its meeting held on May 27, 2011, the Board recommended payment of dividend of ₹ 7.20 per share, aggregating to a pay-out of ₹ 191 crore (US$ 43 million) (excluding dividend tax) for the year ended March 31, 2011.

The capital expenditure during the year was ₹ 1,749 crore (US$ 392 million), primarily on account of expenditure incurred on acquisition of Toll Road Business Rights and modernizing and strengthening of the transmission and distribution network.

Total gross assets increased during the year to ₹ 10,514 crore (US$ 2.4 billion).

One of the promoters, AAA Project Ventures Private Limited, subscribed to 2.25 crore equity shares, upon conversion of equivalent number of share warrants into shares leading to further capital infusion of approximately ₹ 1,571 crore (US$ 352 million) into the Company.

The Company ranks among leading Indian private sector companies in terms of net worth. As on March 31, 2011, the net worth of the Company stood at ₹ 17,668 crore (US$ 4.0 billion).

Pursuant to the sanction of the Hon'ble High Court of Bombay of the scheme of amalgamation between Reliance Infraprojects Limited (RInfL), a wholly owned subsidiary and the Company, RInfL has been amalgamated with the Company with appointed date as April 1, 2010. On account of the above amalgamation, Profit before tax for the year ended March 31, 2011 is higher by ₹ 45.04 crore

Resources and Liquidity

The Company continues to maintain its conservative financial profile, as reflected in its credit ratings in current business environment.

The Company's gross debt as at the end of the financial year stood at ₹ 3,969 crore (US$ 890 million). Of this, nearly 58 per cent represents foreign currency denominated debt. The average final maturity of the Company's long-term debt is about 3.2 years. The average annual interest cost is about 6.04 per cent.

The Company funds its long-term and project related financing requirements from a combination of internally generated cash flows and external sources. The working capital requirements are met through commercial rupee credit lines provided by a consortium of Indian and foreign banks.

The Company also undertakes liability management transactions and enters into other structured derivative arrangements such as interest rate and currency swaps. This is practised on an ongoing basis to reduce overall cost of debt and diversify liability mix.

Reorganisation of various businesses

The Scheme of Arrangement envisaging transfer of various operating divisions of the Company, viz., Dahanu Thermal Power Station division, Goa and Samalkot Power Stations division, Power Transmission division, Power Distribution division, Toll Roads division and Real Estate division to the respective resulting six wholly owned subsidiaries was sanctioned by the Hon'ble High Court of Bombay on July 24, 2009.

In view of, inter alia, the considerable lapse of time and subsequent changes in the business environment, the proposal was no longer considered relevant and was withdrawn on March 25, 2011 with the approval of Hon'ble High Court of Bombay. There is no impact on profitability or business of the Company.

The Company had decided to transfer its investments in equity shares of BSES Kerala Power Limited and Reliance Goa and Samalkot Limited to Reliance Power Limited for an aggregate valuation of ₹ 1,095 crore carried out by KPMG upon the scheme of arrangement between the Company and the six resultant subsidiaries becoming effective. In view of the withdrawal of the Scheme as approved by the Bombay High Court on March 25, 2011, the decision to transfer the investments in BSES Kerala Power Limited and Reliance Goa and Samalkot Limited stands withdrawn.

Infrastructure Industry Structure and Development

India's economic reforms over the past two decades have not only led the country to witness significant economic growth and prosperity, but have also placed tremendous pressure on the existing infrastructure base (power, roads, highways, airports, etc.). Physical infrastructure is essential for manufacturing, services, trade and human capital while rising income and rapid urbanization drives demand for electricity, transport, housing, etc. which in turn drives demand for infrastructure investment. Creation of world class infrastructure has been recognized as a key priority and necessary condition for sustaining growth momentum of the economy for achieving a sustainable and inclusive GDP growth of 9 to 10 per cent over the next decade.

Recognizing the need, the Government has increased its planned infrastructure investment from ₹ 20,500 billion in the 11th Plan to ₹ 40,992 billion in the 12th Plan. In order to meet the above objective, the Government has also encouraged private sector investments which has been instrumental not only in bridging the funding gap for infrastructure investment but also has helped in meeting the plan targets. Private sector investment is expected to increase from 36 per cent in the 11th Plan to 50 per cent in the 12th Plan.

Sectoral breakup of Plan Investments

Sector (₹ crore)	11th Plan (2007-12)	Per cent of Total	12th Plan (2012 17)	Per cent of Total
Electricity	6,58,600	32	12,36,400	30
Roads and Bridges	2,78,700	14	6,76,400	17
Telecom	3,45,100	17	6,47,700	16
Railways	2,00,800	10	4,00,700	10
Irrigation	2,46,200	12	4,91,400	12
Water Supply and Sanitation	1,11,700	5	2,22,900	5
Ports	40,600	2	81,100	2
Airports	36,100	2	72,100	2
Storage	9,000	0	17,900	0
Oil and Gas pipelines	1,27,300	6	2,54,000	6
Total	20,54,200	100	40,99,200	100

Source: Planning Commission

Infrastructure

The 11th Plan laid emphasis on development of physical infrastructure including transport to support the accelerated growth of the country's economy. The thrust in the sector has been on augmenting capacity through technology upgradation and modernisation. In this regard, improving accessibility to remote and rural areas and enhancing mobility through various programmes with enlarged participation of private sector have been the objectives of the 11th Plan.

Roads

Road Network	Length (kms)	Per cent of total	
		Length	Traffic
National Highways	70,548	2.1	40
State Highways	1,28,000	3.9	40
Major district	4,70,000	14.2	
Rural and other roads	26,50,000	79.9	20
Total	33,18,548	100	100

India has the second largest road network in the world totaling 3.3 mn kms. Yet, India's road network continues to be inadequate with road densities of 2.83 km/1000 people and 770 kms/1000 square km of road length versus global average of 6.7 km/1000 people and 840 kms/1000 square kms of road length. National Highways account for 2.1 per cent of total road network and carries 40 per cent of road traffic.

In this backdrop, the Government has laid down ambitious plans for development and upgradation of the domestic road network which involves 20 km/day of constructing roads and therefore has planned huge investment for the sector i.e. ₹ 6,76,400 crore (17 per cent of total infrastructure spending) in the 12th Plan from ₹ 2,78,700 crore in the 11th Plan. Private sector participation through Public-Private-Partnership is also being actively encouraged to achieve greater efficiencies in development, operation and maintenance of road networks which is expected to contribute 16 per cent (i.e. ₹ 460 billion) of the total road infrastructure spending in the 11th Plan.

Railways

Indian Railways is the world's second largest rail network under single management i.e. 95 per cent of the total investment by Central and State Governments. To scale up capabilities to meet the increasing flow of traffic, the Government has allocated ₹ 2,00,000 crore in the 11th Plan which is expected to double i.e ₹ 4,00,000 crore in the 12th Plan in railways including metro railways. There is growing demand from many states for setting up metro projects. The allocation for metro railways for the 11th Plan is ₹ 33,000 crore whereas the metro projects sanctioned so far alone would need ₹ 70,000 crore which is much higher than allocation. Railways are highly capital intensive projects and the government alone would not be able to fund the requirement which creates an obvious opportunity for private players to bid for metro projects and other opportunities in the sector. A few projects in Mumbai, Delhi and Hyderabad have already been awarded under Public-Private-Partnership (PPP) route and going forward, there will be tremendous shift in the investment pattern.

Aviation

Year	Aircrafts Movements in '000			Air Passengers (in lakh)			Cargo in '000 MTs		
07-08	244	843	1,087	298	729	1,027	1,151	584	1,735
08-09	275	965	1,240	345	873	1,218	1,289	643	1,932
09-10	312	1,108	1,240	400	1,047	1,447	1,445	708	2,153
10-11	353	1,275	1,678	464	1,258	1,722	1,623	780	2,403
11-12	400	1,471	1,871	540	1,513	2,054	1,822	861	2,683

Source Air port Authority of India

Civil Aviation forms a very important infrastructure in boosting trade and commerce as well as in enhancing overall international competitiveness. In value terms, nearly 30 per cent of India's foreign trade is handled by the airports. India is a very attractive market for airport and avionics equipment manufacturers, airport developers, service providers, airline companies, aviation schools, investors and job seekers. The projections for both passenger and cargo traffic growth, coupled with the deficient and lagging airport and allied Infrastructure, calls for an urgent need to build and augment India's aviation infrastructure.

In India, currently there are 127 airports including 16 international airports, 8 customs declared airports, 79 domestic airports, and 24 civil enclaves at the defense airfields, all of which are being managed by the Airports Authority of India (AAI). The Government has further identified 35 non-metro airports for development, involving the setting up of terminal buildings, car parks, and cargo and other airside facilities. From being a near monopoly service with few operators a decade ago, the sector has now graduated to being a fiercely competitive industry with the presence of a number of private and public airlines catering to the different segments of air travelers such as low cost, business class and charter aircrafts. The private sector is expected to contribute 64 per cent i.e ₹ 23,000 crore of the total investment in airport infrastructure.

Real Estate

The Indian real estate sector plays a significant role in the country's economy which contributes to almost 6 per cent of the country's GDP .The government has introduced many reforms such as 100 per cent Foreign Direct Investment (FDI) allowed in realty projects through automatic approval route and in case of integrated townships, the minimum area to be developed has been brought down to 25 acres from 100 acres so as to unlock the potential of the sector and also meet increasing demand levels.

Power Sector

₹ in crore

Power chain	11th Plan	12th Plan
Generation	4,11,000	4,95,000
Per cent of total power capex	49	44
Transmission	1,40,000	2,40,000
Per cent of total power capex	17	21
Distribution	2,87,000	4,00,000
Per cent of total power capex	34	35
Total	8,38,000	11,35,000

Source: Central Electricity Authority

Indian power sector has witnessed a significant demand supply gap due to sustained growth of power demand, historical shortfalls in generation capacity addition (53 per cent shortfall in the 11th Plan) and high transmission and distribution losses. Consequently, peak load deficit in India has been in the range of 11-17 per cent in financial years 2000-10 which has constrained the economic growth of the country. Driven by the need to alleviate the significant power deficits faced by the country, the Government has targeted massive investments in entire power sector chain of ₹ 8,38,000 crore in the 11th Plan and ₹ 11,35,000 crore in the 12th Plan.

Generation

India has the fifth largest generation capacity in the world. The Government of India has set ambitious target that includes "Power for all by 2012" and annual per capita consumption of electricity to rise to 1,000 units by the year 2012. At the beginning of the 11th Plan India's installed capacity was about 132 GW which has increased to 175 GW as on March 31, 2011. The Government has planned capacity addition of more than 63 GW and 100 GW during the 11th Plan and 12Ith Plan respectively entailing investment of ₹ 4,11,000 crore in the 11th Plan and ₹ 4,95,000 crore in the 12th Plan. The Ministry of Power has undertaken several policy initiatives such as National Electricity Policy, Ultra Mega Power Project policy, Ultra Mega Transmission Project policy, etc. to boost private sector participation and the private sector has responded very positively to these initiatives. Private sector contribution is expected to be much higher in the 11th Plan i.e. 32 per cent of expected capacity addition as compared to only 13 per cent in the 10th Plan.

The table below presents the fuel-wise installed capacity and capacity addition over the years.

Fuel	Installed Capacity (MW) (31/03/2007)	Capacity Addition				Installed Capacity (MW) (31/03/2011)
		2007-08	2008-09	2009-10	2010-11	
Coal	71,121	4,928	1,600	6,550	9,720	93,918
Gas	13,692	965	220	2,179	651	17,706
Diesel	1,202	-	(2)	-	-	1,200
Sub Total	86,015	5,892	1,818	8,729	10,371	112,824
Nuclear	3,900	220	-	440	220	4,780
Hydro	34,654	1,255	969	(14)	704	37,567
Renewable Energy	7,761	3,365	2,117	2,279	2,933	18,455
Grand Total	132,329	10,732	4,904	11,433	14,228	173,626

Source: Central Electricity Authority

Management Discussion and Analysis

Transmission

In order to develop the transmission system in the country, the 11th Plan focuses on formation of National Power Grid which has been recognized as flagship endeavour towards planned growth of the power sector. One of the primary reasons for high Transmission and Distribution losses in India has been the historical neglect of the transmission and distribution sector in the previous five year plans. This necessitates the fund requirement of ₹ 1,40,000 crore in the 11th Plan and ₹ 2,40,000 crore in the 12th Plan for developing the transmission system. To meet such a huge resource requirement and to achieve economy in cost of operation of assets, private participation is imperative.

The Electricity Act, 2003 paved the path for active participation by the private players in the sector. Pursuant to it, the Tariff Policy 2006 envisaged that all the transmission projects shall be routed through process of tariff based competitive bidding. In the 11th Plan, investment of ₹ 20,000 crore has been envisioned from the private sector directed towards expanding inter-state transmission network. Eight Inter-state transmission projects have undergone tariff based competitive bidding process which were identified by Government of India for development by private players on Build, Own, Operate and Maintain (BOOM) basis

Transmission sector (March 31, 2011)

	Central Sector	State Sector	JV/Private Sector	Total
Transmission Lines (ckm.)				
765 Kv	4,232	409	-	4,641
400 kV	70,766	30,488	5,079	106,333
220 kV	10,422	123,791	425	134,638
+/- 500 kV HVDC Lines	5,948	1,504	1,472	8,924
Sub Stations: (MVA)				
765 kV	4,500	-	-	4,500
400 kV	66,710	66,522	630	133,862
220 kV	5,776	199,935	1,440	207,151
+/- 500 kV HVDC Converter (MW)	9,500	1,700	-	11,200

Source: http://www.cea.nic.in

Distribution Business

The weakest part of power sector remains distribution which is incurring huge losses at approximately 33 per cent. In order to address these issues, reforms have been undertaken through unbundling the State Electricity Boards into separate Generation, Transmission and Distribution units and privatization of power distribution which is done through the outright privatization or the franchisee route. Results of these initiatives have been somewhat mixed. While there has been a slow and gradual improvement in metering, billing and collection efficiency, the current loss levels still pose a significant challenge for distribution companies going forward. The government has planned increase in its distribution investment from ₹ 2,87,000 crore in the 11th Plan to ₹ 4,00,000 crore in the 12th Plan

Reliance Energy – Energy Distribution Division of Reliance Infrastructure

Mumbai Distribution Business

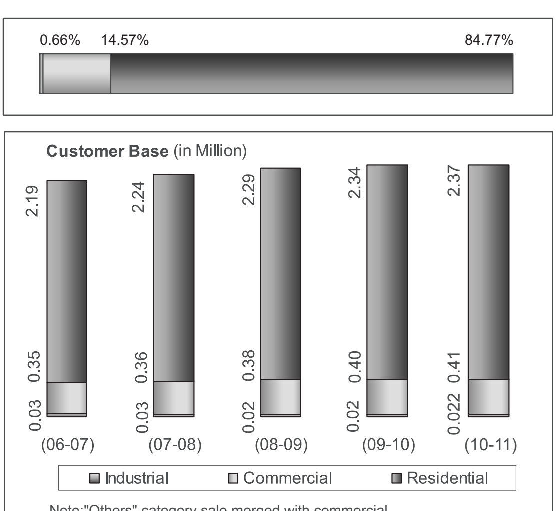
"Reliance Energy", the Distribution business division of the Company, has been in the field of power distribution for over eight decades and has achieved the distinction of consistently operating its distribution network at 99.98 per cent reliability.

Customer profile and units sold

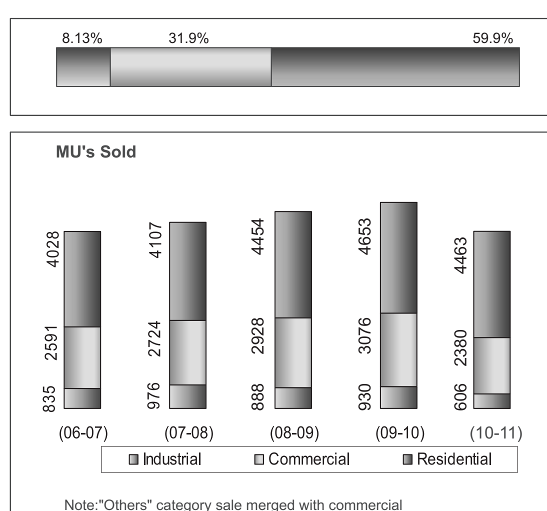
Customers

The number of customers using RInfra network at the end of the year was 28.05 lakh versus 27.61 lakh in the previous year.

Customer Base



Unit sold



Revenue

The billing revenue of Reliance Energy for the year was ₹ 5,091 crore (previous year ₹ 5,693 crore) and wheeling revenue, from migrated customers, was ₹ 123 crore (previous year ₹ 15 crore) based on the tariff determined by Maharashtra Electricity Regulatory Commission (MERC). The reduction in revenue, as also corresponding reduction in cost of power purchase, is due to migration of consumers to the other licensee which supplies electricity using the RInfra network.

System Demand

The coincident peak demand registered during the year was 1,671 MW as against 1,516 MW during the previous year, growing at 10 per cent.

Network Augmentation

In order to meet the rising demand, network augmentation is a continuous process. During the year, High Tension (HT) cable network increased from 3,651 kms to 3,814 kms with addition of 163 kms and total Low Tension (LT) cable network increased from 4,713 kms to 4,871 kms with addition of 158 kms.

During the year under review, the installed capacity of Power Transformers increased by 80 MVA to 2,832 MVA. The installed capacity of Distribution Transformers increased by 218 MVA to 4,373 MVA. The Company added 212 new substations, and has 5,596 sub-stations at the end of the year.

Reliance Energy continues to focus on system loss control through a variety of technical and physical means, some of which are as follows:

- Maintenance of network loading at optimum loading level.
- Refurbishment and replacement of old cables and distribution transformers.
- Installation of capacitors to reduce inductive loads in the system.
- Implementation of Distribution Management System (DMS)
- Monthly meter readings at various levels in the system and analysis thereof through the process of energy audit to identify potential areas of improvement.
- Vigilance drives in the areas with higher levels of losses contributed due to power thefts.

Meter Modernization

After the notification of the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, it is mandatory that all customer meters shall be of electronic (static) type. Reliance Energy had 27,22,054 meters as on March 31, 2011, out of which over 98.44 per cent meters (26,79,452 meters) are electronic meters and only 1.56 per cent meters (42,602 meters) are electro-mechanical, which are being replaced with electronic meters and will complete the change in due course of time.

Customer Service

Reliance Energy continues to focus on providing the best-in-class services to its customers in the areas of metering, billing, payment modes, access to billing information, and speedy redressal of grievances. In addition, the company provides energy audit services to its customers.

Billing

The Company's efficient practices ensure monthly billing of its customer based on actual meter reading of 100 per cent accessible meters. The Company has an informative electricity bill with higher visibility of key contents for quick reference and also provides a mode of communication, carrying customer education tips, personalized messages, past consumption trends, etc.

Reliance Energy offers its customers, bills in their choice of language - English, Hindi, Marathi and Gujarati. For the special needs of the visually challenged customers, the Company offers Braille Bills. E-bills are also simultaneously sent to registered e-mail addresses of customers. In addition, RInfra website allows customers to view and print their energy bill. Also, key bill details are made available as an SMS alert on mobile phone. As a transparent practice, the customers are informed of their next meter reading date in their current month bill, and also through SMS a day earlier to the actual meter reading date. Other important customer alerts provided via SMS/email include payment acknowledgement, ECS registration alert, Voluntary Deposit Scheme (VDS) registration alert, ECS failure alert, ECS mandate crossed alert, VDS balance replenishment alert and bill delivery confirmation alert. Further, customers are also given the option to avail of the Pull SMS services such as:

- Request for a duplicate bill by sending DB <CA No> to 5545464
- Report a "Bill Not Received" complaint by sending BNR <CA No> to 5545464

Payment

The Customers have access to an array of bill payment options such as collection centers, collecting banks, drop boxes, Easy Bill Outlets, payment using ITZ Cash Card, ECS, VDS and online payment options using Credit Card/Debit Card/Net Banking. The customers receive SMS alerts reminding them to pay their bills by the due date, as well as an SMS alert that acknowledges the payment received. In a recently launched initiative, customers can now register for the ECS mode of payment at their very own doorstep.

Call Centre

The customers have access to our 24-hr Toll Free (1800 200 3030) Call Centre service which is a single window call-centre with multi-lingual customer service staff. In addition to handling complaint and enquiry calls, the Call Centre also extends the "E-Courtesy" service which is an automated follow-up mail communication for information provided during the call to its customers. IVR-based services for requesting billing and payment information are also available to customers. The Call Centre also supports a centralized web desk to handle all email-based queries from customers.

Customer Care Centres

Reliance Energy has eight modern Customer Care Centres across its five divisions, which provide a single-window access to customers for their requirements including new connections, payments and redressal of grievances. In addition, the Internal Grievance Redressal Cell is also functional at each of these Customer Care Centres.

These Customer Care Centres are fully integrated with our Enterprise Resource Planning (ERP) system which enables our customer care representatives to have On-line access to the entire customer data which helps in improved and timely redressal of various customer issues.

Website

RInfra's website, www.rinfra.com, is informative, interactive and user-friendly. The website enables the customers to access their consumption profile, billing information, check complaint status, optimize their consumption using energy calculator, check meter reading and billing schedules and much more by simply logging on to their customised "My Account". Also, customers having multiple accounts can now view all their accounts through one integrated login by using the "Multi Account" feature of My Account. In view of the ever increasing popularity and usage of mobile based websites, a WAP site has now been launched by Reliance Energy. Customers can now access "My Account" on their mobile phones by logging on http://m.rinfra.com

Regulatory Initiatives, Developments and Issues

MERC had issued the tariff order for Mumbai Distribution Business on June 15, 2009 for financial year 2009-10. The tariff order for certain consumer categories was stayed by MERC on July 15, 2009 for the purpose of ascertaining the increase in tariffs under the advice of the State Government. For aforesaid categories, tariff rates as per Order dated June 4, 2008 continued to apply. Simultaneously, MERC appointed the Administrative

Staff College of India (ASCI), Hyderabad to investigate into certain cost elements of the distribution business such as capital expenditure, power purchase, etc. ASCI, after carrying out its investigation, submitted their findings to MERC and validated the expenditure incurred by the Company for capital expenditure, power purchase and other expenses of regulated business. The report was made public by MERC by uploading the same on its website. MERC vacated its tariff stay on September 8, 2010. Consequently, commencing September 2010, tariff rates as specified by MERC vide its Order dated June 15, 2009 were applied.

Aggregate Revenue Requirement for 2010-11

The petition for Aggregate Revenue Requirement (ARR) for the financial year 2010-11 and Annual Performance Review (APR) for the financial year 2009-10 and the financial year 2008-09 for Mumbai Distribution business was not filed in the year 2009 due to tariff stay by MERC and ASCI investigation of the accounts of RInfra-Distribution (D). However, after MERC accepting ASCI report and lifting its tariff stay on September 8, 2010, RInfra-D submitted the said ARR petition in October 2010. The technical validation session has been concluded. RInfra-Distribution (D) has proposed to maintain tariff rates at existing level.

Change-over and Issue of loss of Cross Subsidy and Recovery of Regulatory Asset

MERC passed an Order dated October 15, 2009 permitting the consumers in RInfra's area of supply to switchover between TPC and RInfra. In the said order, MERC mentioned that the issue of Cross Subsidy Surcharge and recovery of Regulatory Assets has wider implications and shall be addressed in separate proceedings. Pursuant to the said Order, till March 31, 2011, about 1,22,000 consumers have shifted from RInfra to TPC for supply of electricity while continuing to use RInfra network. In order to prevent the tariff shock to the cross subsidized low tariff consumers due to loss of cross subsidising high tariff sales, RInfra had filed a petitioned with MERC for approving the levy of cross-subsidy surcharge on the Wheeling charges to consumers who have migrated. RInfra had also presented the issue in its ARR and Tariff Petition for financial year 2010-11. The major part of consumption migration comes from cross subsidizing consumers. Therefore, pendency of MERC order in the matter of cross subsidy is resulting in accumulating a gap in the self balancing tariff order issued by MERC. This gap would then be recoverable as decided by MERC.

In addition to the Regulatory Assets reflected in MERC earlier tariff orders, the stay of tariffs for the period from October, 2009 to September 2010, as explained in the preceding paragraph, has further accumulated under-recovery thus increasing the Regulatory Assets. Since these Regulatory Assets were for the period prior to the migration, RInfra had petitioned MERC for recovery of Regulatory Assets from migrating consumers as well to avoid a severe tariff shock if recovery is limited to the remaining consumers. Keeping this in mind, MERC, in its order dated September 10, 2010 stated that the issue of cross-subsidy and regulatory assets would be addressed separately during the tariff determination exercise. RInfra has since approached Appeallate Tribunal for Electricity (ATE) which has endorsed RInfra's concerns and directed MERC to address the issue of Cross subsidy surcharge and Regulatory Assets recovery from the change over consumers within 120 days from date of admission of RInfra's ARR and Tariff Petition. This timeline shall expire on June 28, 2011.

Renewable Purchase Obligations

MERC has issued MERC (Renewable Purchase Obligation, Its compliance and Renewable Energy Certificate framework) Regulations 2010. The said regulations stipulate separate Renewable Purchase Obligation (RPO) for Non-Solar and Solar projects for the period from financial year 2010-11 to financial year 2015-16.

For meeting Non-Solar RPO, RInfra has contracted 70 MW of Wind Generation and has concluded negotiations for execution of PPA for 115 MW wind power and 20 MW biomass power and 30 MW cogeneration. RInfra is also exploring other Renewable Energy sources as well and shortfall in meeting RPO, if any, shall be met through procurement of Renewable Energy Certificates (RECs). For meeting Solar RPO, RInfra has contracted 40 MW solar PV Power which is slated for commissioning by March 2012.

Standby Charges

The Tata Power Company Limited (TPC) filed a civil appeal before the Supreme Court of India against RInfra claiming that RInfra should pay the standby charges to them at the same rate per KVA as TPC pays to erstwhile MSEB. RInfra has contended that the part of standby charges payable by TPC to MSEB was recovered through tariff and hence they were not liable to pay at the same rate as TPC pays to MSEB. RInfra has received ₹ 227 crore, being 50 per cent of the amount directed by the ATE as refund to RInfra and for balance ₹ 227 crore, TPC has given a bank guarantee to the Supreme Court pending disposal of the appeal. The matter is pending before Supreme Court.

Take or Pay

MERC passed an order on December 6, 2007 on a petition filed by TPC in 2001 relating to Additional Energy Charges (AEC) and Take or Pay for financial years 1998-99 and 1999-00 holding that an amount of ₹ 116 crore would be payable by RInfra with interest at 24 per cent per annum. Pursuant to this order, TPC raised a claim together with interest for ₹ 324 crore. RInfra has filed an appeal before the ATE, which held that additional energy charges are payable but remanded the issue of Take or Pay to MERC for re-determination. RInfra has also filed an appeal with the Supreme Court against ATE judgment, while TPC has filed an appeal in respect of Take or Pay. TPC in the hearing before Supreme Court claimed that they were asked to pay 50 per cent of the amount in the Standby matter and thus similar order should be passed against RInfra to deposit the amount. As directed by the Supreme Court, the Company has paid ₹ 25 crore to TPC and provided Bank Guarantee of ₹ 9 crore to the Supreme Court. The matter is admitted and awaits final hearing before the Supreme Court.

Status of Power Purchase from TPC

TPC has refused to sign Power Purchase Agreement with RInfra on the ground that it does not have any surplus capacity to give to RInfra. Upon complaint by RInfra, the Government of Maharashtra (GoM), based on the Committee's Report advised TPC to supply 360 MW till June 30, 2010 and 200 MW till March 31, 2011 to RInfra. Pursuant to the said advise of the GoM, RInfra has procured power from TPC till March 31, 2011.

Medium Term and Long Term Power Procurement

RInfra had initiated the competitive bidding process for medium term (up to financial year 2014) and long term (25 years thereafter) power procurement. As a result of this process, RInfra had concluded Power Purchase Agreements with Wardha Power Company Limited (WPCL) and Abhijeet MADC Nagpur Energy Private Limited. (AMNEPL) for supply of power from April 1, 2011 and with Vidarbha Industries Power Limited (VIPL) for supply of power from April 1, 2012 for Medium Term period. However, PPA with WPCL was later terminated due to non-submission of Fuel Supply Agreement by WPCL. PPA with AMNEPL also could not be proceeded with. Both parties, however, approached MERC to direct RInfra to proceed with the PPAs. MERC has since directed RInfra to procure 260 MW from WPCL, 55 MW from AMNEPL and 134 MW from VIPL.

As per the outcome of competitive bidding process for Long Term Power Procurement, RInfra had entered into Power Purchase Agreement (PPA) for 1,000 MW with Chitrangi Power Limited, subsidiary of Reliance Power Limited. However, MERC did not approve of the PPA and directed RInfra to invite fresh tenders for Long-Term power procurement. The process for the same has since been initiated.

Licence of RInfra (Mumbai Distribution Business)

MERC (Specific conditions of licence related to Reliance Energy Limited) Regulations, 2008, specifies the terminal date of License as August 15, 2011. RInfra had filed a petition with MERC for renewal/extension of its licence term by another 25 years from August 16, 2011 under Section 18 of The Electricity Act, 2003 (corresponding to similar section in Electricity Act, 1910 used for renewals/extensions). MERC however directed RInfra that there is a need to make fresh license application under Sections 14 and 15 of The Electricity Act, 2003. Accordingly, RInfra has since submitted an application. MERC has invited Expression of Interest (EOI) from those interested in applying for distribution licence in RInfra's area of supply in and around Mumbai suburbs. RInfra has challenged the EOI process in both ATE and the Bombay High Court. Meanwhile, the hearing in Bombay High Court is yet to be scheduled. In accordance with the The Electricity Act, 2003, each distribution licensee is required to meet its Universal Service Obligations (i.e. obligation to supply to all applicant consumers) by supplying electricity using its own network.

Quality

A comprehensive Quality roadmap is formulated with a view to enhancing quality standards at all levels and ushering in a new quality culture within the Company. A Quality council has been created to drive the quality movement. To broad base participation, over 125 Quality projects have been undertaken, involving more than 800 employees, across all levels. These projects employ methodologies such as Small Group Activities (SGA) and Six-Sigma and are aimed at addressing specific quality related problems in the respective areas of work. The results have been extremely encouraging. Several awards were won by the RInfra Quality teams at Mumbai level, national level and international level events, organized by Quality Circle Forum of India. The most notable award was for "The Best Company in Coordinating Quality Concepts". RInfra has over 80 qualified Six Sigma Green Belts and 28 employees are undergoing Six Sigma Black Belt training.

The Mumbai Distribution business was also recertified for ISO 9001:2008 by Bureau Veritas Certification (India) Private Limited ("Bureau Veritas"). The certification was achieved without any non-compliance or any observation as notified by the external auditors, i.e. Bureau Veritas.

Demand Side Management:
Value Added Services to consumers for Energy Conservation

The Company has initiated many Energy Conservation and Energy Efficiency (EC&EE) Programmes under the Demand Side Management (DSM) initiative. The objective of EC&EE programme is to create awareness in the society on the importance of energy conservation and smart usage of energy, and to facilitate adoption of energy efficient technology in order to reduce system demand and power purchase cost for protecting the interest of consumers and reducing environmental damage by Green House Gas (GHG) emission reduction. The ultimate goal is to make every citizen of Mumbai a part of this programme and make this programme a Citizens' Movement.

1. T5 Fluorescent Tube Light (FTL) Programme

   The Company has launched T5 FTL programme for its consumers in all categories viz. residential, industrial and commercial which involves replacement of existing inefficient FTLs with T5 FTLs for a saving of over 40 per cent energy, by offering 60 per cent discount to market price

2. Ceiling Fans Programme

   The Company has initiated replacement of old Ceiling fans with BEE labeled 5 Star rated ceiling fans resulting in savings of 0.36 MUs p.a. for residential consumers

3. 5 Star Split Air Conditioner (AC) Programme

   To target the highest contributor of the ever growing demand in Mumbai, viz., the Air Conditioning load, the Company has launched a programme for its commercial consumers for replacing the old window ACs with Energy Efficient 5 star labeled split ACs.

4. Street Light Conversion Project

   This project involves replacement of 37,266 HPMV (125W and 80W) lamps by lower wattage HPSV (70 W) lamps for streetlights. The Company has achieved an annual energy savings of 4.4 MU that translates to $CO2$ emission reduction of 4,400 tonnes.

5. Capacitor Installation Programme

   The Company has launched this programme for reactive power management for approximately 13,800 LT commercial, LT Industrial and HT category consumers, to whom the PF surcharge / incentive clause is applicable. In this programme, the capacitors are made available to consumers at heavily discounted price and extended warranty.

Energy Audit Scheme for Commercial / Industrial Consumers (2007 Onwards)

Under this scheme, the consumers have been offered Energy Audit through renowned Energy Audit companies at substantially negotiated rates. To further motivate participation of the consumers, 75 per cent of audit fee has been paid by Reliance Energy. Reliance Energy has received encouraging response from consumers to this scheme and has, now, extended this facility to small commercial consumers wherein the audits are conducted free of cost by the Company's in-house team of certified Energy Managers. Reliance Energy has carried out over 50 Energy Audit under this programme, and the annual potential benefit to consumers through energy saving is 3.65 MUs.

Reliance Energy Knowledge Forum

Through this platform, the Company has introduced latest Energy Efficient technology, trends and products to its esteemed consumers. Eminent guest faculties from India and abroad have been on the dias of this Knowledge Forum to share with the consumers their expertise and experience in their respective field and to respond to their specific queries.

Information Technology

Mature IT systems are now reaping benefits for the Business. Geographical Information System (GIS) as a workspace for Operation and Maintenance (O&M) is enhancing work efficiency of the field staff. Various Customer delight initiatives like SMS alerts to customers for meter reading date, payment confirmations, etc. have been introduced. The overall focus was on improving on system capabilities and initiation of various cost saving measures like consolidation and virtualization of servers. Apart from this, several green IT initiatives were taken including use of low-emission materials, carpets and paints, e-waste recycling, etc.

Thus, the focus was to shift from IT best practices to "Next" practices that include process automation and Business Analytics for proactive equipment monitoring and maintenance.

IT initiatives at Reliance Energy have received recognition and acclaim, in the form of following awards :

I. PC Quest 'Best IT Automation Project award' – 2010

II. Information Week Magazine – 'Future Strategist Award' – 2010

III. India Power Awards for 'Innovative IT and Metering Application' - 2010

Appreciation for the Company's Mail and Mobility team was evidenced when it was invited as finalists for LotusSphere 2011 in Orlando, USA to demonstrate some of innovations related to Lotus Notes.

Delhi Distribution Business

The Delhi distribution companies ("Discoms"), viz., BSES Rajdhani Power Limited (BRPL) in South and West, and BSES Yamuna Power Limited (BYPL) in East and Central Delhi are implementing a series of measures aimed at improving customer service, fulfilling our corporate social responsibility and reducing aggregate technical and commercial (AT&C) losses so as to benefit the consumers from all perspectives. Year 2010-11 witnessed one of the strongest operating performances by the Delhi Discoms with significant improvement across major operating parameters.

The AT&C losses have declined steeply from 19.03 per cent in BRPL and 23.11 per cent in BYPL in 2009-10 to 16.83 per cent and 19.89 per cent respectively during the year against the MYT target level of 17 per cent and 22 per cent with reduction of 0.17 per cent and 2.11 per cent for BRPL and BYPL respectively. The corresponding Transmission and Distribution losses came down by 1 per cent in BRPL and 2.5 per cent in BYPL. Average overall collection efficiency was maintained at 101 per cent in BRPL and 102 per cent in BYPL during the year. This over-achievement entitles BSES to performance incentive (cumulative up to financial year 2011) of ₹ 294 crore (BRPL- ₹ 91 crore, BYPL- ₹ 203 crore).

The Delhi distribution companies registered an aggregate total income of ₹ 6,058 crore during the year (excluding income from sale of power aggregating to ₹ 1,419 crore) against ₹ 5,865 crore in the previous year, an increase of nearly 3.3 per cent. The income for the current year is net of rebate allowed to the domestic consumers pursuant to the roll back of the tariff hike announced by the Government of National Capital Territory of Delhi.

The aggregate power purchase cost increased from ₹ 5,377 crore (15,368 million units at ₹ 3.50 per unit) to ₹ 7,110 crore (16,468 million units at ₹ 4.32 per unit), an increase of ₹ 1733 crore (32 per cent) due to higher Bulk Supply Tariff (BST). The current year purchase cost is net of income from sale of bulk power and related units. The other operating expenses have either declined, remained constant or have increased marginally. This was achieved through tighter control and monitoring of all operating expenses and processes.

The aggregate capital expenditure incurred during the year amounted to ₹ 471 crore (BRPL-₹ 294 crore, BYPL- ₹ 177 crore) for the upgradation, strengthening and modernization of the distribution system. The aggregate net block including current work in progress stood at ₹ 4,587 crore. The additional loans sanctioned by various banks during the year 2010-11 for financing the capital expenditure of the Discoms aggregated to ₹ 550 crore and disbursement availed was ₹ 705 crore. The aggregate fund based limits sanctioned by a consortium of banks for working capital was ₹ 525 crore against which the utilization was ₹ 315 crore, net of cash and bank balances.

The aggregate consumer base has grown by 0.97 lakh customers for BRPL and 0.63 lakh for BYPL, bringing combined customers for Discoms to almost 26 lakh customers.

All the meters are now electronic and all 1,711 feeders and 10,500 distribution transformers are metered with strong analytics in place. On reliability front, Average System Availability Index has gone up from 99.85 to 99.87 in BRPL and from 99.84 to 99.88 in BYPL.

Key functional initiatives of BRPL and BYPL

1. External Interface

- Increased frequency and transparency of interactions with external stakeholders such as resident welfare associations, government officials, the regulator and the media.
- Knowledge sharing with delegates from Afghanistan, Bangladesh, Pakistan and many more with the Ministry of Power.
- Many new initiatives aimed at Customer satisfaction:
  - Vishisht Sahyogi – BSES Brand Ambassadors
  - BSES Aap Ke Dwar – RWA interactions
  - Project Arpan- Clothes distribution to the poor
  - Vivad Samadhan Schemes and Lok Adalats and Amnesty Schemes

2. Customer Care

- 100 per cent compliance across all consumers for a (Consumer Grievance Redressal Forum, Consumer Dispute Redressal Forum, Ombudsman, LG and CM Office and Delhi Electricity Regulatory Commission)
- Increased payment options and payment reminders
- Upgraded website and Web based Bill
- Unified complaint number and queue management system,
- Caller Identification and VIP customers tagging
- Hotline Facility for key divisions and outbound calls for customer satisfaction
- Preferential treatment to senior citizens and customer feedback surveys

Key Customer Care performance parameters in 2010-11

3. Enforcement / Recovery of dues

- Augmentation of teams and requisite infrastructure and successfully running analytics to assist in targeted enforcement
- Defined and rolled out incentive schemes for personnel against targets
- Coordinated with media to educate ill effects of power theft
- Theft collections of ₹ 64 crore in financial year 2010-11
- Amnesty Schemes – Voluntary Disclosure, Late Payment Surcharge Payment (LPSC) Waiver, Lok Adalats
- Total 78 FIRs lodged and correspondingly 123 persons have been jailed for power theft.

4. Human Resources and Performance Management

- More than 3,000 training man days covering around 1,600 employees
- Concept of root level approach like Town hall meets, Train the trainer programme
- Rationalised top management information system with focus to assist management in monitoring performance

5. Key technical side improvements are as follows:

Parameters	BRPL		BYPL	
	FY-2011	FY - 2010	FY-2011	FY - 2010
Peak Demand (MW)	1,920	1,793	1,131	1,057
Distribution Transformer failures (Nos)	2	10	0	16
New distribution transformer (Nos)	4		21	

6. Other technical Advancements

- Pre-paid meter installation for the Government consumers – 8,700 Prepaid consumers
- 50 Grids remotely operate through SCADA
- Automated log sheets for all 115 grids
- Automatic switches for street lights across licensee area
- Demand side management in terms of load balancing and CFL promotion
- SAP-ISU implemented for all categories of consumers
- 100 per cent GIS digitization complete for EHV and HT network

Orissa Distribution Business

The operations of 3 distribution companies of Orissa viz. Western Electricity Supply Company of Orissa Limited (WESCO), North Eastern Electricity Supply Company of Orissa Limited (NESCO) and Southern Electricity Supply Company of Orissa Limited

(SOUTHCO) were constrained by the unremunerative tariffs and high level of AT&C Loss.

There was no tariff revision for initial 10 years of privatisation. With an intention to off shoot the rise in the Bulk supply Price, OERC has increased Retail Supply Tariff (RST) and Bulk Supply Tariff consecutively for the financial year 2010-11 and financial year 2011-12. With the recent increase in Bulk Supply Price including Transmission charges, the average Bulk Supply Tariff of WESCO from ₹ 2.18 to ₹ 2.88 and that of NESCO from ₹ 2.19 to ₹ 2.90 and in the case of SOUTHCO from ₹ 1.14 to ₹ 1.60 witnessing an all Odissa average increase of 30 per cent, not corresponding to increase in RST. This has squeezed the margin and further aggravated the financials of the Discoms.

However, on a Writ filed by some of the consumers' associations, this new revised tariff for the financial year 2011-12 has been stayed by Hon'ble High Court Orissa. Further to this, there is also an adverse impact of southward shift in industry consumptions in recent years coupled with massive village electrification.

The major drawback in Orissa Distribution Tariff and Annual Revenue Determinations are unrealistic and unachievable loss targets i.e. difference between actual prevailed loss level vis-à-vis target loss envisaged by the Regulatory Commission. The revenue loss on account of not attaining target loss given by OERC loss reduction trajectory takes out the approved O&M expenses, leaving the Return on Equity scarcely to meet its Bulk supply Price and urgent need based O&M expenses.

The Discoms have been seeking support from Regulators and the State Government to make operations financially viable including amicable settlement, complete restructuring and rescheduling. The Government of Odissa has appointed a high level inter- Ministerial Committee to resolve various chronic issues between Discoms and Grid Corporation of Orissa Limited, the three Discoms have made a comprehensive presentation and are awaiting the outcome.

Generation Business

Reliance Infrastructure generates over 941 MW of power through its power stations located in Maharashtra, Andhra Pradesh, Kerala, Karnataka and Goa. The Company's power generation units continue to demonstrate significant improvements across major operational, environmental and safety performance parameters.

Dahanu Thermal Power Station (DTPS), flaghship plant of the Company generates 500 MW thermal power in Maharashtra and has emerged as India's best thermal power plant with respect to various operational parameters, The plant has been consistently operating with an average PLF of more than 100 per cent for the past eight years.

The plant continues to surge ahead on six sigma quality initiatives for all round improvement in business processes. The station has the distinction of continuing Integrated Management System (IMS) for Quality ISO 9001:2008, Environment 14001:2004 and OHSAS 18001:2007 certifications. The station is also certified for ISO-27001 (Information Security Management System) and SA 8000:2008 Social Accountability certification. This year DTPS implemented and certified for Energy Management system, BS EN 16001:2009.

Samalkot Power Station operates 220 MW combined cycle power plant at Samalkot in Andhra Pradesh. The station is certified with Integrated Management Systems (IMS) covering ISO 9001, ISO 14001, OHSAS 18001, ISO 27001 and SA 8000 standards.

Goa Power Station operates 48 MW combined cycle power plant in Goa. The station is certified by DNV for ISO 14001:2004, ISO 9001:2008, ISO 27001:2005 and OHSAS 18001:2007 under the Integrated Management System.

Kochi Power Station of BSES Kerala Power Limited (BKPL), the wholly owned subsidiary of the Company, owns and operates the 165 MW naphtha based combined cycle power plant at Kochi in the state of Kerala. The plant is operated based on the dispatch instructions from its customer, Kerala State Electricity Board (KSEB).

Wind Farm Project operates 36 windmills with an aggregate generation capacity of 9.39 MW at Chitradurga in Karnataka. Wind Farm Performance is being constantly monitored through the SCADA system at the wind farm.

Key Operational Parameters

Generation Plants	Capacity (MW)	Units Generated (Million Units)	Plant Load Factor (per cent)	Plant Availability (per cent)
Dahanu	500	4,424	101.0	96.5
Samalkot	220	1,463	75.9	96.8
Goa	48	292	82.6	91.2
Kochi	165	234	86.3	91.3
Wind Farm	9	18	21.6	97.0
Total	942	6,431	---	---

Transmission Business

The Company is developing five transmission projects worth about ₹ 6,600 crore making it the largest private player in the transmission sector. Moreover, the Ministry of Power has notified the applicability of tariff based competitive bidding for selection of developers for all transmission projects with some exceptions. So far, eight inter-state transmission projects have undergone tariff based competitive bidding process. These projects were identified by the Government of India for development by private players on a Build, Own, Operate and Maintain (BOOM) basis.

Reliance Power Transmission Limited (RPTL), a wholly owned subsidiary of the Company, has emerged as successful bidder in four of these projects approximately worth ₹ 4,500 crore. With these projects, RPTL is now executing inter state transmission projects worth approximately ₹ 5,500 crore. Five more new projects worth approximately ₹ 8,000 crore have been notified by the Ministry of Power recently and are due to undergo the process of tariff based competitive bidding. RPTL shall be actively participating in the same. Further, huge investment in intra-state transmission is envisaged to be opened up for private participation through competitive bidding route. In this direction, Rajasthan state has identified two projects worth ₹ 300 crore which shall be awarded through this process.

Projects under execution

Projects	Project Cost (₹ crore)	Tariff structure	RInfra Holding (per cent)
Western Region Strengthening Scheme (WRSS) SPV	1,380	Competitive	100 per cent
Parbati Koldam SPV	1,070	Regulated	74 per cent
Mumbai Strengthening System - Division of RInfra	1,800	Regulated	100 per cent
North Karanpura (UMTP) SPV	1,550	Competitive	100 per cent
Talcher II (UMTP) SPV	820	Competitive	100 per cent
Total	6,620		

UMTP : Ultra Mega Transmission Project

Western Region System Strengthening Scheme II (WRSSS – II)

Two projects under the scheme worth approximately ₹ 1,380 crore were awarded to the Company on BOO basis. These involve construction, maintenance and operation of 9 transmission lines of 3,285 ckt kms length for 25 years of license period (6 lines with line length, of 2,317 ckt kms to be executed by Western Region Transmission (Maharashtra) Private Limited, and 3 lines with line length of 967 ckt kms by Western Region Transmission (Gujarat) Private Limited). The scheme will enable transfer of power from Eastern to Western Region of the country. The contractual arrangement for the project is in place and all financing requirements have been tied up. Project implementation is in full swing at the site and the projects are scheduled for commissioning by end of second quarter of financial year 2011-12.

One of the transmission lines associated with WRSSS - II in the state of Maharashtra, namely LILO of Solapur Karad with line length of 116 kms was commissioned on January 21, 2011. This is the first ever 100 per cent privately owned transmission line in India to achieve commercial operation. The line is commissioned in a record time of 15 months much ahead of schedule and revenue generation has commenced from this line since January 2011. Another transmission line in the Gujarat region, namely Limbdi - Vadavi has been completed and all requisite clearances have been obtained. Line is ready for commissioning and process of interconnection of the line with the substation is underway.

Substantial progress has been made in the remaining lines of the project, despite facing several Right of Way and Forest issues. 73 per cent progress in the Maharashtra project and 84 per cent in Gujarat project has been achieved so far. In quantitative terms, around 3,300 tower foundations have been laid, more than 2,600 towers have been erected and about 400 kms of stringing has been completed.

Parbati Koldam Transmission Corporation Limited

The project, awarded to the Company is a Joint venture with Powergrid Corporation of India Limited involving construction, maintenance and operation of 400 KV Transmission lines from 800 MW Parbati-II HEP (being constructed by National Hydro Power Corporation Limited) and 800 MW Koldam HEP (being constructed by NTPC Limited) hydro projects in Himachal Pradesh. It entails construction of three lines- two single circuit lines from Parbati-II to Koldam and one double circuit line from Koldam to Ludhiana with total line length 480 ckt kms.

The power evacuated from these stations shall be utilized by 13 beneficiaries of Northern Region states of Uttar Pradesh, Rajasthan, Punjab, Haryana, Jammu and Kashmir, Himachal Pradesh, Delhi, Chandigarh and Uttarakhand. The Company has entered into bulk power transmission agreements with all of these beneficiaries. Transmission License has been granted by CERC. Indemnification Agreement has been signed with the generator i.e. National Hydro-electric Power Corporation Limited (NHPC) with December 2012 as zero date. Statutory approvals like approvals under Section 68 and Section 164 and aviation clearances are in place. Stage–I forest clearance has also been received for all the transmission lines. Loan sanctions have been received for project to be funded by Power Finance Corporation Limited and Rural Electrification Corporation Limited and Financial Closure achieved in October 2010. Thereafter, CERC approval for hypothecation of movable assets and mortgaging of fixed assets to lenders received in February 2011. The first disbursement of loan from Lenders is expected in May 2011. The engineering activities like tower and foundation designs and type testing of towers completed. The award for tower packages placed and site construction work started and till date 80 foundations completed with 385 towers and 230 stubs supplied to site. The site work is progressing with targeted completion schedule as June 2012 for Koldam – Ludhiana and December 2012 for Parbati – Koldam.

Mumbai Transmission

To meet the ever-increasing load growth of the city of Mumbai, projects worth over ₹ 1,800 crore were conceptualized for the internal strengthening of the transmission network of Mumbai. The projects had received the approvals from the State Transmission Utility (STU) and the regulatory body, MERC. The projects would boost the transmission network of Mumbai by augmentation of transmission capacity by 2,625 MVA and addition of 114 ckms of transmission lines.

The projects include commissioning of 8 new 220kV EHV sub-stations amongst other schemes to improve the availability and reliability of the network. In the first phase, 5 such EHV sub-stations are under execution at different locations in Mumbai with 3 of them at Goregaon, Gorai and Saki being successfully charged in the year. The innovation of the Company was at its forefront with the vertical configuration of the EHV sub-stations within the building. This unique vertical designing helped in erection of the sub-stations in a minimal area of approximately 3,500 sq mtrs which is 10 per cent of that required for a conventional AIS switchyard. Extremely difficult and challenging activities such as laying 220 kV cable through the busy streets of Mumbai were successfully completed as a part of these projects. Works for the balance projects under execution too are in full swing and would be commissioned progressively.

A total capital expenditure of approximately ₹ 435 crore was incurred with ₹ 223 crore capitalised in the year. The Company also received in-principle clearance worth more than ₹ 200 crore in the year from MERC.

On the network availability front too, the Company's network has not tripped for close to 300 days at a stretch. RInfra's transmission network has registered an all time high availability of 99.76 per cent during the year as against the regulatory target availability of 98 per cent. The system also maintained a very high reliability index of 99.997 per cent. This was possible due to the philosophy of adopting the best practices and the tireless efforts of our dedicated team.

North Karanpura Transmission Project

The project was awarded on Build, Own, Operate and Maintain (BOOM) basis with approximate project cost of ₹ 1,600 crore. It involves construction of three 765 kV transmission lines of length of approximately 800 kms and two 400 kV transmission lines of length of approximately 250 kms. These lines would connect Lucknow, Bareilly, Meerut, Agra, Gurgaon, Sipat and Seoni.

The project being executed through a SPV viz. North Karanpura Transmission Company Limited also involves construction of one 400/220 kV GIS substation at Gurgaon.

Financial Closure for the project has been achieved. Transmission License for the project has already been received and the project execution has commenced.

Talcher II Augmentation Project

This project was awarded on BOOM basis with approximate project cost of ₹ 900 crore. The project being executed through an SPV viz. Talcher II Transmission Company Limited comprises of three 400 kV double ckt transmission lines of 670 kms length. The lines shall connect Talcher, Rourkela, Behrampur and Gazuwaka. One substation of 400/220 kV at Behampur is also in scope of execution of the project.

Financial Closure for the project has been achieved. Transmission License for the project has already been received and project execution has commenced.

Other achievements

- After successful implementation of Information Management System (IMS) for its O&M division, the Company took up Quality Management System (QMS) implementation for the projects. Bureau Veritas has certified the same in the month of February 2011.
- 7 SGA Groups (Quality Circles) presented their projects at CCQC-2010 (Mumbai Chapter). 5 SGA groups were awarded with Gold trophies and 2 SGA groups with Silver trophies. 2 groups presented their projects at the national level forum, NCQC with one group being rated Par-excellent and the other as Excellent. Six Sigma as a quality tool was also encouraged with completion of one six sigma project.

Trading Business

Reliance Energy Trading Limited (RETL), a wholly owned subsidiary of the Company, has positioned itself as a favoured trader for trading of power from captive / independent power plants. RETL is a professional member of both power exchanges with a significant market share of exchange traded volume. With the implementation of distribution open access, RETL is also targeting industrial / open-access consumers in several states. Trading of renewable energy is another upcoming activity that RETL is concentrating upon. The beginning has already been made by signing long term agreements with Biomass, Co-Generation and Small Hydro projects and back to back agreements with purchasers with expected trading volume of 3,850 MUs. RETL is also expecting a significant boost in trading volume through trading of merchant power from group's upcoming power projects.

RETL has been consistently ranked among top five trading licensees by volume by Central Electricity Regulatory Commission (CERC) with a market share of around 11.75 per cent* in the financial year 2011. While increasing the trading volume to 5,553 MUs in the financial year 2011 from 3,312 MUs in the financial year 2010, an increase of 68 per cent year over the year, RETL has registered a CAGR of 76 per cent in trading volume over the last three years. Medium / long term agreements for trading over a period of coming 10 years add up to around 22,000 MUs.

*Source: Average of monthly market share as per monthly MMC report of CERC

EPC Business

Overview

EPC Division of RInfra undertakes the Engineering, Procurement and Construction (EPC) turnkey contracts for power generation projects in coal based thermal and gas, transmission, distribution and road projects. In recent times, EPC players have to face the following challenges in terms of completing the projects on fast track basis:

a. Maintaining profitability as well as retention of skilled and experienced personnel
b. Timely delivery of equipment
c. Handling the contractual disputes of executing agency

The EPC division however looks at these increased challenges as opportunities to be capitalised.

The division is equipped with the requisite expertise and vast experience to undertake the EPC projects and execute them successfully on standalone basis. It employs state-of-the-art technology in engineering design and project management to execute its projects.

The division has grown from limited work execution provider to total solution provider in the Indian power sector. The division gives utmost priority for implementation of its projects within the stipulated time frame. The Company's advanced and cost effective Integrated Project Management and Control System have been contributing significantly for project execution.

The division has continued to perform well during 2010-11 and the order book position as on March 31, 2011 is ₹ 29,635 crore.

Turnover for the financial year 2010-11 was at ₹ 3,597 crore as against ₹ 3,522 crore for the financial year 2009-10, while Profit is ₹ 373.crore as against ₹ 284 crore for 2009-10, registering an increase of 31 per cent.

Ongoing Projects

The EPC division of the Company is executing 7 power projects aggregating of 9,900 MW, one transmission project of length of 3,285 circuit kms and 6 road projects totalling to 570 kms. The Company has mobilised more than 25,000 workforce working on various sites including 1,600 engineers. The EPC division is well positioned for building large power projects and is developing competencies in other infrastructure sectors such as metro/mono rails, airports, cement plants, etc.

Major Project Highlights

6 x 660 MW Sasan Ultra Mega Power Project

Sasan Ultra Mega Power Project was awarded under tariff based competitive bidding route by CEA and Power Finance Corporation Limited to Reliance Power Limited (RPower). Sasan Ultra Mega Power Project is the largest domestic coal based power plant. The project is being executed by the EPC division of RInfra. Major highlights of the project are:

- 60 per cent engineering work has been completed
- All major packages have been awarded
- General civil works near Boiler Turbine Generator (BTG) area for all six units are under progress
- 400 and 765 KV civil and electrical work is in progress in switchyard area.
- 3,500 MT boiler, 1,250 MT in Electrostatic Precipitator (ESP) erection work and 8,000 MT in Bunker and power house fabrication work completed for two units
- Chimney work completed for over 90 meters
- Over land conveyor for coal transportation from mines including the bridge, raw water reservoir and pump house construction work in progress

2,400 MW Samalkot Combined Cycle Power Plant - 3 modules (Two Gas Turbine Genarator and One Steam Turbine Genarator)

RInfra's EPC division is executing India's largest brown-field gas based combined cycle power plant being set by Samalkot Power Limited, a wholly owned subsidiary of RPower, at Samalkot, Andhra Pradesh. Natural gas for this project would be sourced from the KG basin. Notice to proceed for this project was issued in August 2010. Major highlights of the project are:

- Major orders for gas and steam turbine as also generator have been placed
- Major civil work awarded to Shapoorji Pallonji and Company Limited
- 90 per cent packages awarded
- Civil work started in January 2011 and 20 per cent progress achieved
- Foundations of all three GTG power blocks under advanced stage for construction. HRSG, PHB foundation is under progress

2 x 300 MW Butibori Power Project

RPower bagged the prestigious Group Captive Thermal Power Project (GCPP), the first in the state of Maharashtra. The project was awarded by the Maharashtra Industrial Development Corporation (MIDC) through the competitive bidding route. Major highlights of the project are:

- 80 per cent engineering work completed.
- All packages awarded and Boiler Drum Lifting for both the units completed
- Chimney Shell casting completed till 220 m for both the chimneys
- 90 per cent of 220 KV switchyard erection work completed
- Raw water reservoir construction completed
- BOP packages – DM, FOPH are in advanced stage of construction

2 x 600 MW Raghunathpur Thermal Power Stations

The project was awarded to RInfra by Damodar Valley Corporation (DVC) for 2x600 MW Thermal Power Plant at Raghunathpur in West Bengal. Major highlights of the project are:

- Overall progress is 70 per cent in spite of land acquisition delays and non-conducive local environment
- Boiler structure erection completed for both the units
- Power house 9,500 MT erection completed for both the units
- 400 KV switchyard is in advanced stage of completion
- Chimney construction work is in progress

2 X 600 MW Rajiv Gandhi Thermal Power Project, Hisar

This project is a turnkey project awarded by Haryana Power Generation Corporation Limited for generating power in Haryana. The project work is in closing stage. Major highlights of the project are:

- Trial run for both the units completed and under commercial operation by HPGCL
- Provisional take over of units is in progress
- Performance guarantee tests of the units under progress

2 x 250 MW Parichha TPP – II (Unit 5 and 6) Balance of Plant (BOP) Package

The project was awarded to RInfra by Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited for 2X250 MW Parichha Thermal Power Plant Ext-II. Major highlights of the project are:

- 90 per cent progress achieved
- Systems are in advanced stage of mechanical completion and commissioning under progress.

New Initiatives

The EPC division of RInfra is continuously taking new initiatives in engineering, construction and technology areas for successfully executing mega and ultra mega power projects. The Company has undertaken initiatives in the following areas:

Construction Initiatives

- Fly Ash Bricks / Blocks: Fly ash, a waste product is being manufactured for making bricks / blocks in all projects (Fly ash at 60 per cent). Two crore fly ash bricks (230 x 115 x 75 mm) contract is in progress at Ultra Mega Project Project.
- Water bars in water retaining structures: In place of traditionally used PVC water bars, swellable water bars have been added in the specifications order to avoid water leakages in water retaining structures due to rupture and bending of conventional PVC water bars.
- Renolith: Renolith, a water-solvable, neutral and non-toxic polymer-based mixture is being imported from Australia and used as a soil stabilizer to significantly improve engineering properties of in-situ soil. It is being used in BTG lay down area and reinforcement yard for providing a firm surface for equipment storage as a replacement of stone aggregates rich Water Bound Mecadam and Granular Sub-Base.
- Ash Pond lining: Linear low density polyethylene (LLDPE) and High Density Polyethylene (HDPE) linings are used to prevent the leachate to enter into the ground water there preventing its contamination.
- PVD Drains for ground improvement is being used to increase the bearing capacity of the soil which accelerates the consolidation process, reduces the settlement time and also eliminates the need of pile foundation.
- Fibre Reinforced Plastic (FRP) Cooling Tower to be used instead of the conventional RCC tower because of its light weight and which eliminates the need for painting.
- Pre-cast Spun Pile manufacturing: Usage of pre-cast spun piles for foundations in soft soil condition is being implemented for speedier implementation, enhancing quality and also reduced transportation issues of the project.
- Setting up of Bolted Structure fabrication facility for speedier fabrication and erection of structural steel for Power House, Mill Bay structures with bolted connections. This major initiative will tide over many problems like dependency on steel fabrication vendors who have limited capacity, transportation issues of large sections / members.

Engineering Initiatives

- Central core engineering group: This group is set-up to introduce latest technology, enhance engineering quality, standardization of all engineering deliverables, capturing lessons learnt and facilitating knowledge sharing from completed and on going projects. Core engineering group is also closely associated with optimization and new innovation.
- Engineering Management Practices: Best Practices have been adopted like Time sheets for effective resource utilization and Productivity Analysis for all engineering departments, in order to mobilize and de-mobilize resources as per the project requirements, intelligent document management and process tracking systems, SAP-DMS with the objective to deliver / transfer deliverables on right time.
- Engineering Automation Group: The group incorporates the best and intelligent 3D Plant design automation technology by using high end 3D Modeling Software to facilitate development of 3D plant models for solving major engineering constraints.
- On Line eLibrary : World class facilities in terms of standard/ reference materials both in hard copies and soft form have been provided to the engineering staff by RInfra – Library and Resource center at our engineering offices and supported by world class IT infrastructure. Technical library has latest standards, books, periodicals and journals.

Other Initiatives

Some other initiatives like overland coal conveyor, open pump house scheme, layout optimization, centralized control room, desalination system and material tracking through Radio-frequency identification (RFID) have been taken for faster execution of ultra mega power projects.

Quality Management

The EPC Group follow extensive quality management processes for inspection at manufacturing sites through its own trained executives and third party inspection agencies like Lloyds, Bureau Veritas, and DNV etc. to ensure reliability of efficiency of equipments. Training has been given to executives in the areas of NDT II professional certification for welding. A total of 567 man days and 4,536 man hours of quality training have been given during the year.

Infrastructure Projects

Road Projects

The Company is developing 11 road projects worth about ₹ 12,000 crore of which 3 projects have started generating revenues and additional 6 projects would start generating revenue shortly. During the year under review, the Company submitted Request for Qualification (RFQ) for 44 projects worth ₹ 66,500 crore and Request for Proposal (RFP) for 12 projects, of which two projects have been won i.e. Delhi-Agra and Hosur Krishnagiri worth ₹ 3,800 crore. Financial closure has been achieved for three projects i.e. Jaipur-Reengus, Pune-Satara and Kandla-Mundra during the year

Projects under Execution

The details of the projects on hand are given in the table below.

Particulars	No. of Projects	Length (kms)	Project Cost (₹ crore)
Projects under Operation	3	234	2,770
Projects under Execution	6	493	5,180
Projects won this year	2	240	3,870
Total	11	967	11,820

Some of the salient features of all these projects include:

- NK Toll Road Limited operates 43 kms long 4 lane National Highway (NH 7) road connecting Namakkal and Karur in Tamil Nadu for a concession period of 20 years. This toll road is in operation from August 2009. Namakkal is known for vehicle body building industry whereas Karur is one of the leading cities for textile industry. It is also a part of the golden quadrilateral of national highways.
- DS Toll Road Limited operates 53 kms long 4 lane National Highway (NH 7) road connecting Dindigul and Samynallore near Madurai in Tamil Nadu for a concession period of 20 years. This toll road is in operation from September 2009 The project stretches to Karnataka easing traffic flow to IT destinations like Bengaluru and also a part of the golden quadrilateral of national highways.

- TK Toll Road Private Limited is developing 81 kms long 4 lane National Highway (NH67) road from Trichy to Karur in Tamil Nadu for a concession period of 30 years. The project is expected to be commissioned in the financial year 2011-12. Presence of Trichy temple in the project area is expected to sustain high traffic volumes.
- SU Toll Road Private Limited is developing 136 kms long 4 lane National Highway (NH68) road from Salem to Ulunderpet in Tamil Nadu for a concession period of 25 years. This was the first project of more than 100 km to be awarded by NHAI on build, own and transfer basis. The project is expected to be commissioned in the financial year 2011-12. The proposed textile park at Salem is expected to drive traffic on this toll road.
- TD Toll Road Private Limited is developing 88 kms long 4 lane National Highway (NH45) road connecting Trichy and Dindigul in Tamil Nadu for a concession period of 30 years. The project is scheduled to to be commissioned in the financial year 2011-12.This project connects religious places like Madurai and Kanyakumari which sees very high traffic.
- GF Toll Road Private Limited is developing 66 kms long lane road connecting Gurgaon and Faridabad for Haryana Public Works Department in Haryana for a concession period of 17 years. The project scope involves construction and tolling of 4 lane corridor between Gurgaon-Faridabad of 33.10 km and improvement/reconstruction of Ballabgarh-Sohna road of 33.98 km. The project is expected to be commissioned in the financial year 2011-12. The presence of crusher zone is expected to provide a lot of 3 axle and MAV traffic and also serves as partial ring road to Delhi connecting two important commercial and residential settlements in Gurgaon and Faridabad.
- JR Toll Road Private Limited is developing 52 kms long lane road connecting Reengus in northern part of Rajasthan to its capital city Jaipur for a concession period of 18 years. The project is expected to be completed by March 2012. The presence of Chomun industrial area and the Khatu Shyam temple on the project stretch and gateway to northern India leads to significant traffic growth potential on this project.
- PS Toll Road Private Limited is developing 140 kms long six laning NH 4 road between Pune and Satara in Maharashtra for a concession period of 24 years. Tolling for the existing 4 lane stretch started on October 1, 2010. This project is along the main corridor connecting Mumbai-Pune to southern parts of Maharashtra and southern states of India.
- KM Toll Road Private Limited is developing 72 kms four / six laning NH 8A road between Kandla and Mundra Ports in Gujarat for a concession period of 25 years. This project involves initial construction of 4 lanes and subsequent widening of the same to six lanes after 8 years. This project connects two major ports of India to other parts of India, thus attracting substantial cargo traffic to the corridor.
- HK Toll Road Private Limited is developing 60 kms long six laning NH 7 road between Hosur and Krishnagiri in Tamil Nadu for a concession period of 24 years. Tolling for the exiting 4 laning is expected to start at the end of first quarter of financial year 2011-12. This project is along the main corridor connecting Bengaluru and Chennai and Bengaluru to southern parts of India.
- DA Toll Road Private Limited is developing 180 kms long six laning NH 2 road between Delhi and Agra in the state of Haryana and Uttar Pradesh for a concession period of 26 years. Tolling for the exiting 4 laning is expected to start at the end of first quarter of financial year 2011-12. This project is along the main corridor connecting Delhi with other parts of India.

Western Freeway Sealink

Western Freeway Sea Link Project-Phase II-A ("WFSL") has been awarded by Maharashtra State Road Development Corporation Limited (MSRDC) through global competitive bidding process on Public Private Partnership framework to RInfra led consortium in February 2010.

A special purpose vehicle, namely, Reliance Sealink One Private Limited (RSOPL), has been incorporated for implementation of the Project and the concession agreement was executed in June 2010 which also provides the right of first refusal to the concessionaire for any extension, both southward and northward to the Sealink. The project envisages operation and maintenance of the existing Bandra – Worli Sealink (BWSL) and construction of Sealink between Worli to Haji Ali in Mumbai for a concession period of 40 years.

The total project cost is estimated to be ₹ 4,550 crore which includes an upfront payment of ₹ 1,634 crore to MSRDC towards acquisition of tolling rights of Bandra Worli Sea Link. The construction of new Sealink from Worli to Haji Ali is envisaged to be completed within 42 months, from the date of handover of existing Bandra-Worli Sea Link.

Project Development

The Company has commenced all activities for implementing the project on time and within the budgeted cost. The Company has appointed various project consultants of international repute for designing the new Sealink, proof consultants for checking the design, undertaking detailed traffic/ toll to understand users' needs and independent consultants to verify and ensure compliances of various applicable enactments.

During the year under review, the Company has successfully completed the detailed geological surveys on the sea through reputed international agencies. Based on the inputs obtained through such detailed survey, the design for the new Sealink from Worli to Haji Ali has been finalized. The Company is in advanced stage of discussions with potential lenders and financial institutions for tie-up of funds for the project. Based on the discussion the Company had with the lenders, it is expected that the project will achieve the financial closure during the current fiscal year.

Take over of BWSL and commencement of construction for new Sealink

The tolling rights of BWSL shall be acquired and the Company shall commence its operation during the current fiscal year. The construction of new Sealink from Worli to Haji Ali shall also start during the current fiscal year. Necessary preparatory works for take over of BWSL and commencement of construction of new Sealink from Worli to Haji Ali are being undertaken by the Company. The Company has undertaken various traffic studies to understand the user patterns. The studies have been undertaken by reputed consultants to develop various tolling strategy to augment the tolling revenue, ensuring best of class safety and health system for maximum benefits to the users.

Meanwhile, the Company is in discussion with MSRDC and the Government of Maharashtra (GOM) to address the following issues, so as to ensure complete clarity on the scope and other terms of the project.

a. Payment of Capital Grants or Viability Gap Funding by State Government

   The Company has won the Project through International Competitive Bidding by quoting the least Viability Gap Funding (or 'VGF') of ₹ 1,392 crore. The VGF is to be disbursed to the Company in three equal annual installments. The provisions of the Concession Agreement require the Government of Maharashtra (GoM) to pay the VGF through MSRDC. It must be recognized and appreciated by the authority, including GOM that the entire viability of the project depends upon timely release of VGF. Accordingly the Company has been requesting MSRDC and GOM for ensuring appropriate provisions in the State budget.

b. Critical support from Government Instrumentalities for Project implementation

RSOPL has represented to MSRDC and the GoM to provide appropriate commitment for payment of VGF of ₹ 1,392 crore as per the provisions of the Concession Agreement. Apart from the above, the Company has been in discussion with MSRDC and GoM to obtain necessary approvals and infrastructure including casting yard and jetty at the site, execution of the State Support Agreement.

Metro Railways

RInfra is the only private player which is currently implementing three metro rail projects (two in Mumbai and one in Delhi) on a build, own and transfer basis in the country, out of which one i.e. Delhi Airport Express Line is operational. The total cost of three Metro projects is ₹ 15,950 crore.

Projects under Execution

Projects	Project Cost (₹ crore)	Length (kms)	No of Stations	Concession Period (years)	Shareholding (per cent)
Delhi Airport Express Link	2,450	23	6	30	RInfra – 95 per cent, CAF Spain – 5 per cent
Mumbai Metro Line I	2,500	11	12	35	RInfra – 69 per cent, MMRDA – 26 per cent, Veolia France – 5 per cent
Mumbai Metro Line II	11,000	32	27	35	RInfra – 48 per cent, RCom – 26 per cent, SNC Lavalin – 26 per cent
Total	15,950	66			

Note: ^ - Could be extended to further 10 years

1. Delhi Airport Metro Express Private Limited

Delhi Airport Express Line project, the first high speed airport link project was awarded by Delhi Metro Rail Corporation Limited (DMRC) through a global competitive bidding process on Public-Private-Partnership (PPP) framework to RInfra led consortium in 2008. A special purpose vehicle, namely, Delhi Airport Metro Express Private Limited was incorporated for the implementation, operations and maintenance of the project.

The metro connects the city centre i.e. New Delhi railway station to the International Airport and with further connection to Dwarka. Delhi Airport Metro Express Line became operational in the fourth quarter of financial year 2010-11 and is also the first PPP metro project to become operational in India. The project has been built in a record time of 27 months from the date of signing of Concession Agreement with DMRC and has received an overwhelming response from the commuters. In addition to high speed connectivity to Airport/Dwarka, the line also is designed to provide city check in facility, wherein passengers can check in their luggage at the city airport terminals counters set up at the stations.

2. Mumbai Metro One Private Limited

Versova-Andheri-Ghatkopar (VAG) Corridor Mass Rapid Transit System (MRTS) project, first metro project in the country was awarded by Mumbai Metropolitan Region Development Authority (MMRDA) through a global competitive bidding process on Public-Private-Partnership (PPP) framework to RInfra led consortium.

A special purpose vehicle, namely, Mumbai Metro One Private Limited (MMOPL) was incorporated which entails design, financing, construction, operation and maintenance of the project. The metro will provide the much needed east to west connectivity and carry about 6 lakh commuters/ day initially at very affordable fares benchmarked to fares charged by Brihanmumbai Electric Supply and Transport (BEST) Undertaking. The biggest advantage would be the substantial reduction in travel time from the current 90 minutes to about 20 minutes along with much improved and comfortable traveling experience.

The project achieved financial closure in 2008 and all contracts have been awarded. Civil work is going on in full fledged manner and is in advanced stage of completion. Preparations for operations and maintenance are also in full swing.

The first train has arrived in Mumbai from China in April 2010. Factory Acceptance Test of various other rail systems equipment is largely complete and their delivery to site is in progress. Till date, MMOPL has obtained ₹ 333 crore of viability gap funding from MMRDA, out of a total of ₹ 650 crore. Despite various ground constraints, the project is scheduled to be commissioned before its contractual commissioning date i.e. September 2012.

Though intense efforts are being made to complete the project ahead of the contractual commissioning date, several constraints including the delay in the following is impeding the speedy completion of the project:

a. Delay in receipt of land and Right of Way to the project. Even at this stage of the project, some portion of the right of way is still to be given for carrying out the project execution work.

b. Very narrow and congested right of way in many locations, encroachments, vast and complex web of underground utilities led to repeated modifications in project designs repeatedly which had implications on timelines and project cost.

c. Delay in obtaining clearance for construction of the bridge across the railway lines at Andheri was the major factor causing deferment of project timelines. The railway authorities have over the past four years considerably changed the scope of the construction of the bridge, leading to change in design to an all steel bridge necessitating construction of a pier between railway tracks.

Besides, congested roads with high vehicular and pedestrian traffic and restricted working hours during night in many stretches due to opposition from residents are also hampering the speedy execution of the project.

Despite various ground constraints, the project is scheduled to be commissioned before its contractual commissioning date.

3. Mumbai Metro Transport Private Limited

Charkop-Bandra-Mankhurd Corridor Mass Rapid Transit

System (MRTS) project was awarded by MMRDA through a global competitive bidding process on Public-Private-Partnership (PPP) framework to RInfra led consortium in 2009. A special purpose vehicle, namely, Mumbai Metro Transport Private Limited (MMTPL) was incorporated which entails design, financing, construction, operation and maintenance of the project. This project involves viability gap funding of ₹ 2,298 crore which will be obtained from MMRDA.

The metro will provide the much needed connectivity between all the suburban lines i.e., VAG corridor at Andheri, Western line at Bandra, Central Line at Kurla and Harbour Line at Mankhurd and will carry about 14 lakh commuters/ day initially at very affordable fares benchmarked to fares charged by BEST. The biggest advantage would be the substantial reduction in travel time along with much improved and comfortable traveling experience.

MMTPL has achieved financial closure of ₹ 7,000 crore which is the largest financial closure for a PPP project in the country. MMTPL has already commenced the initial design and engineering works, appointment of consultants, obtaining necessary approvals, etc.

Airports

As globalization continues to take hold, the competitiveness of industry is increasingly relying on airports and aviation infrastructure. With rising passenger and cargo traffic, the importance of airports as growth and development catalysts will only increase in the future. With big airports facing increasing congestion and fierce resistance to expansion plans, the small and medium-sized sectors have enormous upside. Small and medium-sized airports are notching up double-digit growth rates and to cash in on this development Reliance Airport Developers Private Limited (RADPL) has ventured into this business connecting emerging small towns of India to the rest of the world.

Airport Projects

RInfra bids for and implements airport projects through the subsidiary company Reliance Airport Developers Private Limited (RADPL). It has been awarded lease rights to develop and operate 5 brownfield airports in Maharashtra at Nanded, Latur, Baramati, Yavatmal and Osmanabad for 95 years for which upfront premium of ₹ 63 crore has been paid. It has also extended support to Sasan Power Limited, a wholly owned subsidiary of Reliance Power for developing airstrip / airport at Sasan where a captive power plant is being developed. These airports are located in regions with strong political, industrial, agricultural and religious activities and play host to many national and international dignitaries.

Project Progress

Nanded and Latur Airports have obtained aerodrome license from the Directorate General of Civil Aviation (DGCA). At Baramati airport, the terminal building has been refurbished along with a VIP Room facility. Osmanabad airport terminal building is under construction. Recarpeting and widening of the runway at Yavatmal airport have been completed and operations by non-scheduled aircraft have commenced. RADPL has incurred capital expenditure of ₹ 9.88 crore for refurbishment of these airports till date.

Nanded Airport is connected to Mumbai, Delhi and Nagpur through commercial scheduled flights by GoAir and Kingfisher Airlines. Apart from this, charter operations are also increasing at Nanded airport. All other airports i.e. Latur, Baramati, Yavatmal and Osmanabad host various air charter / non scheduled services. As part of ongoing efforts to enhance connectivity to several other locations in India, various airlines such as Indigo, Jet, Spice Jet and Deccan Charters have been approached to explore new routes.

RADPL has adopted aggressive business development strategies. Both outdoor and indoor advertising opportunities are also being explored at all the airports. Aviation Training academies are being operated from 2 airport locations. Terminal retail and hotel development deals are at advanced stages. Apart from these, RADPL has added innovative revenue streams at these airports such as automobile testing, film / TV commercials shooting, aero sports events, airshows, etc.

Cement

During the year under review, Reliance Cementation Private Limited, the wholly owned subsidiary of RInfra, has achieved certain milestones towards setting up two plants, one in Maihar, Madhya Pradesh and the other in Mukutban, Maharashtra. In line with its vision to set up cement plants across India, it has applied for various mining leases (ML) / prospecting licences (PL) in the states of Karnataka, Orissa, Chattisgarh, Gujarat and Rajasthan.

Following milestones were achieved at the project sites for the first two plants:

Madhya Pradesh

- Land Acquisition in mines and plant area is approaching completion
- Environmental Clearance has been received
- Mining lease has been executed for a considerable portion of limestone resources
- Letters of Intent have been issued for remaining area and the mining plans have also been submitted for statutory approval
- No-Objection Certificate has been received from the Pollution Control Board

Maharashtra

- Majority of the required plant and mine land has been acquired
- Applications for ML for a considerable portion of limestone resources are at advanced stage of approval
- Ministry of Environment and Forest has approved the project for Environment Clearance

Real Estate / SEZ

RInfra has been working with Andhra Pradesh Industrial Investment Corporation Limited (APIIC) for restructuring its Hyderabad Trade Tower and Central Business District (CBD) project, and has been able to obtain most of the required approvals for the key changes in the project structure. The restructuring agreements between APIIC and the Company's special purpose vehicle for the project, viz., CBD Tower Private Limited, subsidiary of RInfra is expected to be executed during the current year. RInfra is working on preparation of the master plan and detailed project Report for the project, which will be submitted to APIIC for its concurrence.

The Company is planning to go ahead with non-speculative construction, mainly built to suit office spaces, Hotel and some residential options, and will undertake further components in line with the improvement in Hyderabad real estate market.

RInfra also has a number of other real estate projects in various stages of bidding, planning and negotiations. However, in view of the changed market realities, the Company, being cautious, is taking exposure only after extensive due diligence of the project economics.

Major Associate Company - Reliance Power Limited

Reliance Power Limited (RPower), an associate company in which the company has a 38.41 per cent equity stake is currently developing 17 large and medium sized power projects with a combined planned installed capacity of over 35,000 MW, one of the largest portfolio of power generation assets under development in India in the private sector. RPower is also developing some of the largest coal mines owned by it in India and Indonesia which would ultimately be producing almost 100 MTPA of coal making it one of the largest integrated power and coal companies in the world.

Operational project

1. Rosa Stage 1 - 600 MW coal-fired power project, Uttar Pradesh Projects under construction
2. Rosa Stage 2 - 600 MW coal-fired power project, Uttar Pradesh
3. Butibori Power Project – 600 MW coal-fired power project, Maharashtra
4. Sasan Ultra Mega Power Project– 3,960 MW pit head coal-fired power project, Madhya Pradesh
5. Krishnapatnam Ultra Mega Power Project – 3,960 MW imported coal-fired power project, Andhra Pradesh
6. Chitrangi Power Project – 3,960 MW coal-fired power project, Madhya Pradesh
7. Tilaiya Ultra Mega Power Project– 3,960 MW pit head coal-fired power project, Jharkhand
8. Samalkot Gas Project – 2,400 MW combined cycle gas-fired power project, Andhra Pradesh

Projects under development

9. Expansion of coal based capacities at Sasan, Tilaiya, Krishnapatnam
10. Gas Power projects at various locations such as Dadri, Shahapur, Bharuch
11. Urthing Sobla – 400 MW hydroelectric project, Uttarakhand
12. Siyom – 1,000 MW hydroelectric project, Arunachal Pradesh
13. Tato II – 700 MW hydroelectric project, Arunachal Pradesh
14. Kalai II – 1,200 MW hydroelectric project, Arunachal Pradesh
15. Amulin – 420 MW hydroelectric project, Arunachal Pradesh
16. Emini – 500 MW hydroelectric project, Arunachal Pradesh
17. Mihundon – 400 MW hydroelectric project, Arunachal Pradesh

Renewable Power Projects

18. 100 MW of Concentrated Solar Power Project in Rajashthan
19. Other Solar and Wind power projects in Rajasthan, Gujarat and Maharashtra

Coal Mines under development

20. 25 MTPA of coal from Moher, Moher-Amroli, Chatrasal Coal mine blocks located near Sasan Power Project
21. 40 MTPA of coal from Kerandari 'B' and 'C' mines blocks located Tilaiya Power Project
22. 25 MTPA pf coal located Musi Rawas, South Sumatra, Indonesia

Risks and Concerns

RInfra is dependent on the domestic market for its business and revenues. The Company's power generation, transmission and distribution facilities are located in India, and virtually all of the Company's revenues including those from the EPC Division, are derived from the domestic market. The Company also makes significant investments in various new businesses in the infrastructure sector in the country.

These factors may potentially expose the Company to the risk of any adverse impact to the national economy and any adverse changes in the policies and regulations related to the sector. The Company closely monitors the Government's policy measures to identify and mitigate any possible business risks.

Generation of power at the Company's power stations can be affected due to various factors including non-availability of fuel, grid disturbances and such other factors in load management in the grid. The Company has entered into agreements with fuel suppliers for adequate supply of fuel, thus mitigating the fuel availability risk. To remain unaffected by the grid differences, the Company has developed systems to island its power stations from the grid in such eventualities.

The present license to distribute electricity in the licensed area expires on August 15, 2011. License for the next term of 25 years will be issued by the MERC as per the process under the Electricity Act, 2003 which is already under progress.

The consumer tariffs are regulated by the MERC. Any adverse changes in the tariff structure could have an impact on the Company. However, the Company endeavours to achieve the highest efficiency in its operations, and has been implementing cost reduction measures in order to enhance its competitiveness and maintain profitability.

Pursuant to the Electricity Act 2003, there is risk of rising competition in the supply of electricity in the licensed area of the Company. The Company has built a large and established distribution network that is difficult to replicate by potential competitors and will endeavour to provide reliable power at competitive costs, with the highest standards of customer care to meet the threat of competition.

Infrastructure projects are highly capital intensive, and as such run the risks of (i) longer development period than planned due to delay in statutory clearances, delayed supply of equipment or non-availability of land, non-availability of skilled manpower, etc., (ii) financial and infrastructural bottlenecks, (iii) execution delay and performance risk, and (iv) cost over-run. RInfra is currently developing highways for NHAI and other authorities, sealink, transmission system strengthening, metro rail and airport projects. The past experience of RInfra in implementing projects without significant time and cost overruns provides confidence about the timely completion of these projects.

Any adverse movement in the value of the domestic currency may increase the Company's liability on account of its foreign currency denominated external commercial borrowings in rupee terms. However, RInfra has adopted conservative foreign exchange risk management policies in this regard. The Company undertakes liability management initiatives on an ongoing basis to manage its foreign exchange rate risks. The Company manages other potential operational risks by adopting suitable policies including human resource development, appropriate health, safety and environment framework.

Adequacy of Internal Control

The Company has an adequate system of management-supervised internal control which is aimed at achieving efficiency in operations, optimum utilization of resources, and compliance with all applicable laws and regulations. The internal control mechanism comprises a well-defined organization structure, pre-determined authority levels with segregation of duties, risk assessment and management framework. The Company's policies and standard operating procedures are well documented and have various ISO and OHSAS certifications.

The procurement and operational maintenance activities are planned well in advance to avoid any possible risk of late delivery of equipment and materials, delay in attending to maintenance needs, etc. The Company, on a regular basis, stores and maintains all the relevant data and information as a back up to avoid any possible risk of losing important business data.

Management Discussion and Analysis

The Management Audit and Risk Assessment Department (MA&RA) reviews the systems and processes along with professional internal audit firms. This is helpful in providing independent and professional audit observations, and the management audit coordinates and follows up for corrective and preventive action with various process owners.

The Company has a defined risk policy and risk management frame work for all units, functional departments and project sites. This helps in identifying, assessing and mitigating the risk that could impact the Company's performance and achievement of its business objectives. The risks are reviewed on regular basis by various process owners across the organization and every quarter, the risk assessment is carried out by the Management Audit and Risk Assessment, the convenor of the Risk Management Committee which meets quarterly to deliberate on various risks faced by the Company.

A qualified and independent audit committee of the Board comprising of all independent directors of the Company reviews the internal audit reports and the adequacy of internal controls and risk management framework.

Environment, Health and Safety

Dahanu Thermal Power Station

At Dahanu Thermal Power Station, necessary steps are taken to ensure the safety of employees and equipment. Both external and internal audits are conducted regularly. Mock drills are conducted periodically to ensure emergency and disaster management preparedness. The joint safety committee of generation and supply division identifies safety measures to be adopted to continually improve safe working conditions.

All emission parameters were well below statutory limits. Both Flue Gas Desulphurization (FGD) units were in service throughout the year and SOx absorption of more than 90 per cent was achieved, as stipulated.

Sl. No.	Parameters	M P C B Limits / Norms	2008-09	2009-10	2010-11
a	Stack				
	Total Particulate Matter (TPM mg/Nm3)	150	37.3	40.7	42.3
	Sulphur Dioxide (SO2) TPD	*8.04	3.9	4.0	4.1
	NOx (ppm at 15 per cent excess oxygen v/v)	150	75.3	75.6	75.9
b	Ambient Air Outside Plant Premises				
	Suspended Particulate Matter (SPM) µg/M3	100	55.0	58.6	62.1
	Sulphur Dioxide (SO2) µg/M3	30	3.9	4.2	3.9
	Oxides of Nitrogen (NOx) µg/M3	30	10.6	12.6	12.6

* MPCB consent changed effective April 1, 2009

At the Dahanu power station, water management cell monitors and controls the water conservation projects. A number of conservation projects were completed in various areas like rainwater harvesting and reduction in consumption of de-mineralised water for power generation process. The practice of monitoring water consumption, and the efforts towards water conservation were recognised by the Confederation of Indian Industry with awards for excellence in water management, within the fence as well as beyond the fence.

Samalkot Power Station

Samalkot power station started receiving gas from KG-D6 basin from May 2009. Since then, use of naphtha was discontinued and station is operating at base load exclusively on natural gas.

The average levels of emission recorded at the power station during the year 2010-11 were much below the limits stipulated by the Andhra Pradesh Pollution Control Board. The Station is already certified for ISO 14001 and OHSAS 18001. The power station also carries out regular mock drills on disaster management. "Zero Discharges of Industrial Effluents" for the past 59 months in a row is one of the major milestones of the power station which is achieved by using "Reduce, Recycle and Reuse" concepts (achieved through the recovery of Steam & Water Analysis System water as well higher Cycle of Concentration (COC) operation of Cooling Water Systems).

Emission Parameters at Samalkot Power Station

Sr. No.	Parameters	UOM	APPCB* Limits	2007-08	2008-09	2009-10	2010-11
A	Particulate Matter in ambient air	µg/m3	200	156	139	113	42.1#
B	Sulphur Dioxide (SO2) in ambient air	µg/m3	80	33.98	12.50	11.36	11.98
C	Nitrogen Oxide (Stack)	PPM	75	33.96	34.67	43.29	44.52

*APPCB : Andhra Pradesh Pollution Control Board

Particulate Matter 10.0 Microns (As per New Ambient Standards)

Goa Power Station

The plant has taken up several initiatives towards conservation of resources and improving environmental performance. Improvement of Cycle of Concentration (COC) and average water consumption were achieved. The tree density was also maintained as per the requirement and the survival rate was above 95 per cent. An area of about 1.6 hectares is covered under forestation in and around the plant premises.

Goa Power Station had maintained a 'Zero Reportable Accident' record since its inception. Steps undertaken to ensure safety of men and machine included internal and external safety audits, Hazard identifications and Risk assessment, periodic inspection of plant areas by safety teams and daily unsafe observation records. The power station also carried out mock drills on disaster management in which experts as observers from neighbouring industries were invited. Goa Power Station has undertaken many measures and improvement actions in Safety. Following are some of the measures taken during financial year 2010-11.

1. Automation of Water Sprinkler System for Fuel storage tank
2. Secondary containment for all chemical day tank and storage area.
3. Provisioning of railing for reservoir.

4. Additional provisioning of LEL gas detector near filtration skid of GT.
5. Provision for Foam Sprinkler System at fuel unloading gantry.

Emission Parameters at Goa Power Station

Sr. No	Parameters	Limits	2008-09	2009-10	2010-11
a	NOX	188 mg/nm3	32.51	38.07	39.44
b	SOX	50 mg/nm3	22.18	25.02	26.58

Kochi Power Station

The Kochi power station of BSES Kerala Power Limited, a subsidiary of the Company, also attaches top most priority to Safety, Health and Environment. The Safety committee of employees meets on regular basis to evaluate the safety performance and to deliberate and finalize improvements required. Audit of both internal and external including statutory ones are carried out to assess the safety systems and bring about improvements based on the findings and suggestions. Lost Time Accidents during the year was nil. Internal and external mock drills are conducted on regular intervals to test and enhance the emergency preparedness.

There was no breach of environment safeguards during the year under consideration. There are online systems installed to measure the emissions through gas turbine exhaust. The Company has implemented a zero effluent discharge scheme and a rain water harvest system. A green belt is also maintained. The power station is certified for Integrated Management system conforming to ISO 9001, ISO 14001 and OHSAS 18001 standards.

Energy Conservation

Dahanu Thermal Power Station

The Dahanu Thermal Power Station (DTPS) achieved an average heat rate of 2,282 Kcal/KWh during the year against the norm of 2,500 Kcal/KWh specified by the Central Electricity Regulatory Commission for the unit of this size. The Power Station undertook various energy conservation measures i.e. variable frequency drives for seal air fan/Pumps for horticulture, solar water pumps, Solar LED systems, energy efficient lighting systems, etc.

The energy management system BS EN 16001:2009 was implemented at DTPS so as to drive the energy conservation agenda with defined energy policy, procedures and work instructions. Internal and external audits of various systems were carried out. All audit findings /recommendations were followed up with appropriate action taken and implemented. The certification was received on January 30, 2011.

The power station completed major overhaul of Unit No.1 within 15 days against planned period of 23 days.

Samalkot Power Station

The Station has achieved auxiliary power consumption of 2.16 per cent due to best practices adopted and implementation of various energy conservation measures. Station has yearly energy audit programme for monitoring and improving energy intensive equipments performance.

The energy conservation measures undertaken by the Station are as under:

- Two additional cooling towers cells constructed for heat rate improvement and power augmentation in Steam Turbine by improving Steam Turbine Vacuum.
- Street light 270 watt HPSV lamps replacement with 75 watt CFL lamps.
- Plant building - 270 watt HPSV lamps replacement with 80 watt CFL lamps.
- VFD room air handling unit motor replacement with high efficient motor.

Due to implementation of various energy conservation measures, station could save 1,36,930 KWh in the financial year 2010-11.

Periodic internal audit of equipments and systems are conducted as per schedule and appropriate actions are initiated to correct the deviation with respect to designed performance. The plant operational strategies have been suitably modified for achieving higher efficiencies.

Goa Power Station

Goa Power Station achieved lower auxiliary power consumption of 2.64 per cent as compared to the CEA benchmark of 3 per cent for a plant configuration of this size. The initiatives undertaken for conservation of energy include installation of Energy Efficient Motor for GFD Seal air fan for Gas Turbine, LED Based lightning for plant areas, Installation of Variable Frequency Drive (VFD) for HSD Forwarding Pump and replacement of CT fills.

In the financial year 2010-11, along with major inspection of Gas Turbine in annual shutdown, following major activities were carried out.

- GT Up-rate – Upgraded to high firing temperature for output enhancement and Heat Rate improvement
- HP Evaporator – Heat Ricovery Steam Genarator, High Pressure Evaporator upgradation work was successfully completed for output enhancement, Heat Rate improvement and reduction in differential pressure across HRSG.
- STG Overhauling – Steam Turbine was also taken for Capital Overhaul to take additional steam load and subsequently to generate enhanced output.
- Generator Overhauling and Testing – Complete Overhauling of Generator - Rotor and Stator along with all electrical tests carried out.

Kochi Power Station

The power station has carried out several energy conservation projects.

Various projects completed in the year 2010-11 are:

- De-staging of high pressure boiler feed pump
- Replacement of auxiliary cooling water pump bowl assembly with higher efficiency one.
- Introduction of high efficiency nozzles and drift eliminator in cooling tower
- Installation of new off-line water wash nozzles in Gas Turbine-3
- increasing the height of VBV duct in Gas Turbine-2

Human Resources

The talent pool is created, developed and motivated with a customer-centric, process-based, synergetic, integrated, transparent, communication-led competency-based agile work-culture which is responsive to business, needs and challenges, and which impart happiness to all our people while extracting professional ownership and innovative responses from all across. This has made our human resource an admirable and competitive workforce that not only epitomizes our Company's mission but also has the skills to realize it. The present employee strength in the organization stands at 8,988.

People are our foundation for organization success and growth. Various HR initiatives like change dynamics, retention policies of key business drivers based on their competencies and their performance have been undertaken. Engineers are given extensive training in China for latest state-of-the-art instrumentation, modern power plant techniques. A total of 6,908 man days and 48,149 training man hours have been imparted to the employees for helping them to excellence in their work areas.

Recruitment

To ensure and maintain our standards of the best talent pool, we recruit students from premier institutes after rigorous screening for consistent high levels of academic records and assessment of their competencies through various behavioural and technical world-class screening and interviewing methodologies. Our lateral recruits are taken at various levels as per needs of the business and are assessed on our competency framework before finalizing selection. This entire process is carried out after following a scientific manning methodology for every current and upcoming business and project.

Training and Development

With the rapidly growing infrastructure business and its economic relevance, the role of training institutions is assuming greater importance than ever before. The diversity of infrastructure business, wide dispersion of infrastructure project sites and the complex nature of human skills required to sustain the growth, demands a dynamically responsive training processes. During 2010–11, training programmes were conducted for various infrastructure business like roads, metro, sealinks, airport and cement buisiness and partnered with the business groups to set-up training processes for their businesses which was successfully executed through virtual classroom mode by the network connectivity across locations spread over the country. In addition, evening (after office hours) classroom sessions in the areas of finance, law, IT and communication are being conducted to provide an opportunity for employees to learn while they earn. To enhance the learning of our employees with the comfort and convenience of learning at their workplace, video based learning modules have been developed on 21 technical topics in the field of power distribution, power generation and highways/roads construction.

The training institutute conducted 365 training programmes for 8,000 participants from RInfra, Maharashtra State Electricity Distribution Company Limited (MSEDCL), BEST Undertaking, Punjab State Power Corporation Limited and Punjab State Transmission Corporation Limited.

Employee Relations

Our advocacy of people practices is not only established in our professional workforce but we are equally proud of having established sound and proactive industrial relations with all employee bodies. This helps us resolve all issues through meaningful dialogue. This has helped us strengthen relationships between the union and the management.

Compensation

For compensation, we follow the philosophy of Pay for Position, Person and Performance. Our compensation methodologies are aligned with our overall business strategies and the performance of an employee. To keep our compensation structures competitive and benchmarked with the market standards, compensation surveys are conducted at regular intervals. Besides compensation, a comprehensive non-monetary Reward and Recognition policy customized for each business with overarching principles is implemented to recognize and appreciate significant acts of contribution by the employees either individually or as a team member and thereby create a culture of appreciation, recognition and reward. All these have helped us to create an inspired, innovative, entrepreneurial and committed workforce.

Leadership Development and Succession Planning

To meet our diverse and fast paced growth of businesses we have to ensure a continuous availability of talent at all levels. Therefore, a 'Leadership Development Programme has been designed and implemented at all levels of management wherein potential employees are groomed and developed to take critical leadership roles in future from within. These initiatives have enhanced our overall leadership team effectiveness, sharpened leadership competencies and created a leadership pipeline for the organization's growing need of 'leaders with a perspective', entrepreneurial ability and agility.

At HR, we strive continually to make RInfra a place where people are enthused to produce innovative ideas and dedicated to turn RInfra into a leading service and value that does more than build the bottom line and provide value not only to all its stakeholders but the nation at large.

Health and Safety

All the new employees and workers undergo induction safety training at our construction sites. We have undertaken new initiatives like Job safety assessment and construction methodologies before commencing any critical construction work. Strict compliance on Personal Protective Equipment enforced in our project sites. We are committed to making our work place safe by continually improving processes and systems.

Corporate Social Responsibility

Dahanu Power Station

Dahanu Power Station has been carrying out activities for the welfare and well being of the nearby communities. Some of the CSR achievements of 2010-11 are mentioned below:

1. Education

- Total 7,150 students from 67 schools were provided education kits at Zilla Parishad Primary Schools
- Best Teacher's Award and Merit Scholarship: Till date 80 teachers have been awarded
- DTPS Merit scholarship was given to 6 engineering and medical students.
- Computer sets for two primary schools.
- Assistance in infrastructure development to Talasari Adivasi Pragati Mandal, by providing black boards, seating arrangement, student desk.
- Supply of Benches for seating arrangement for DTPS Jr. College Students
- Rain water harvesting programme at Primary School, Agwan Motapada and Chari
- Uniforms to 1,608 Anganwadi children
- Sponsorship of Marathi Vidyan Parishad - Science Exhibition at Bordi
- Note book distribution at concessional rates - organises with Rotary Club of Dahanu.
- Organized visits of more than 3,000 students from different colleges and schools, for facilitation of knowledge sharing.
- Energy Conservation Week celebrated by organizing awareness programme in local schools.

2. Healthcare

- Blood Donation Camp: 243 donors donated blood through two camps.
- Donation of ambulance to cottage hospital.

3. Need Based Projects

- Drinking water to all through bore well for Dahanu taluka community- 80 Hand pumps installed and commissioned.
- Rain water harvesting programmes at 24 locations
- Provided computer set to Asangaon and Pale Gram Panchayat
- Supplied Sampling for Tree Plantation in and around Agwan village

Samalkot Power Station

Samalkot Power Station has been carrying out various activities for the welfare and well being of the nearby communities of the Vetlapalem village adjacent to the Samalkot Plant site. Construction of drain in Vetlaplem village was carried during 2010-11.

Goa Power Station

Goa Power Station is located in a rural area in the village of Sancoale. A number of CSR initiatives were taken up focusing on education, health, safety and environment giving priority to needy and economically vulnerable sections of the society of the village. Some of the key intiatives includes free cardiac camp, distribution of school uniforms, shoes, brass band to neighbouring communities residents, blood donation camps, sponsored medicines to charitable trusts, etc.

Kochi Power Station

BKPL has taken up and completed the electrification of 36 houses constructed by Eloor Panchayat under the Aashraya scheme. BKPL has constructed a fire tender parking shed for Eloor fire and rescue station which has commenced operation in February 2011. Two blood donation camps were organized involving BKPL employees, contract staff and people from nearby areas.

Mumbai Distribution Business

- Young Energy Saver (YES)

  YES, an initiative by Reliance Energy to sensitize the young kids about energy conservation. This was done by reaching out to children from 2nd to 9th standard across various types of schools in the Mumbai suburbs and spreading the message of energy conservation in a playful, interactive and interesting manner. This year Reliance Energy covered 25 schools and reached out to about 25,000 children. Total schools covered in the last two years of activity are 114 and total number of children is 67,810.
- Project Dignity

  Reliance Energy has provided support to the Brihanmumbai Municipal Corporation (BMC) in its endeavour to upgrade crematoria in Mumbai under "Project Dignity". In the first phase, four crematoria in Mumbai i.e. Daulat Nagar (Borivali East), Marve (Malad-W), Teachers Colony (Bandra-East) and Bail Bazar (Kurla) were upgraded. In the second phase, the Company will upgrade additional 6 crematoria at Chunnabatti, Deonar, Borivali West, Dhanukarwadi, Amboli and Chembur, of which four have been completed and upgradation work is underway for completing the rest.

EPC Division

CSR initiative are undertaken at various construction sites of EPC division for improving health and hygiene of the society, providing basic amenities and infrastructure to the affected people, training and development initiatives of local unemployed youth and make them employable ,medical camps like eye testing, blood donation and AIDS test,etc

Delhi Discoms

- Bijli Gyan Abhiyan - Energy Conservation quiz with 1,200 schools
- ₹ 50 lakh donation for Bihar flood relief and food packet donation for Yamuna flood relief
- Clothes distribution to poor and eye catching social messages on Discoms assets
- 25 years PPA for Non Renewable Energy Procurement from solar and waste power
- Energy conservation rally by school children and CFL promotion at discounted price
- 60+ Earth Hour Participation
- Promote use of electric scooters and 30 free charging points for REVA electric cars
- Technical collaboration with Indian Institute of Technology
- Women bill distributors, Citizen's charter, AIDS awareness rallies, tree plantation, etc.

Awards and Recognitions

Dahanu Power Station

- **Operational Performance Awards**
  - CII - National Award for Excellence in Energy Management – 2010
  - International Asia Pacific Quality Award 2010 cycle.
  - IMC Ramkrishna Bajaj National Quality Trophy 2009
  - Golden Peacock National Quality Award – 2010
- **Environmental Awards**
  - Environmental Best Practices Award – 2011 for Innovative Project by Confederation of Indian Industry
  - Greentech Environment Excellence Award 2010
  - Rajiv Gandhi Environment Award for Clean Technology 2008-09.
- **Safety Awards**
  - Golden Peacock Award for Occupational Health and Safety Award – 2010
  - Safety Innovation Award-2010, by Institute of Engineers.
  - National Safety Council of India "Shreshta Suraksha Puraskar" for the year 2009
  - Shrama Shree Puraskar (2007 and 2005) from Ministry of Labour, Government of India
  - Greentech Safety Award – 2010
  - National Safety Council of India Prashansa Patra.

Samalkot Power Station

- First prize in the "National Energy Conservation Award for 2010", from the Ministry of Power, Government of India in thermal power plant category
- Greentech Environment Excellence Award 2010, in Gold category.
- Greentech Safety Excellence Award 2011, in Gold category.

Goa Power Station

- 9th Annual Greentech Safety Award 2010
- Green Triangle Society's Gomant Sarvoccha Suraksha Puraskar
- National Award for Excellence in Water Management from Confederation of Indian Industry

Kochi Power Station

- First prize for performance in Safety by the Department of Factories and Boilers, Government of Kerala for the year 2010
- First prize in the power sector for Energy Conservation initiatives by the Ministry of Power, Government of Kerala for the year 2010.

BSES Discoms

- Greentech Safety Award 2011
- India Power Award 2010 ("Overall Utility Performance – Urban Areas")
- National Safety Innovation Award 2010 from The Institutes of Engineers
- NABL accreditation for both meter testing laboratories
- ISO 9001:2000 Certification for human resource
- SMART Infrastructure Award from AMD Athlon
- ICWA Award to Finance: Most transparent cost accounting
- 2 Awards in Metering India Conference by IEEMA
- BSES Discoms are now ISO 14001:2004 and ISO 18001:2007 certified.

HR Training and Development

- ASTD Excellence in Practice Award, 2011 by American Society for Training and Development (ASTD). Our nomination was amongst 178 entries received from across the world for implementing exemplary practices in work place learning and development through an innovative training programme 'Sparsh – A'. Tourch of Warmth and Care" for customer care centre staff.
- Global HR Excellence Award, 2011 for outstanding contribution to the cause of education,
- Employer Branding Award, 2011 for excellence in training and best HR strategy in line with business
- HR Leadership Award, 2011
- Star News Talent Leadership and HR Award, 2011

EPC Division

- Completed the surveillance audit for the ISO 9001: 2008 through Bureau Veritas
- OHSAS 18001, ISO -14000 systems through DNV
- Vishwakarma Award in the category of "Power" for the 2 x 600 MW Rajiv Gandhi Thermal Power Project by Construction Industry Development Council (established by the Planning Commission and the Construction Industry)
- 5 Artisans of 2 x 600 MW Rajiv Gandhi Thermal Power Project received the Vishwakarma Award in the category of "Artisan" - Fitter, Welder and Electrician.

Corporate Governance Report

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges in India and some of the best practices on Corporate Governance across the globe, the report containing the details of governance systems and processes at Reliance Infrastructure Limited is as under:

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

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 including shareholders, employees, the government, lenders and the society. The Company believes that all its operations and actions must serve the underlying goal of enhancing long-term shareholder value. In our commitment to practice sound governance principles, we are guided by the following core principles:

1. Transparency

To maintain the highest standards of transparency in all aspects of our interactions and dealings.

2. Disclosures

To ensure timely dissemination of all price sensitive information and matters of interest to our stakeholders.

3. Empowerment and Accountability

To demonstrate the highest levels of personal accountability and to ensure that employees consistently pursue excellence in everything they do.

4. Compliances

To comply with all laws, rules and regulations applicable to the Company.

5. Ethical conduct

To conduct the affairs of the Company in an ethical manner.

6. Stakeholders' interest

To promote the interests of all stakeholders including customers, shareholders, employees, lenders, vendors and the community.

Governance practices beyond regulatory requirements

Our governance practices go beyond the mere letter of statutory and regulatory requirements. With this in mind, we have formulated a number of policy documents and introduced the following set of governance practices:

A. Values and commitments

We have set out and adopted a policy document on 'values and commitments' of Reliance Infrastructure. We believe that any business conduct can be ethical only when it rests on the nine core values viz., honesty, integrity, respect, fairness, purposefulness, trust, responsibility, citizenship and caring.

B. Code of ethics

Our policy document on 'code of ethics', demands that our employees conduct the business with impeccable integrity and by excluding any consideration of personal profit or advantage.

C. Business policies

Our 'Business Policies' cover a comprehensive range of issues such as fair market practices, inside information, financial records and accounting integrity, external communication, work ethics, political contribution, personal conduct, policy on prevention of sexual harassment, health, safety, environment and quality.

D. Separation of the Board's supervisory role from the executive management

In line with the best global practices, we have adopted the policy of separating the Board's supervisory role from the executive management. We have also split the posts of Chairman and Chief Executive Officer.

E. Prohibition of insider trading policy

This document contains the policy on prohibiting trading in the equity shares of the Company, based on insider or privileged information.

F. Policy on Prevention of sexual harassment

Our policy on prevention of sexual harassment aims at promoting a productive work environment and protects individual rights against sexual harassment.

G. Whistle Blower policy

Our Whistle Blower policy encourages disclosure in good faith of any wrongful conduct on a matter of general concern and protects the whistle blower from any adverse personnel action.

H. Environment policy

The Company is committed to achieving excellence in environmental performance, preservation and promotion of clean environment. These are the fundamental concerns in all our business activities.

I. Risk management

Our risk management procedures ensure that the management controls various business related risks through means of a properly defined frame work.

J. SA 8000 (standard for Social Accountability system)

Dahanu Power Station and Samalkot Power Station of the Company are certified for SA 8000, initiated by the Council on Economic Priority with Social Accountability International, USA as the accreditation agency. The standards are based on recommendations of the International Labour Organization, United Nations Universal Declaration on Human Rights and UN's convention on the rights of the child and other conventions. The key attributes are social accountability with regard to child labour, forced labour, health and safety, discrimination, working hours, remuneration and management system, etc.

K. Six Sigma (Quality Excellence)

Dahanu Power Station and Samalkot Power Station have adopted the six sigma quality management tool to measure the baseline performance of various processes, determine the root causes of variations and improve the processes to meet and exceed the desired performance levels. Every year projects are taken for continual improvement in processes.

For Mumbai Distribution business a comprehensive Quality roadmap is formulated with a view to enhance quality standards at all levels and bringing in new quality culture within the Company. A quality council has been created to drive the quality movement. To broad base participation, almost 125 projects have been initiated involving more than 800 people at all levels. These projects aim at addressing specific quality related problems in the field. The results have been extremely encouraging; various awards were won by our Quality teams at Mumbai level, National level and International level events organized by Quality Circle Forum of India. Most notable award was for `The best company in coordinating Quality Concepts`.

L. OHSAS 18001 (standard for Occupational Health and Safety Management System)

All power stations at Dahanu, Samalkot, Goa and Kochi are OHSAS 18001 certified. OHSAS 18001 helps to establish occupational health and safety management system.

M. ISO 9001 (standard for Quality Management System)

ISO 9001 is concerned with establishing quality management system to achieve continual improvement of performance. All the power stations at Dahanu, Samalkot, Goa and Kochi are certified for ISO 9001. The Mumbai distribution group as well as the Company Secretarial and Investor Services group have also secured ISO 9001 certification.

The Mumbai Distribution business was also recertified for ISO 9001:2008 by Bureau Veritas. The certification was achieved without any non-compliance or any observation notified by Bureau Veritas.

N. ISO 14001 (standard for Environment Management System)

ISO 14001 is primarily focused on Environmental Management System and all the power stations of the Company are ISO 14001 certified.

O. ISO 27001 (standard for Information Security Management System)

The Company has secured ISO 27001 Information Security Management System (ISMS) certification. The Company adopted and implemented several best practices as per the policy requirements of ISMS to ensure quality and security of data. This certification helps in protecting the confidentiality, integrity and availability of information relating to the businesses of the Company.

P. BS EN 16001:2009 (standard for Energy Management System)

Dahanu Power Station is the first thermal power plant in the country to be certified for BS EN 16001 Energy Management System. All energy consumption and their efficient utilisation are being monitored. Area wise energy consumption is measured and monitored on regular basis. Various energy management programmes are undertaken for improving specific energy consumption.

Q. Integrated Management System

Integrated Management System (IMS) certification consists of ISO 14001, OHSAS 18001 and ISO 9001. This integrated certificate provides an integrated approach towards Environment, Quality and Occupational Health and Safety.

R. Boardroom practices

i. Chairman

In line with the highest global standards of corporate governance, the Board has separated the Chairman's role from that of an executive in managing day-to-day business affairs.

ii. Board charter

The Board of Directors has adopted a comprehensive Charter, which sets out clear and transparent guidelines on matters relating to the composition of the Board, the scope and function of various Board committees, etc.

iii. Board committees

The Board has constituted Audit Committee, Nomination / Remuneration Committee and Shareholders' / Investors' Grievances Committee. The Board rotates the Chairmen of these Committees once in two years.

iv. Tenure of independent directors

Independent Directors shall hold office up to the age of 75 years and their tenure on the Board of the Company shall not exceed nine years, subject to their re-appointment on retirement by rotation as per the statutory provisions.

v. Independent directors' interaction with shareholders

Member(s) of the Shareholders / Investors' Grievances Committee interact with shareholders on their suggestions and queries, if any, are forwarded to the Company Secretary.

vi. Lead independent director

Recognizing the need for a representative and spokesperson for the independent directors, the Board has appointed an independent director as the lead independent director. The lead independent director performs the following roles in addition to the role of a non-executive independent director:

- preside over all executive sessions of the Board's independent directors;
- work closely with the Chairman to finalize the information flow, meeting agenda and meeting schedules;
- liaise between the Chairman and the independent directors on the Board; and
- take a lead role along with the Chairman in the Board evaluation process.

The Board designated Shri S L Rao as the lead independent director for the years 2009-10 and 2010-11. The position of the lead independent director is rotated.

vii. Training of Board members

The Board members are periodically given formal orientation and training with respect to the Company's vision, strategic direction, core values including ethics, corporate governance practices, financial matters and business operations. The Directors are facilitated to get familiar with the Company's functions at the operational levels. Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. The

Board members are also provided with the necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic updates and training programmes for board members are also conducted on relevant statutory changes and landmark judicial pronouncements encompassing important laws.

viii. Meeting of independent directors with operating team

The independent directors of the Company meet in executive sessions with the various operating teams as and when they deem necessary. These discussions may include topics such as operating policies and procedures, risk management strategies, measures to improve efficiencies, performance and compensation, strategic issues for Board consideration, flow of information to directors, management progression and succession, and other matters as the independent directors may determine.

During these executive sessions, the independent directors have access to members of management and other advisors, as the independent directors may determine and deem fit.

ix. Independent director on the risk management committee

The Company has set up a risk management committee consisting of executives and a senior independent director, Gen V P Malik. The committee periodically reviews the existing risk management procedures in order to ensure that the risks to the Company are controlled through means of a properly defined framework.

x. Independent directors on boards of associate and joint venture companies

Two independent directors of the Company are on the boards of associate companies in which it has significant equity stake. Shri S L Rao, an independent director, is on the Board of Reliance Power Limited and Gen V P Malik an independent director, is on the boards of BSES Rajdhani Power Limited and BSES Yamuna Power Limited.

xi. Commitment of directors

The meeting dates for the entire financial year are scheduled in the beginning of the year and an annual calendar of meetings of the Board and its committees is circulated to the directors. This enables the directors to plan their commitments and facilitates attendance at the meetings of the Board and its committees.

S. Governance practices being followed to promote the interests of our stakeholders

We have introduced several trend setting governance practices to improve stakeholder satisfaction. Some of the major ones among them are:

i. Customers

Details of bills are made available to customers as E-bills, web bills and as SMS bill alerts. Bills are also made available in Braille, on IVR and in a customer's choice of language. Bill can now be paid at over 2,200 payment locations, and through a multiplicity of options such as net banking, credit card payment, ECS/VDS and phone pay over RIM. For complaints and queries, the customer has the option of either approaching the Company's modern, redesigned Customer Care Centre or call the state-of-the-art 24x7, multi-lingual (4 languages) Call Centre. The Company's customer redressal mechanism includes setting of a consumer grievance redressal forum, which is an independent body headed by a retired judge of the High Court. Customers can make enquiries, lodge complaints, view and pay bills and calculate energy consumption through the website. The Company constantly monitors customer satisfaction through surveys and feedbacks.

Other initiatives :

- Launched doorstep services for ECS registration. Customer can get registered for ECS in the comfort of his home by calling up the toll free number or by sending a simple SMS, while RInfra takes care of entire registration process from form fill-up to bank verification and submission of the form, a unique and pioneering initiative.
- Initiated e-newsletters for customers to educate them on RInfra's service offerings
- Ensured continual enhancement of customer experience and satisfaction through award-winning interventions like SPARSH at Customer Care Centres.
- Developed m.rinfra.com, a unique feature which allows access of customer's web MyAccount through a mobile phone, anytime, anywhere.
- Pioneered complaint and request handling on SMS, customers can lodge bill delivery complaints, request duplicate bills and forms through SMS, a special customer convenience initiative.
- Offered unique service information through e-courtesy, where customers calling the Call centre get supporting detail request information and forms for change of name, new connection etc. on an email to support information already provided on the call.

ii. Employees

We have introduced several trend setting governance practices to improve stakeholder satisfaction. Some of the major ones among them are:

Employee Engagement Philosophy

In our relentless pursuit of driving 'operational excellence', and our endeavor to make Reliance Infrastructure a "Great Place to Work", we focus on evolving efficient and agile organization structures, relentlessly driving capability, leadership and culture building and acquiring, developing and retaining high quality talent. We value healthy internal communication, future orientation, and innovation. We value openness to new ideas, leading to a culture of belongingness and commitment to the growth of the organization.

Learning and Development

We have state of the art Training and Development Centres, covering Technical as well as Management and Behavioral trainings. Systematic study of Training needs through various methodologies is carried out and effective and customized training programmes are developed. The bouquet of programmes include Management Development Programmes (MDPs), Initiative for Continuing Education (ICE), Programmes for Developing a competency based organization, Technical training programme etc. The training institute also offers:

Library - with more than 1,500 books of various subjects, 200 CD-ROMs on different topics, leading business journals and magazines.

E-Learning - Web-based learning modules and Virtual Classrooms to provide access to participants in remote learning communities, right at their desktops

Organization and Leadership Development

We have institutionalized a leadership development process, linked to Reliance DNA & leadership competencies, which identifies high potential talent at various levels, on a periodic basis and provides necessary learning interventions to help them take on larger responsibilities and roles.

Performance and Recognition

We have fortified, transparent, objective and fair performance management system which helps employees in planning their annual goals, assessment of the same at the end of the financial year and developmental performance feedback.

Well appreciated rewards and recognition policy values different degrees of accomplishments. Felicitation and celebration of the same is organized at various levels in the organization.

Employee Friendly Policies

We have introduced policies like Employee referral and Internal Job Posting among others to improve employee engagement and commitment. We review and revise HR policies constantly to align to the market and industry benchmarks and making them increasingly transparent and employee-friendly. These policies have been extensively communicated to employees and many of the HR processes have been automated.

Online Services

We have a dedicated online service portal which offers various online HR services and facilities to employees. Some of these facilities are; details of current and past salaries, income-tax computations, attendance and leave management, travel management, reimbursements, goal setting with relevant Key Performance Indicators (KPIs), potential assessment module, performance evaluation system, feedback mechanism, grievance redressal system, etc.

Welfare

We provide favourable condition to cultivate conducive work environment. Facilities like Gymnasium, Crèche, investments assistance, relocation assistance are provided to employees based on their needs. We also conduct various welfare and cultural activities for employees and their families:

iii. Shareholders

The Company recognizes the importance of two-way communication with shareholders and of giving a balanced report of results and progress and responds to questions and issues raised in a timely and consistent manner. To ensure this, the Company's corporate website; www.rinfra.com has information for institutional and retail shareholders alike. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions in person at the Annual General Meeting. Shareholders can contact RInfra via dedicated shareholders contact points as provided in this report or through any of Investor Service Centers of the Company's Registrars and Transfer Agents spread in more than 84 cities across India, details of which are available on the Company's website.

iv. Lenders

The Company has been prompt in honouring all debt obligations to its lenders.

v. Society

The Company, in keeping with its Corporate Social Responsibility policy, focuses on healthcare, education, and other social initiatives.

vi. Role of the Company Secretary in Governance Process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the directors and senior management for effective decision making at the meetings. The Company Secretary is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the management and regulatory authorities for governance matters. All the Directors of the Company have access to the advice and services of the Company Secretary.

T. Independent Statutory Auditors

The Company's accounts are audited by a panel of two leading independent audit firms namely:

M/s. Haribhakti & Co., Chartered Accountants.

M/s. Pathak H D & Associates, Chartered Accountants.

U. Awards

The Company was presented several prestigious awards for excellence in performance, energy management, environmental management, energy conservation and pollution control, leadership in quality system and innovative management, water management, safety track record and management and corporate social responsibility.

Compliance with the code and rules of London Stock Exchange

The Global Depositary Receipts (GDRs) issued by the Company are listed on the London Stock Exchange (LSE). The Company has reviewed the combined code on corporate governance of LSE, though the same are not applicable to the Company. The Company's corporate governance practices substantially conform to these code and rules.

Compliance with clause 49 of the listing agreement

The Company is fully compliant with the mandatory requirements of Clause 49 of the listing agreement formulated by the Securities and Exchange Board of India.

We present our report on compliance of governance conditions specified in clause 49 of the listing agreement

I. Board of Directors

1. Board Composition - Board strength and representation

The Company has a policy of maintaining optimum combination of Executive and Non-Executive Directors. At present, the Board comprises eight members. The composition and category of directors on the board of the Company were as under:

Category	Particulars of directors
Promoter, Non–executive and Non–independent director	Shri Anil D. Ambani, Chairman
Non-executive and Non-independent director	Shri Satish Seth, Vice Chairman
Independent directors	Gen V P Malik Dr Leena Srivastava Shri S L Rao Shri R R Rai [iv]
Executive, Non–independent directors	Shri S C Gupta, Director (Operations) Shri Lalit Jalan, Whole- time Director

Notes:

i. None of the directors is related to any other director.

ii. None of the directors has any business relationship with the Company.

iii. None of the directors has received any loans and advances from the Company during the year.

iv. Shri R R Rai, representative of Life Insurance Corporation of India was appointed on the Board on May 10, 2011.

All the independent Directors of the Company furnish a declaration at the time of their appointment as also annually that they qualify the conditions of their being independent. All such declarations are placed before the Board.

2. Conduct of Board proceedings

The day-to-day business is conducted by the executives and the business heads of the Company under the direction of whole - time directors and the supervision of the Board led by the Chairman. The Board holds minimum four meetings every year to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

The Board performs the following specific functions in addition to overseeing the business and the management.

- review, monitor and approve major financial and business strategies and corporate actions;
- assess critical risks facing the Company – review options for their mitigation;
- provide counsel on the selection, evaluation, development and compensation of senior management;
- ensure that processes are in place for maintaining the integrity of
  - a the Company;
  - b the financial statements;
  - c compliance with law;
  - d relationship with all the stakeholders;
- delegation of appropriate authority to the senior executives of the Company for effective management of operations.

3. Board meetings

The Board held five meetings during 2010-11 on May 15, 2010, July 30, 2010, November 12, 2010, November 22, 2010 and February 14, 2011. The maximum time gap between any two meetings was 104 days and the minimum gap was 9 days.

The Board periodically reviews compliance reports of all laws applicable to the Company.

4. Standards issued by ICSI

The Institute of Company Secretaries of India (ICSI) has issued various 'Secretarial Standards' on key corporate functions like Board meetings, General meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolutions by Circulation, Affixing of common Seal, Forfeiture of Shares and Board's Report.

Although these standards are not mandatory, the Company, adheres to them voluntarily.

5. Attendance of directors

Attendance of the directors at the Board meetings held during 2010-11 and the last Annual General Meeting (AGM) held on December 22, 2010 and details of directorships (calculated as per provisions of Section 275 and 278 of the Companies Act, 1956), Chairmenship and the Committee memberships held by the directors as on March 31, 2011 are furnished hereunder:

Names of Directors	Number of Board meetings attended out of five meetings held during the tenure	Attendance at the last AGM held on 22.12.2010	Number of directorship (including RInfra)[a]	Committee(s) membership	
				Memberships[b]	Chairmanship
Shri Anil D Ambani	5	Present	6	1	None
Shri Satish Seth	3	Present	3	2	2
Shri Lalit Jalan	5	Present	6	3	2
Shri S C Gupta	5	Present	2	1	None
Gen V P Malik	5	Present	4	5	1
Shri S L Rao	5	Present	5	5	3
Dr Leena Srivastava	4	Present	1	2	None
Shri V R Galkar*	2	Not Applicable	-	-	-

* Shri V R Galkar ceased to be the director of the Company effective November 12, 2010.

a. The information provided above pertains to the following committees in accordance with the provisions of Clause 49 of the listing agreement: i. Audit committee ii. Shareholders/Investors grievances committee.

b. Membership of committees include Chairmanship, if any.

6. Other directorships

None of the director held directorships in more than 15 public limited companies.

7. Membership of Board committees

No Director holds membership of more than 10 committees or Chairmanship of more than 5 committees of Board.

8. Details of Directors

The abbreviated resumes of all Directors are furnished hereunder:

Shri Anil D. Ambani

Regarded as one of the foremost corporate leaders of contemporary India, Shri Anil D. Ambani, 52 is the Chairman of Reliance Communications Limited, Reliance Capital Limited, Reliance Infrastructure Limited and Reliance Power Limited. He is also on the board of Reliance Infratel Limited and Reliance Anil Dhirubhai Ambani Group Limited. He is the President of the Dhirubhai Ambani Institute of Information and Communication Technology, Gandhinagar, Gujarat.

An MBA from the Wharton School of the University of Pennsylvania, Shri Ambani is credited with pioneering several path-breaking financial innovations in the Indian capital markets. He spearheaded the country's first forays into overseas capital markets with international public offerings of global depository receipts, convertibles and bonds. Under his Chairmanship, the constituent companies of the Reliance Group have raised nearly US$ 7 billion from global financial markets in a period of less than 3 years.

Shri Ambani has been associated with a number of prestigious academic institutions in India and abroad.

He is currently a member of:

- Wharton Board of Overseers, The Wharton School, USA
- Board of Governors, Indian Institute of Management (IIM), Ahmedabad
- Executive Board, Indian School of Business (ISB), Hyderabad.

In June 2004, Shri Ambani was elected as an Independent member of the Rajya Sabha – Upper House, Parliament of India, a position he chose to resign voluntarily on March 29, 2006.

Select Awards and Achievements

- Awarded by Light Readings as the Person of the Year – 2008 for outstanding achievements in the communication industry.
- Voted 'the Businessman of the Year' in a poll conducted by The Times of India – TNS, December, 2006.
- Voted the 'Best role model' among business leaders in the biannual Mood of the Nation poll conducted by India Today magazine, August 2006.
- Conferred 'the CEO of the Year 2004' in the Platts Global Energy Awards.
- Conferred 'The Entrepreneur of the Decade Award' by the Bombay Management Association, October 2002.
- Awarded the First Wharton Indian Alumni Award by the Wharton India Economic Forum (WIEF) in recognition of his contribution to the establishment of Reliance as a global leader in many of its business areas, December, 2001.

As on March 31, 2011, Shri Anil D Ambani held 1,39,437 equity shares in the Company.

Shri Satish Seth, 55, is a Fellow Chartered Accountant and a law graduate. He has a wide exposure in developing, strategizing and overseeing businesses in petrochemicals, petroleum and financial sectors. He has vast experience in the areas of finance, commercial, banking, accounts, audit, taxation, legal, project execution and general management. Shri Seth was appointed to the board on November 24, 2000. Currently, he is the Vice Chairman of the Board of the Company. He is also a director of Reliance Telecom Limited and Reliance Anil Dhirubhai Ambani Group Limited. He is chairman of audit and shareholders / investors' grievances committee of Reliance Telecom Limited.

Shri Satish Seth does not hold any shares in the Company as of March 31, 2011.

Shri S C Gupta, 62, is a graduate in electrical and mechanical engineering and also M.Sc. (Engineering) in power systems. He was appointed to the board on January 18, 2003. He was actively involved in the design and implementation of captive power plants of Reliance Industries Limited at Hazira, Patalganga, Naroda and Jamnagar totalling 750 MW and development of Independent Power Projects (IPPs) at various locations.

He is responsible for closely monitoring the operation of existing power plants of the Reliance Anil Dhirubhai Ambani Group totalling to approximately 980 MW and leading continuous improvements of operation and maintenance of Power Plants. He is also responsible for leading the EPC (Engineering, Procurement and Construction) Group and responsible for implementing a large numbers of power projects, within the Group and also for external agencies.

He is on the board of BSES Kerala Power Limited. He is also a member of the audit committee of BSES Kerala Power Limited.

Shri S C Gupta does not hold any shares in the Company as of March 31, 2011.

Shri Lalit Jalan, 54, was appointed to the board as whole-time director on April 25, 2007. He is CEO & Whole time Director of Reliance Infrastructure Ltd. & also the Chairman of BSES Rajdhani & BSES Yamnua Pvt Ltd. He joined Reliance Industries in 1995 as CEO, Polypropylene Business as the organisation's youngest ever CEO.

From 2003 onwards, Shri Jalan has led the metamorphosis of the erstwhile electricity distribution utility BSES to one of the largest infrastructure companies of India, involving three key phases: BSES Mumbai to Reliance Energy – transformation of a conventionally well run DISCOM to a cutting edge world class utility; BSES Delhi – transformation of a profusely bleeding DISCOM to a robust and shining example of electricity privatization; Reliance Energy to Reliance Infrastructure – the final steps in transforming of a utility into a mega infra player operating airports, metro trains, roads and sealinks, besides operating in the complete power sector value chain of generation, transmission, distribution and trading.

He did his MBA in Finance from prestigious Wharton School and MS in Computer Science from Moore School, University of Pennsylvania, 1982. Prior to that he did his BTech from IIT, Kanpur in 1979. He graduated throughout in top 2% of his class. He was the winner of Directors' Honours and Dean's List at Wharton.

In recognition of his achievements, Shri Jalan was awarded the Distinguished Alumni Award from IIT, Kanpur. He was also showcased as one of the 15 achievers from the IIT system at the 1st PAN IIT meet in California in January' 2003. Recently he has been selected in the prestigious IIK@ 50 at the Golden Jubilee Alumni Convention at IIT Kanpur in Jan' 2010.

In 2009, he also featured in the Economic Times elite list of India's 100 Most Powerful CEOs.

He is on the Board of BSES Rajdhani Power Limited, BSES Yamuna Power Limited, Reliance Power Transmission Limited, Reliance Digital World Limited, Jaybee Mercantiles Limited and various private limited companies. He is also Chairman of Audit Committee of BSES Rajdhani Power Limited and BSES Yamuna Power Limited and member of Shareholders/ Investors Committee of the Company.

Shri Lalit Jalan does not hold any shares in the Company as of March 31, 2011.

Dr Leena Srivastava, 50, is the Executive Director, The Energy and Resources Institute (TERI), an independent not-for-profit research institution working in the areas of energy, environment and sustainable development. Dr Srivastava held additional charge as Dean, Faculty of Policy and Planning, TERI University from June 2000 – June 2008. She has a PhD. in Energy Economics from the Indian Institute of Science in Bangalore, India and has a number of publications to her credit. She is on the Editorial Boards of various international journals dealing with energy and environment issues.

Dr Srivastava was a member of the Advisory Group on Energy and Climate of the UN Secretary General (2009-10) and is on the International Advisory Board of the Global Carbon Capture and Storage Institute (GCCSI), Australia; Member, World Bank's ESMAP Expert Panel on "Sustainable Energy Supply, Poverty Reduction and Climate Change"; Member of the International Public Policy Advisory Board (IPPAB), The Coca Cola Company, USA; Member, Board of Directors, World Environment Center, USA; Member, Board of Directors, Meridian Institute, USA; Member of the Foresight Advisory Council of Suez Environment, France; Member, Council of Advisors for Fraunhofer, India; Member, Sustainable Development Advisory Board, Caterpillar Inc. USA; Member, Governing Board of the Stockholm Resilience Centre; Member, Advisory Board of Alfred Deakin Research Institute and Member of KPMG's Audit Committee Institute, India.

She was a member of the Expert Committee to formulate India's Energy Policy, Planning Commission, Government of India and Member, National Security Advisory Board, Government of India. She serves on the research advisory councils of various academic institutions of international repute including the Wuppertal Institute of Climate and Energy, Germany and the Institute of Global Environmental Strategies, Japan. She was a Coordinating Lead Author for Working Group III of the Third Assessment Report of Intergovernmental Panel on Climate Change (IPCC) and cross-cutting theme Anchor on "Sustainable Development" for the Fourth Assessment Report of the IPCC. She is a member of the Shareholders/ Investors Committee and the Audit Committee of the Company.

As on March 31, 2011, Dr Leena Srivastava held 16 equity shares in the Company.

Shri S L Rao, 75, has been a professional manager for 28 years in multinational companies, is an applied economist, a widely read newspaper columnist, writer and speaker on governance, the economy and infrastructure issues. He has taught in reputed management schools in India as visiting faculty. He was a Visiting Fellow at the Indian Ocean Centre, Australia (1996-98). From 1990 to 1996 he was Director - General of the National Council of Applied Economic Research (NCAER), a premier research institution in India, which during his tenure, was known the world over for its work on Indian markets, human development indicators, social infrastructure and economic forecasting. He was the first Chairman of the Central Electricity Regulatory Commission (CERC) in 1998. His leadership made CERC highly regarded for its independence, innovation, transparency and objectivity. He worked in industry and as a management consultant for 28 years. He was President of the Madras Management Association (1983-84) and All India Management Association (1985-86), a founder and Vice President of the People's Union for Civil Liberties, Tamil Nadu (1981-84). He was founder Chairman of the Forum of Indian Regulators. He has co-authored or edited 14 books and articles on the economy and management. He is or has been a Columnist in the Telegraph, Deccan Herald, Economic Times and The Week. He has written or edited 14 books and written innumerable papers and articles. His last book was "From Servants to Masters?, The Evolution of Professional Management in India" (2007).

He was Chairman and is Member of the Board of Governors, The Institute for Social and Economic Change, Bangalore. He is Member of the National Committee, Aga Khan Foundation of India, Board of Governors of Indian Institute of Management, Lucknow, and Institute for Integrated Learning and Management, Delhi, (CIRC)-CUTS Institute of Regulation and Competition, Trustee of Dakshinachitra (Museum), Madras, and Bangalore International Centre,

He is on the Board of Honeywell Automation India Limited, Kanoria Chemicals and Industries Limited, Reliance Power Limited, Rain CII Carbon (Vizag) Limited and three private limited companies. He is the Chairman of the Audit Committee of the Company, Honeywell Automation India Limited and Rain CII Carbon (Vizag) Limited as also a member of the Audit Committee and of Shareholders/ Investors Grievances Committee of Reliance Power Limited.

As on March 31, 2011, Shri S L Rao held 7 equity shares in the Company.

Gen V P Malik, 71, was chief of the Indian Army from October 1997 to September 2000. Concurrently, he was Chairman, Chief of Staff Committee of India for two years. As Army Chief, Gen Malik had dual responsibility of being an "advisor" to the Government as well as commander of over one million strong Indian army. He managed all its functions to fulfill its national role and assigned missions.

During his tenure, he oversaw intensified anti terrorist operations in Jammu and Kashmir, in the north east, and management of disputed border with China and other neighbouring countries.

He planned, coordinated and oversaw execution of Operation Vijay to successfully defeat Pakistan's attempted intrusion in Kargil sector in 1999.

Gen Malik was awarded the Ati Vishishta Seva Medal in 1986, and Param Vishishta Seva Medal, the highest national award for distinguished services in India in 1996. He was given excellence in leadership award by Atur Foundation, Pune, Distinguished Fellowship of the Institute of Directors, New Delhi in 1999, and 'Pride of the Nation' award by the Doon Citizens' Council in July 2000.

Since retirement (September 30, 2000), he keeps himself engaged in spreading awareness and sharing his views on India's national security challenges and international relations. For two years, he served as a member of the National Security Advisory Board.

In 2007, he was nominated on the judges' panel to select and rank Top Companies for Leaders in Asia Pacific Region by Hewitt Associates, who undertook this exercise in collaboration with Fortune Magazine and The RBL Group.

He is on the board of Hero Honda Motors Limited, BSES Rajdhani Power Limited and BSES Yamuna Power Limited. He is a member of the audit committee of the Company, Hero Honda Motors Limited, BSES Rajdhani Power Limited and BSES Yamuna Power Limited and Chairman of Shareholders / Investors Grievances Committee of the Company.

Gen V P Malik does not hold any shares in the Company as of March 31, 2011.

Shri R R Rai, 60, is a graduate in science and law from the University of Delhi. He joined Life Insurance Corporation of India as a direct recruit officer after a short stint in the Ministry of Works and Housing (now named as Ministry of Urban Development), New Delhi. He has served the Corporation in various important positions viz., Marketing Manager, Divisional Manager, Regional Manager (Public Relations & Publicity), and later Personnel and Industrial Relations), Principal, Zonal Training Centre Director, Management Development Centre, Mumbai, Zonal Manager (In-charge), Western Zone., Executive Director (Corporate Communication & International Operations), Central Office. He retired from the services of the Corporation on August 31, 2010.

During his career, Shri Rai was placed In-charge of two branches, one being rural and other metro. He headed two divisions in two different states and was In-charge of the biggest zone of the Corporation. He also headed two trainings, one Zonal and other all India. He handled teams ranging from 40 to 50 people and from 20,000 to 25,000 people comprising both of marketing and administrative staff (excluding agents) as in-charge of branches, divisions and zone. He had an opportunity to closely interact with the people inside the industry and outside, viz. dealing with the elite towards the end of the career and poor, downtrodden in the deep rural, semi-urban, urban and metros in the beginning and middle of his career. He made an attempt to contribute towards developing potential and shaping attitudes of personnel during his tenure in the training institutes and aimed at sustaining harmonious relationship among stakeholders.

He participated in premier institute programmes at ISB, Hyderabad; Administrative Staff College of India, Hyderabad and Management Development Institute, Gurgaon.

He is a nominee director on the board of Tourism Finance Corporation of India, New Delhi and member on the Board of Studies of the School of Commerce, S.V.K.M's Narsee Monjee Institute of Management Sciences University, Mumbai. He is a member of the audit committee of the Company.

Shri R R Rai was appointed on May 10, 2011 and does not hold any equity shares in the Company.

9. Insurance coverage

The Company has obtained Directors and Officers liability insurance coverage in respect of any legal action that might be initiated against directors.

II. Audit Committee

In terms of Clause 49 of the listing agreement, as well as Section 292A of the Companies Act, 1956, the Board has constituted the Audit Committee of the Board of Directors. The Audit Committee of the Company was set up way back in May 1986. As on March 31, 2011, the committee consisted of Shri S L Rao, Gen V P Malik and Dr Leena Srivastava. Shri R R Rai was co-opted as a member of the Committee with effect from May 27, 2011. The Audit Committee is chaired by Shri S L Rao who has a wide experience on economic, financial and taxation issues. All members of the Committee are financially literate.

The Audit committee, inter alia, advises the management on the areas where systems, processes, measures for controlling and monitoring revenue assurance, internal audit can be improved. The minutes of the meetings of the Audit Committee are placed before the Board. The terms of reference of the Audit Committee are in accordance with all the items listed in clause 49 (II) of the listing agreement as follows:

i. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial information is correct, sufficient and credible;

ii. Recommending the appointment, reappointment and replacement/removal of statutory auditor and fixation of audit fee;

iii. Approving payment for any other services by statutory auditors;

iv. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on;

   a. Matters required to be included in the Director's Responsibility Statement included in the report of the Board of Directors

   b. Any changes in accounting policies and practices and reasons thereof

   c. Major accounting entries based on exercise of judgment by management

   d. Qualifications in draft audit report, if any.

   e. Significant adjustments arising out of audit

   f. Compliance with listing and other legal requirements concerning financial statements

   g. Disclosure of related party transactions

v. Reviewing with the management the quarterly financial statements before submission to the Board for approval;

vi. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter;

vii. Reviewing with the management, the performance of the external and internal auditors, the adequacy of internal control systems;

viii. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

ix. Discussion with internal auditors on any significant findings and follow up thereon;

x. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

xi. Discussion with statutory auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xii. To look into the reasons for substantial defaults in the payment to the depositors, debentureholders, shareholders (in case of non-payment of declared dividends) and creditors;

xiii. To review financial statement of subsidiary companies in particular its investments;

xiv. To review the functioning of the Whistle Blower mechanism;

xv. To approve appointment of Chief Financial Officer after assessing qualification, experience, and background etc.

xvi. Carrying out all other functions as is mentioned in the terms of reference of the Audit committee;

xvii. Review the following information:

a. Management Discussion and Analysis of Financial Condition and Results of Operations

b. Internal audit reports relating to internal control weaknesses

c. Management letters / letters of internal control weaknesses issued by statutory auditors

d. Statement of significant related party transactions

e. Appointment, removal and terms of remuneration of the Chief internal auditor.

The Audit Committee has the following powers:

i. to investigate any activity within its terms of reference;

ii. to seek any information from any employee;

iii. to obtain outside legal and professional advice;

iv. to secure attendance of outsiders with relevant expertise, if it considers necessary.

Attendance at the meetings of the Audit Committee held during 2010-11

The Audit Committee held its meetings on May 14, 2010, July 30, 2010, September 4, 2010, November 12, 2010, November 22, 2010, February 13, 2011 and March 27, 2011 and the maximum gap between any two meetings was 82 days and the minimum gap was 9 days.

Members	Meetings held during the tenure of directors	Meetings attended
Shri S L Rao, Chairman	7	7
Shri V R Galkar*	3	3
Gen V P Malik	7	7
Dr Leena Srivastava	7	6

* Shri V R Galkar ceased to be the Director of the Company effective November 12, 2010.

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

The meetings considered all the points in terms of its reference at periodic intervals.

Shri Ramesh Shenoy, Company Secretary, acts as the Secretary to the Audit Committee.

During the year, the Committee discussed with the Company's auditors the overall scope and plans for the independent audit. The Management represented to the Committee that the Company's financial statements were prepared in accordance with prevailing laws and regulations. The Committee discussed the Company's audited financial statements, the rationality of significant judgments and the clarity of disclosures in the financial statements. Based on the review and discussions conducted with the management and the auditors, the Audit Committee believes that the Company's financial statements are fairly presented in conformity with prevailing laws and regulations in all material aspects.

The Committee also reviewed the internal controls put in place to ensure that the accounts of the Company are properly maintained and that the accounting transactions are in accordance with the prevailing laws and regulations. In conducting such reviews, the Committee found no material discrepancy or weakness in the internal control systems of the Company. The Committee also reviewed the financial policies of the Company and expressed its satisfaction with the same. The Committee, after review expressed, its satisfaction on the independence of both the internal and the statutory auditors.

Based on the Committee's discussion with the management and the auditors and the Committee's review of the representations of the management and the report of the auditors to the Committeee, the Committee has recommended the following to the Board of Directors:

1. The audited annual financial statements of the Company for the year ended March 31, 2011, be accepted by the Board as a true and fair statement of the financial status of the Company.
2. The audited abridged financial statements of the Company for the year ended March 31, 2011, be accepted by the Board as a true and fair statement of the financial status of the Company.
3. The audited consolidated financial statements of the Company and its subsidiaries for the year ended March 31, 2011, be accepted by the Board as a true and fair statement of the financial status.

III. Nomination / Remuneration Committee

The Nomination / Remuneration Committee of the Board is constituted to formulate from time to time (a) process for selection and appointment of new directors and succession plans and (b) recommend to the Board from time to time, a compensation structure for directors. The Nomination/ Remuneration Committee comprises of three directors i.e. Dr Leena Srivastava, Gen V P Malik and Shri S L Rao. Dr Leena Srivastava is the Chairperson of the Committee. During the year, the Nomination / Remuneration Committee held its meeting on May 15, 2010 and November 22, 2010.

Attendance at the meetings of the Nomination / Remuneration Committee held during 2010-11

Members	Meetings held during the tenure of directors	Meetings attended
Dr Leena Srivastava, Chairperson	2	1
Shri S L Rao	2	2
Gen V P Malik	2	2
Shri V R Galkar*	1	1

*Shri V R Galkar ceased to be Director of the Company effective November 12, 2010.

Shri Ramesh Shenoy, Company Secretary acts as the Secretary to the Nomination / Remuneration Committee.

Except Shri Lalit Jalan and Shri S C Gupta, all directors, being non-executive, are paid sitting fees for attending the meetings of the Board and its committees.

Remuneration paid to directors (excluding contribution to gratuity fund and provision for leave encashment on retirement) during the year ended March 31, 2011

₹ in lakh

Sr. No.	Name	Position	Sitting Fees	Salary & Perquisites	Commission	Total
1	Shri Anil D Ambani	Chairman	1.00	N.A.	550.00	551.00
2	Shri Satish Seth	Vice Chairman	0.60	N.A.	8.00	8.60
3	Shri Lalit Jalan	Whole-time Director	Nil	80.80	Nil	80.80
4	Shri S C Gupta	Director(Operations)	Nil	111.93	Nil	111.93
5	Gen V P Malik	Director	3.60	N.A.	8.00	11.60
6	Shri S L Rao	Director	3.20	N.A.	8.00	11.20
7	Dr Leena Srivastava	Director	3.20	N.A.	8.00	11.20
8	Shri V R Galkar*	Director	1.60	N.A.	Nil	1.60
	Total		13.20	192.73	582.00	787.93

* Shri V R Galkar ceased to be Director of the Company effective November 12, 2010.

Notes:

a. The salary and perquisites include all fixed elements of remuneration i.e. salary and other allowances and benefits.

b. During the year, the Company paid Performance Linked Incentive of ₹ 30 lakh to one of the executive directors of the Company.

c. There were no other pecuniary relationships or transactions of non-executive directors vis-à-vis the Company. The Company has so far not issued any stock options to its directors.

d. Pursuant to the limits approved by the Board, all non-executive directors are paid sitting fees of ₹ 20,000 for attending each meeting of the Board and its committees.

Details of service contract

Names	Date of initial appointment	Current tenure	From	To
Shri S C Gupta	January 18, 2003	5 years	January 18, 2008	January 17, 2013
Shri Lalit Jalan	April 25, 2007	5 years	April 25, 2007	April 24, 2012

For any termination of service contract, the Company or the executive director is required to give a notice of three months or pay three months' salary in lieu thereof to the other party.

Directors' remuneration policy

The Nomination / Remuneration Committee determines and recommends to the Board, the compensation of directors and the whole-time directors. The key components of the Company's remuneration policy are :

- compensation will be a major driver of performance.
- compensation will be competitive and benchmarked with a select group of companies from the utility sector.
- compensation will be transparent, fair and simple to administer.
- compensation will be fully legal and tax compliant.

The Members had, through Postal Ballot on January 8, 2007 approved payment of commission up to 3 per cent to non-executive directors of the Company under the provisions of Section 309(4) of the Companies Act, 1956 ('Act'), computed in the manner specified in the Act for a period of five years from the financial year commencing 1st April, 2006. The Company had obtained approval from the Central Government for payment of commission to non-executive directors up to a limit of 3 per cent of net profits of the Company each year for a period of 4 years from the financial year commencing 2007-08 up to 2010-11.

The Board of Directors based on recommendation of Nomination/Remuneration Committee had approved payment of commission of ₹ 582 lakh to the Non-Executive Directors of the Company for the year ended March 31, 2010 based on various parameters, which was paid during the year 2010-11.

Criteria for making payments to Non-Executive Directors

The remuneration to non-executive directors is benchmarked with the relevant market and performance oriented, balanced between financial and sectoral market, comparative scales, aligned to Corporate goals, role assumed and number of meetings attended.

IV. Shareholders / Investors Grievances Committee

The Board of Directors of the Company constituted the Shareholders / Investors Grievances Committee in the year 1995. The Committee at present consists of three directors of the Company, viz. Gen V P Malik as Chairman, Dr Leena Srivastava and Shri Lalit Jalan as members. The Company has appointed M/s Karvy Computershare Private Limited to act as Registrar and Transfer Agent of the Company.

The Committee, inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with transfer of securities of the Company. The Committee also monitors redressal of investors grievances. Particulars of investors grievances received and redressed are furnished in the Investor Information Section of this Report. The Committee oversees performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services. The Committee also monitors implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

During the year, the Shareholders / Investors Grievances Committee held its meetings on May 15, 2010, July 30, 2010, November 12, 2010 and February 14, 2011 and the maximum gap between any two meetings was 104 days and the minimum gap was 75 days.

Attendance of members at the meeting of the Shareholders / Investors Grievances Committee held during 2010-11

Members	Meetings held during the tenure of directors	Meetings attended
Dr Leena Srivastava*	4	3
Gen V P Malik**	2	2
Shri Lalit Jalan	4	4
Shri V R Galkar***	2	2

* Dr Leena Srivastava ceased to be a Chairperson of the Committee with effect from November 12, 2010.

** Gen V P Malik became a member and the Chairman of the Committee with effect from November 12, 2010.

*** Shri V R Galkar ceased to be Director of the Company and consequently a member of the committee effective November 12, 2010.

Shri Ramesh Shenoy, Company Secretary is the Compliance Officer and Secretary to the Committee.

V. Compliance Officer

Shri Ramesh Shenoy, Company Secretary is the Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreements with the Stock Exchanges.

The total number of complaints received and replied to the satisfaction of shareholders during the year under review were 48. There were no complaints pending as on March 31, 2011. The details of period taken for transfer of shares and nature of complaints are furnished in the Investor Information section of this Annual Report.

29 requests for transfers and 73 requests for dematerialisation were pending for approval as on March 31, 2011, which were approved, processed and despatched on or before April 4, 2011.

There were no pending requests for transfers of shares and dematerialisation as on March 31, 2011.

VI. Environment, Health and Safety Committee

The Environment, Health and Safety Committee of the Board has been constituted, to monitor compliance as to environment, health and safety issues affecting the Company as also to promote environment protection. Currently, the Committee comprises Gen V P Malik, Chairman, Shri S L Rao, Dr Leena Srivastava and Shri S C Gupta.

Attendance at the meetings of the Environment, Health and Safety Committee held during 2010-11

Members	Meetings held during the tenure	No, of Meetings attended
Gen V P Malik	2	2
Shri S L Rao	2	2
Dr Leena Srivastava	2	2
Shri S C Gupta	2	1

The Environment, Health and Safety Committee held its meetings on November 22, 2010 and January 22, 2011.

VII. Employees Stock Option Scheme (ESOS) Compensation Committee

The ESOS Compensation Committee comprises Gen V P Malik as Chairman and Shri S L Rao and Dr Leena Srivastava as members. Shri Ramesh Shenoy, Company Secretary acts as Secretary to the ESOS Compensation Committee. During the year, one meeting of ESOS Compensation Committee was held on November 22, 2010.

VIII. General Body Meetings: The Company held its last three Annual General Meetings as under :

Year	Date and Time	Whether Special Resolution passed or not
2009-2010	December 22, 2010 11.00 a.m.	Yes, Payment of commission to Non – Executive Directors
2008-2009	July 21, 2009 2.00 p.m.	No
2007-2008	September 16, 2008 2.00 p.m.	No

Above Annual General meetings were held at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020.

IX. Postal Ballot

During the year, the Company did not conduct any postal ballot under the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001. None of the business proposed to be transacted in the ensuing Annual General Meeting requires passing a special resolution through postal ballot.

X. Means of Communication

a. **Quarterly Results :** Quarterly Results are published in one English daily newspaper circulating in the whole or substantially the whole of India and in one daily Marathi vernacular newspaper and are also posted on the Company's website www.rinfra.com.

b. **Media Releases and Presentations:** Official media releases are sent to the Stock Exchanges before their release to the media for wider dissemination. Presentations made to media, analysts, institutional investors, etc. are posted on the Company's website.

c. **Website:** The Company's website www.rinfra.com contains a separate dedicated section 'Investor Relations'. The basic information about the Company as called for in terms of Clause 54 of the Listing Agreement with the Stock Exchanges is provided in the Company's website and the same is updated regularly.

d. **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website.

The Ministry of Corporate Affairs ("MCA"), Government of India, has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies vide General Circular 17/2011 dated April 21, 2011 in terms of which a company would have ensured compliance with the provisions of Section 53 of the Act, if service of documents have been made through electronic mode. In such a case, the company has to obtain e-mail addresses of its members for sending the notices / documents through e-mail giving an advance opportunity to each shareholder to register their e-mail address and changes therein, if any, from time to time with the Company.

The Company welcomed the Green Initiative and accordingly sent an e-mail to the shareholders whose e-mail IDs are available with the Company for sending the documents such as notices for general meetings, Financial Statements, Annual Reports, etc. including Annual Report for the year ended March 31, 2011 in electronic form.

e. Corporate Filing and Dissemination System (CFDS): The CFDS portal jointly owned, managed and maintained by BSE and NSE is a single source to view information filed by listed companies. All disclosures and communications to BSE and NSE are filed electronically through the CFDS portal and hard copies of the said disclosures and correspondence are also filed with the stock exchanges.

f. Unique Investor helpdesk: Exclusively for servicing our investors, the Company has set up a unique investor Help Desk with multiple access modes as under:

Toll free no. (India)	:	1800 4250 999
Telephone nos.	:	+91 40 4030 8000
Facsimile no.	:	+91 40 2342 0859
Email	:	rinfra@karvy.com
Post your request	:	http://kcpl.karvy.com/adag

g. Designated email-id: The Company has also designated the email-id rinfra.investors@relianceada.com for investor servicing.

h. Reminder to Investors: Reminder for unpaid/ unclaimed dividend are sent to the shareholders every year.

XI. Compliance with other mandatory requirements

1. Management Discussion and Analysis report

The Management Discussion and Analysis Report forms part of this annual report and includes discussions on various matters specified under clause 49(IV)(F) of the listing agreement.

2. Financial performance of the Company

The Company being a utility in the business of generation and distribution of electricity, its earnings are regulated by the regulatory authorities. The financial performance of the Company is subject to regulatory approvals and clearances and the Company is therefore unable to make any earnings projections or guidance with any reasonable degree of accuracy.

3. Subsidiaries

The Company does not have any material non-listed Indian subsidiary Company and hence, it is not required to have an independent director of the Company on the Board of such subsidiary Company.

The Company monitors performance of subsidiary companies, inter alia, by the following means:

a. Financial statements, in particular the investments made by unlisted subsidiary companies are reviewed quarterly by the Audit Committee of the Company.

b. Minutes of the meetings of the Board of Directors of all subsidiary companies are placed before the Company's Board regularly.

c. A statement containing all the significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board / Audit Committee.

d. Quarterly review of Risk Management process by the Risk Management Committee / Audit Committee / Board.

4. Disclosures

a. There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority during the financial year 2010-11.

b. Related Party Transactions

During the year 2010-11, no transactions of material nature have been entered into by the Company with the Promoters or Directors or Management, their subsidiaries or their relatives that may be in potential conflict with the interests of the Company. The related party transactions with subsidiary companies and others are disclosed in Notes to Accounts. None of the transactions with any of the related parties was in conflict with the interest of the Company.

c. Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards as prescribed under the Companies (Accounting Standards) Rules, 2006, as applicable. The Accounting Policies followed by the Company to the extent relevant, are set out elsewhere in this Annual Report.

d. Risk Management

The Company has laid down a robust Risk Management Policy, defining Risk profiles involving strategic, technological, operational, financial, organisational, legal and regulatory risks within a well defined framework. The Risk Management Policy acts as an enabler of growth for the Company by helping its businesses to identify the inherent risks, assess, evaluate and monitor these risks continuously and undertake effective steps to manage these risks.

A Risk Management Committee (RMC) consisting of senior executives of the company periodically reviews the robustness of the Risk Management Policy. The periodical update on the risk management practices and mitigation plan of the Company and subsidiaries are presented to the Audit Committee and the Board of Directors. The Audit Committee and Board periodically review such updates and findings and suggest areas where internal controls and risk management practices can be improved.

e. Code of Conduct

The Company has adopted the code of conduct and ethics for directors and senior management. The code had been circulated to all the members of the Board and senior management and the same has been put on the Company's website www.rinfra.com. The Board members and senior management have affirmed their compliance with the code and a declaration signed by the CEO of the Company (i.e the CEO within the meaning of clause 49-V of the listing agreement) is given below:

"It is hereby declared that the Company has obtained from all members of the Board and senior management personnel affirmation that they have complied with the code of conduct for Directors and senior management of the Company for the year 2010-11."

Lalit Jalan
CEO

f. CEO and CFO certification

Shri Lalit Jalan, the CEO and Shri Madhukar Moolwaney, the CFO provide certifications on financial reporting and internal controls to the Board as required under Clause 49(V) of the Listing Agreement.

g. Review of Directors' responsibility statement

The Board in its report has confirmed that the annual accounts for the year ended March 31, 2011 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

h. SEBI vide Consent Order dated January 14, 2011 disposed of the proceedings initiated against, inter alia, RInfra, Reliance Natural Resources Limited (RNRL) and their Specified Directors under Sections 11, 11(4) and 11B of SEBI Act, 1992. The Consent Order, inter alia, required payment of settlement charge of ₹ 25 crore jointly and severally by RInfra, RNRL and their specified Directors, which has been paid to SEBI by one of the Specified Directors.

XII. Policy on insider trading

The Company has formulated a Code of Conduct for Prevention of Insider Trading ('Code') in accordance with the guidelines specified under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. The Board has appointed Shri Ramesh Shenoy, Company Secretary as the Compliance Officer under the Code responsible for complying with the procedures, monitoring adherence to the rules for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the Code of Conduct under the overall supervision of the Board. The Company's Code, inter alia, prohibits purchase and/or sale of shares of the Company by an insider, while in possession of unpublished price sensitive information in relation to the Company and also during certain prohibited periods. The Company's updated Code is available on the Company's website.

XIII. Compliance of Clause 5A of Listing Agreement

Pursuant to clause 5A of the Listing agreement (as amended), equity shares issued in physical and electronic form pursuant to a public issue or any other issue, which remain unclaimed, the registrar shall send at least three reminders at the address given in the application form as well as captured in depositories database seeking correct particulars. The Registrar has sent one reminder notices to such shareholders. The remaining unclaimed shares will be dematerialised and transferred into one folio under the nomenclature of "Unclaimed Suspense Account" in due course in accordance with the requirement of the listing agreement.

XIV. Compliance with non-mandatory requirements

1. Tenure of independent directors on the Board

The tenure of independent directors on the board of the Company shall not exceed nine years in aggregate.

2. Nomination / Remuneration committee

The Board has set up a Nomination / Remuneration committee details whereof are furnished at Sr. No. III of this report.

3. Disclosures

The quarterly financial results including summary of significant events of relevant period are published in newspapers and posted on the website of the Company.

4. Audit qualifications

Strategic decisions were taken during the year resulting in unqualified financial statements of the Company.

5. Training of Board members

A programme has been devised to train Board members in the business model of the Company, risk profile of the business parameters and their responsibilities as directors.

6. Whistle blower policy

The Company has formulated a policy to prohibit managerial personnel from taking adverse action against employees, who disclose in good faith alleged wrongful conduct on matters of public concern involving violation of any law, mismanagement, gross waste or misappropriation of public funds, substantial and specific danger to public health and safety or an abuse of authority. The policy also lays down the mechanism for making enquiry into whistle blower complaint received by the Company.

Employees aware of any alleged wrongful conduct are encouraged to disclose to the Audit Committee. Employees knowingly making false allegations of alleged wrongful conduct to the audit committee shall be subject to disciplinary action. No personnel of the Company have been denied access to the grievance redressal mechanism of the Company.

XV. Corporate Governance Voluntary Guidelines 2009

The Company has ensured substantial compliance with most of the guidelines issued by the Ministry of Corporate Affairs on Corporate Governance in the year 2009-10, notwithstanding that they are subject to only voluntary compliance by corporates.

XVI. General shareholder information

The mandatory and various additional information of interest to investors are voluntarily furnished in a separate section on 'Investor Information' elsewhere in this Annual Report.

Auditors' certificate on corporate governance

The Auditors' certificate on compliance of Clause 49 of the listing agreement relating to corporate governance is published elsewhere in this report.

Review of governance practices

We have in this report attempted to present the governance practices and principles being followed at Reliance Infrastructure, as evolved over a period, and as best suited to the needs of our business and stakeholders.

Our disclosures and governance practices are continually revisited, reviewed and revised to respond to the dynamic needs of our business and ensure that our standards are at par with the globally recognised practices of governance, so as to meet the expectations of all our stakeholders.

Investor Information

Annual General Meeting

The 82nd Annual General Meeting (AGM) of the Company will be held on Tuesday, September 27, 2011 at 4.00 p.m. or soon after the conclusion of the AGM of Reliance Power Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020.

Financial year of the Company : The financial year of the Company is from April 1 to March 31 every year.

Website: The Company's website contains a separate dedicated section called "Investor Relations". It contains a comprehensive database of information of interest to our investors including the financial results and Annual Report of the Company in a downloadable form, any price sensitive information disclosed to the regulatory authorities from time to time, business activities and the services rendered and facilities extended by the Company to our investors, in a user-friendly manner.

Dedicated email id for investors: For the convenience of our investors, the Company has designated an email id for investors i.e. rinfra.investor@relianceada.com

Registrar and Transfer Agents (RTA)

M/s Karvy Computershare Private Limited

Unit: Reliance Infrastructure Limited

Madhura Estate, Municipal No. 1-9/13/C

Plot No 13 & 13C, Madhapur Village

Hyderabad 500 081. Andhra Pradesh

email id: rinfrainvestor@karvy.com

Toll free no. (India) : 1800 4250 999

Telephoe : +91 40 4030 8000

Fax No.: +91 40 2342 0859

Email: rinfra@karvy.com

Post your request : http://kcpl.karvy.com/adag

Shareholders / Investors are requested to forward share transfer documents, dematerialisation requests (through their respective Depository Participant) and other related correspondence directly to M/s. Karvy Computershare Private Limited at the above address for speedy response.

Dividend announcement: The Board of Directors of the Company have recommended a dividend of ₹ 7.20 per equity share of the Company for the financial year ended March 31, 2011, subject to the approval by shareholders at the AGM. The dividend, if approved, will be paid on and from September 27, 2011.

Book closure dates for the purpose of Dividend and AGM : The Register of Members and Share Transfer Books of the Company will remain closed from Monday, September 19, 2011 to Tuesday, September 27, 2011 (both days inclusive) for the purpose of AGM and payment of dividend.

Dividend remittance: Dividend on Equity Shares as recommended by the Directors for the financial year ended March 31, 2011, when declared at the Annual General Meeting, will be paid to:

(i) all those equity shareholders whose names appear in the Register of Members as on 17th September, 2011 and

(ii) those whose names appear as beneficial owners as on 17th September, 2011, as furnished by the National Securities Depository Limited and Central Depository Services (India) Limited for the purpose.

Modes of payment of Dividend

The Dividend is paid under two modes viz:

(a) Credit to the Bank account via Electronic Clearing Services

(b) Dispatch of Physical dividend warrant

Payment of dividend through National Electronic Clearing Service (NECS) facility

NECS facility is a centralised version of ECS facility. The NECS system takes advantage of the centralised accounting system in banks. Accordingly, the account of a bank that is submitting or receiving payment instructions is debited or credited centrally at Mumbai. The branches participating in NECS can, however, be located anywhere across the length and breadth of the country. NECS has no restriction of centres or of any geographical area inside the country. Presently, around 50,000 branches of 116 banks participate in NECS.

Benefits of NECS (payment through electronic facilities)

Shareholders are advised to avail the payment of dividend through NECS, which has the following advantages:

a. Shareholders need not make frequent visits to their bank for depositing the physical paper instruments.
b. Prompt credit to the bank account of the shareholders through electronic clearing.
c. Fraudulent encashment of warrants is avoided.
d. Exposure to delays / loss in postal service avoided.
e. As there can be no loss in transit of warrants, issue of duplicate warrants is avoided.

How to avail of NECS Facility?

Investors holding shares in physical form may send their NECS Mandate Form, duly filled in, to the Company's RTA. The Form may be downloaded from the Company's website www.rinfra.com under the section "Investor Relations".

However, if shares are held in dematerialised form, NECS mandate has to be sent to the concerned DP directly, in the format prescribed by the DP.

Investors must note that NECS essentially operates on the new and unique bank account number, allotted by banks post implementation of Core Banking Solutions (CBS). Therefore, shareholders are requested to furnish the new Bank Account Number allotted by the banks post implementation of CBS, along with a copy of cheque pertaining to the concerned account, to the Company's RTA in case the shareholders hold shares in physical form and to the concerned DP in case the shareholders hold shares in demat form. In case shareholders do not provide their new account number allotted after implementation of CBS, the ECS to their old account may either be rejected or returned.

Payment of dividend through Direct Credit

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

NECS Facility may be opted out by investors

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

Investor Information

Company cannot take on record the bank details in case of dematerialised shares

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

Bank details for physical shareholdings

In order to provide protection against fraudulent encashment of dividend warrants, members are requested to provide, if not provided earlier, their bank account numbers, bank account type, names and addresses of bank branches, quoting folio numbers, to the Company's RTA to enable them to incorporate the same on their dividend warrants. This is a mandatory requirement in terms of Securities and Exchange Board of India (SEBI) circular no. D&CC/ FITTC/CIR-04/2001 dated November 13, 2001.

Bank details for electronic shareholdings

While opening Accounts with depository participants (DPs), shareholders may have given their bank accounts details, which will be used by the Company for printing on dividend warrants for remittance of dividend. SEBI vide its circular no. DCC/FITTCIR-3/2001 dated October 15, 2001 has advised that all companies should mandatorily use electronic clearing service (ECS) facility, wherever available. SEBI has also, vide its circular dated November 13, 2001 referred to above, advised companies to mandatorily print the bank account details furnished by the depositories, on the dividend warrants. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the monies in the account specified on the dividend warrants and ensures safety for the investors. However, members who wish to receive dividend in an account other than the one specified while opening the depository account, may notify their DPs about any change in bank account details. Members are requested to furnish complete details of their bank accounts including MICR codes of their banks to their DPs.

Course of action in case of non-receipt of Dividend, revalidation of Dividend warrant, etc.

Shareholders may write to the Company's RTA, furnishing the particulars of the dividend not received, and quoting the folio number/DP Id and Client Id particulars (in case of dematerialised shares). On expiry of the validity period, if the dividend warrant still appears as unpaid in records, duplicate warrant will be issued. The Company's RTA would request the concerned shareholder to execute an indemnity before issuing the duplicate warrant. However, duplicate warrants will not be issued against those shares wherein a 'stop transfer indicator' has been instituted either by virtue of a complaint or by law, unless the procedure for releasing the same has been completed.

Shareholders are requested to note that they have to wait till the expiry of the validity of the original warrant before a duplicate warrant is issued to them, since the dividend warrants are payable at par at several centres across the country and the banks do not accept 'stop payment' instructions on the said warrants.

Unclaimed Dividend

i. Transfer to the Central Government

Pursuant to Section 205A of the Companies Act, 1956, unclaimed dividends up to and including for the financial year 1994-95 have been transferred to the General Revenue Account of the Central Government. The shareholders who have not encashed their dividend warrants relating to financial year(s) up to 1994-95 are requested to claim the amounts from the Registrar of Companies, Maharashtra, CGO Complex, 2nd Floor, "A" Wing, CBD Belapur, Near RBI Building, Navi Mumbai 400 614 Telephone: (022) 2757 6802 in the prescribed form which will be furnished by the Company on request.

ii. Transfer to the Investor Education and Protection Fund (IEPF)

The dividends for the years 1995-96 to 2003-04 (Q3) remaining unclaimed for 7 years from the date of declaration have been transferred to IEPF established by the Government of India pursuant to Section 205C of the Companies Act, 1956. Consequently, no claim shall lie against the said Fund or the Company in respect of any amounts which were unclaimed and unpaid for a period of 7 years from the date they first become due for payment.

iii. Dividend to be transferred to the IEPF

The dividend for the following years remaining unclaimed for 7 years from the date of declaration are required to be transferred by the Company to and the various dates for transfer of such amounts are as under:

Financial year	Dividend ₹ Per share	Date of declaration	Due for transfer on
2003-04 (final)	₹ 1.50	June 9, 2004	July 15, 2011
2004-05 (Q1)	₹ 1.10	July 21, 2004	August 27, 2011
2004-05 (Q2)	₹ 1.10	October 20, 2004	November 26, 2011
2004-05 (Q3)	₹ 1.10	January 19, 2005	February 25, 2012
2004-05 (final)	₹ 1.40	June 8, 2005	July 15, 2012
2005-06 (Q1)	₹ 1.20	July 19, 2005	August 25, 2012
2005-06 (final)	₹ 3.80	June 7, 2006	July 13, 2013
2006-07	₹ 5.30	July 10,2007	August 16, 2014
2007-08	₹ 6.30	September 16, 2008	October 22, 2015
2008-09	₹ 7.00	July 21,2009	August 27, 2016
2009-10	₹ 7.10	May 15, 2010	June 21, 2017

Investor Information

Members who have not so far encashed dividend warrants for the aforesaid years are requested to seek issue of duplicate warrant by writing to the Company's Registrar and Transfer Agent, M/s. Karvy Computershare Private Limited, immediately. Members are requested to note that no claims shall lie against the Company or the IEPF in respect of any amounts which were 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.

Direct deposit of dividend (electronic clearing service)

Members desirous of receiving dividend by direct electronic deposit to their bank accounts may authorise the Company with their mandate. For details, kindly write to the Karvy Computershare Private Limited or visit the Investor Relations section at our website www.rinfra.com.

Nomination facility

Individual shareholders of physical shares can nominate any person/s for the shares held by them. This will save the nominee from going through the lengthy process of getting the shares later on transmitted to his/her name. Shareholders especially those who are holding shares in single name, are advised to avail of the nomination facility by submitting the prescribed Form 2B to the Company's RTA. Form 2B may be downloaded from the Company's website www.rinfra.com under the section "Investor Relations". However, if shares are held in dematerialised form, nomination has to be registered with the concerned DP directly, as per the format prescribed by the DP.

Share transfer system

Shareholders / investors are requested to send share certificate(s) alongwith the share transfer deed in the prescribed Form 7B, duly filled in executed and affixed with the share transfer stamp, to the Company's RTA. If the transfer documents are in order, the transfer of shares is registered within 7 days of receipt of transfer documents by the Company's RTA.

Permanent Account Number (PAN) for transfer of shares in physical form mandatory

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA.

Odd lot shares scheme for small shareholders

In view of the difficulty experienced by the shareholders of the Company in selling their odd lot shares in the stock market and to mitigate the hardships caused to them, the Reliance Group has framed a scheme for the purchase and disposal of odd lot equity shares at the prevailing market price. The scheme has been launched and is available to shareholders of Reliance Infrastructure Limited, who hold up to 49 shares in physical form. The shareholders who wish to avail the above facility can contact the Registrar and Transfer Agent of the Company.

Group coming within the definition of 'group' as defined in the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969)

The following persons constitute the Group coming within the definition of 'group' as defined in the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969), which exercises, or is established to be in a position to exercise control directly or indirectly, over the Company.

Shri Anil Dhirubhai Ambani, Smt Tina A. Ambani, Smt Kokila D Ambani, Shri Jai Anmol Ambani, Master Jai Anshul Ambani, K D Ambani Trust, Fidelity Shares and Securities Private Limited, Gaylord Investments and Trading Private Limited, Guruvas Textiles Private Limited, Hansdhwani Trading Company Private Limited, KDA Enterprises Private Limited, Shreeji Comtrade LLP, Guruvas Commercials LLP, Shrikrishna Tradecom LLP, Lord Comtrade LLP, Krupa Commericals LLP, Dhwani Enterprises LLP, Reliance Innoventures Private Limited, AAA Enterprises Private Limited, AAA Communication Private Limited, AAA Project Ventures Private Limited, AAA Power Systems (Global) Private Limited, AAA Pivotal Enterprises Private Limited, AAA Infrastructure Consulting & Engineers Private Limited, AAA Entertainment Private Limited, AAA Industries Private Limited, AAA & Sons Enterprises Private Limited, AAA International Capital Private Limited, AAA Business Machines Private Limited, AAA Infrastructure Finance Management Private Limited, AAA Corporation Private Limited, AAA Facilities Solutions Private Limited, AAA Resources Private Limited, AAA Home Entertainment Services Private Limited, AAA Micro Services Private Limited, AAA Integrated Services Private Limited, AAA Electrical Power Development Private Limited, Atlanta Advisory Services Private Limited, AAA Industrial Services Private Limited, AAA Utility Ventures Private Limited, AAA Commercial Enterprises Private Limited, Relcom Software Solutions Private Limited, AAA Capital Consultants Private Limited, Aricent Commercial Services Private Limited, AAA Engineering Services Private Limited, Acerock Infrastructure & Consulting Private Limited, Sealink Infra Technology Private Limited, Ambani Enterprises Private Limited, Dhirubhai Ambani Enterprises Private Limited, Quadro Mercantile Private Limited, AAA Multivision Services Private Limited, Whitehills Mercantile Private Limited, Whitehills Corporate Services Private Limited, AAA Cinecreation Services Private Limited, Alpsoft Techventures Private Limited, AAA Allied Services Private Limited, AAA Infra Advising Services Private Limited, AAA Advertisement Private Limited, AAA Evershine Entertainment Private Limited, Jumbo Mercantile Private Limited, Atlantic Ventures Private Limited, Microtech Development Private Limited, AAA Illuminative Solutions Private Limited, ADA Enterprises and Ventures Private Limited, Ambani Industries Private Limited, Reliance Enterprises and Ventures Private Limited, Shreenathji Krupa Project Management Private Limited, Shriji Krupa Endeavour Management Private Limited, Solaris Information Technologies Private Limited, Sevenstar Corporate Services Private Limited, Ariel Trading Private Limited, Trans-Pacific Advisory Services Private Limited, Trans-Americas Enterprise Private Limited, Trans-Atlantic Endeavour Management Private Limited, AAA Communication Partners, AAA Enterprises Partners, AAA Project Ventures Partners, AAA Project Ventures Holdings Partners, RCom Holdings Partners, RCap Holdings Partners, RPower Holdings Partners, RInfra Holdings Partners, Reliance Innoventures Partners, Reliance ADA Group Holdings Partners, AAA Infrastructure Investments Private Limited, AAA Enterprises and Ventures Private Limited, AAA Telecom Holdings Private Limited, AAA Commercial Enterprises Private Limited, Deltainfra Technology Private Limited, Trans-Pacific Holdings Private Limited, Reliance ADA Group Trustees Private Limited, Reliance Capital Limited, Reliance General Insurance Company Limited, Reliance Land Private Limited, Reliance Media Works Limited, Reliance Broadcast Network Limited, Reliance Communications Limited.

Investor Information

The above disclosure has been made, inter alia, for the purpose of Regulation 3(1)(e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

Shareholding Pattern

	Category	As on 31.03.2011		As on 31.03.2010	
		No. of shares	%	No. of shares	%
A	**Holdings of the Promoter Group**				
	AAA Project Ventures Private Limited	12,56,48,937	46.99	10,30,98,937	42.10
	Reliance Innoventures Private Limited	8,64,675	0.32	8,64,675	0.35
	Reliance Capital Limited	1,653	0.00	1,653	0.00
	Reliance ADA Group Trustees Private Limited	4,50,000	0.17	0	0.00
	Hansdhwani Trading Company Private Limited	3	0.00	3	0.00
	Promoter Director and his relatives	6,63,378	0.25	6,63,378	0.27
	Sub-total	12,76,28,646	47.73	10,46,28,646	42.73
B	**Non-promoters holdings**				
1	**Institutional investors**				
a.	Mutual Funds and Unit Trust of India	1,05,52,952	3.95	1,61,27,354	6.59
b.	Banks, Financial Institutions, Insurance Companies, Governments	4,78,99,970	17.91	4,86,74,310	19.88
c.	Foreign Institutional Investors	4,21,53,462	15.76	3,50,20,354	14.30
	Sub-total	10,06,06,384	37.62	9,98,22,018	40.77
2	**Others**				
a.	Private Corporate Bodies	71,69,871	2.68	86,58,138	3.54
b.	Indian Public/Others	2,93,67,127	10.98	2,91,77,820	11.92
c.	Non Resident Indians/Overseas Corporate Bodies	16,60,265	0.62	16,13,563	0.66
d.	The Bank of New York Mellon (for GDRs)	9,87,969	0.37	9,70,077	0.40
	Sub-total	3,91,85,232	14.65	4,04,19,598	16.51
	Grand total	26,74,20,262	100.00	24,48,70,262	100.00

Note:

On January 7, 2011, the Company made an allotment of 2,25,50,000 equity shares of ₹10 each for cash at a price of ₹ 928.89 (including a premium of ₹ 918.89) per equity share to AAA Project Ventures Private Limited, one of the promoter companies, on conversion of warrants issued on July 9, 2009. Consequent upon the said allotment, the paid-up capital of the Company stands increased to 26,74,20,262 fully paid up equity shares of ₹ 10 each.

Distribution of shareholding

Number of shares	Number of Shareholders as on 31.03.2011		Total shares as on 31.03.2011		Number of Shareholders as on 31.03.2010		Total shares as on 31.03.2010	
	Number	%	Number	%	Number	%	Number	%
1 – 500	14,47,645	99.58	2,38,19,487	8.91	15,02,398	99.59	2,38,19,907	9.73
501 - 5,000	5,484	0.38	65,59,551	2.45	5,508	0.37	65,98,174	2.69
5,001 - 1,00,000	481	0.03	1,09,02,904	4.08	564	0.04	1,29,94,669	5.31
1,00,001 and above	134	0.01	22,61,38,360	84.56	155	0.01	20,14,57,512	82.27
Total	14,53,744	100.00	26,74,20,262	100.00	15,08,625	100.00	24,48,70,262	100.00

Dematerialization of shares

The Company was among the first few companies to admit its shares to the depository system of National Securities Depository Limited (NSDL) for dematerialization of shares. The International Securities Identification Number (ISIN) allotted to the Company is INE036A01016. The Company was the first to admit its shares and go 'live' on to the depository system of Central Depository Services (India) Limited (CDSL) for dematerialization of shares. The equity shares of the Company are compulsorily traded in dematerialized form as mandated by the Securities and Exchange Board of India (SEBI).

Status of dematerialization of shares as on March 31, 2011

Electronic holdings			Physical holdings			Total		
No.of Beneficial Owners	No.of Shares	%	No.of folios	No.of Shares	%	No.of Share holders	No.of shares	%
7,64,864	26,13,59,756	97.73	6,88,880	60,60,506	2.27	14,53,744	26,74,20,262	100.00

Investor Information

Investors' grievances attended

Received from	Received during April to March		Redressed during April to March		Pending as on	
	2010-11	2009-10	2010-11	2009-10	31.3.2011	31.3.2010
Securities and Exchange Board of India	23	29	23	29	Nil	Nil
Stock Exchanges	8	15	8	15	Nil	Nil
NSDL/CDSL	0	3	0	3	Nil	Nil
Direct from investors	17	185	17	185	Nil	Nil
Total	48	232	48	232	Nil	Nil

Analysis of grievances

Particulars	Number		Percentage	
	2010-11	**2009-10**	**2010-11**	**2009-10**
Non-receipt of dividend warrants	21	168	44	72
Non-receipt of share certificates	21	55	44	24
Others	6	9	12	4
Total	48	232	100	100

Notes :

1. Investors' queries / grievances are normally attended within a period of 3 days from the date of receipt thereof, except in cases involving external agencies or compliance with longer procedural requirements specified by the authorities concerned.
2. The queries and grievances received during 2010-11 correspond to 0.003 per cent (Previous Year 0.015 per cent) of the number of members.
3. There was no complaint pending as on March 31, 2011.

Green Initiative in Corporate Governance

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. In accordance with the recent circular no. 17/2011 dated April 21, 2011 and circular no. 18/2011 dated April 29, 2011 issued by the Ministry, Companies can now send various notices and documents, including Annual Report, to its shareholders through electronic mode to the registered e- mail addresses of shareholders. This welcome initiative of MCA will reduce paper consumption to a great extent and enhance corporate contribution to a greener and safer environment.

All shareholders of the Company can contribute to this initiative and reduce paper usage by opting to receive various notices and documents through electronic mode to their registered e- mail address.

Company had informed all the shareholders who have registered their email address with the depositary / Company for their consent to use their email address for sending documents including Annual Report through email. The annual report is send through email to the shareholders who have registered their email address. The shareholders who hold shares in physical form can register their email address with our Registrar and Transfer Agent - Karvy Computershare Private Limited.

All the shareholders are requested to contribute to this initiative and reduce paper usage by opting to receive various notices and documents through electronic mode to their registered e- mail address with the depositary/ Company.

Legal proceedings

There are certain pending cases relating to disputes over title to shares, in which the Company is made a party. These cases are however, not material in nature.

Stock Exchange listings

The Company's equity shares are actively traded on the BSE and NSE.

A. Stock Exchanges on which the shares of the Company are listed

1. National Stock Exchange of India Limited (NSE)
Exchange Plaza
Plot No C /1, G Block
Bandra-Kurla Complex, Bandra (East), Mumbai 400 051
Telephone : + 91 22 2659 8235/8236/8100-8114
Fax : + 91 22 2659 8237/38
e-mail : cmlist@nse.co.in
Website : www.nseindia.com

2. Bombay Stock Exchange Limited (BSE)
Phiroze Jeejeebhoy Towers
Dalal Street, Fort, Mumbai 400 001
Telephone : + 91 22 2272 1233 / 34
Fax : + 91 22 2272 2037/39/41/61
e-mail : corp.relations@bseindia.com
Website : www.bseindia.com

(i) Stock codes :
Bombay Stock Exchange Limited : 500390
National Stock Exchange of India Limited : RELINFRA

(ii) Demat ISIN in NSDL and CDSL for equity shares :
INE036A01016
The Annual Custodian Fees for the financial year 2011-12 have been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

B. Stock Exchange on which the GDRs are listed
The London Stock Exchange (LSE)
10, Paternoster Square,
London EC4M 7 LS, United Kingdom
Telephone : 0044-020-7797 1000
Fax : 0044-020-7334 8954
e-mail : irinfo@londonstockexchange.com
Website : www.londonstockexchange.com

The listing fees payable to BSE, NSE and LSE for 2011-12 have been paid in full by the Company.

Investor Information

Depository for GDR holders

1. **Depository**
   The Bank of New York Mellon
   Express Towers, 13th Floor Nariman Point, Mumbai 400 021
   Tel: +91 22 2202 2936 Fax: + 91 22 2204 4942
   The Bank of New York Mellon
   101 Barclay Street 22nd Floor
   West New York NY 10286
   Telephone: (212) 815 3882 Fax: (212) 571 3050
2. **Custodian**
   ICICI Bank Limited
   Securities Market Services
   Empire Complex, F7/E7 1st Floor, 417 S B Marg
   Lower Parel, Mumbai 400 013
   Tel: +91 22 6667 2026 Fax: +91 22 6667 2740

Security codes of GDRs

	Master Rule 144A GDRs	Master Regulation S GDRs
CUSIP	75945E109	Y09789119
ISIN	US75945E1091	USY097891193
Common Code	6099853	6099853

GDRs

GDRs of the Company are traded on the electronic screen based quotation system, the SEAQ (Securities Exchange Automated Quotation) International, on the portal system of the NASDAQ of U.S.A. and also over the counter at London, New York and Hong Kong.

An Index Scrip : Equity shares of the Company are included in BSE-30, BSE-100, BSE-200, BSE-500, BSE-Dollex, BSE-Power, CNX Infrastructure, CNX Service Sector, S&P CNX 500, S&P CNX Nifty Index, S&P CNX Defty.

Outstanding GDRs / warrants, conversion date and likely impact on equity

Outstanding GDRs as on March 31, 2011 represents 9,87,969 equity shares constituting 0.37 per cent of the paid-up equity share capital of the Company.

D. Debt Securities

Following Debt Securities are listed on the Wholesale Debt Market (WDM) segment of NSE and F Group Instrument Segment of BSE

Sr No	Debentures Names	ISIN	Date of Allotment	Date of Maturity	Total Issue Size (₹ crore)
1	6.70% Non Convertible Debentures – Series 3	INE036A07039	19.08.2003	19.08.2018	125
2	6.35% Non Convertible Debentures – Series 1	INE036A07021	28.07.2003	28.07.2013	250
3	5.95% Non Convertible Debentures – Series 2A	INE036A07047	28.07.2003	28.07.2013	100
4	5.60% Non Convertible Debentures – Series 2B	INE036A07054	28.07.2003	28.07.2013	150
5	11.55% Non Convertible Debentures – Series 4	INE036A07096	24.02.2009	24.02.2019	850

Debenture Trustees

Axis Bank Limited
Bombay Dyeing Mills Compound
Pandurang Budhkar Marg
Worli, Mumbai 400 025

IDBI Trusteeship Services Limited
Asian Building, Ground Floor
17, R Kamani Marg
Ballard Estate, Mumbai 400 023

Buy-back of Equity Shares of the Company

The Board at its meeting held on February 14, 2011, approved buy-back of its fully paid up equity shares of ₹ 10 each to the extent of less than 10 per cent of the total paid up equity share capital and free reserves of the Company from the existing owners of equity shares from the open market through stock exchanges at a price not exceeding ₹ 725 per share for an aggregate amount of not exceeding ₹ 1000 crore. The buy-back is being made out of the free reserves and/ or the securities premium account of the Company. The buy - back offer is open from April 11, 2011 and shall remain open until 12 months from the date of the resolution passed by the Board of Directors i.e. February 13, 2012 or when the Company completes the Buy-back to the extent of ₹ 1,000 crore or if the Board opts to close the Buy-back upon reaching 25 per cent of the maximum offer size, whichever is earlier.

Since the opening of buy-back offer from April 11, 2011, the Company has bought – back 18,00,000 equity shares till May 27, 2011 for a total consideration of ₹ 115.58 crore, at an average price of ₹ 642.10 per share.

Equity capital build up

Details of issue of equity shares in the last one decade:

Dates	Particulars of issue / forfeiture	No. of shares	Total No. of shares
01.04.2001	Outstanding Equity Shares		13,77,25,666
28.07.2003	Allotment of equity shares on conversion of 0.5% FCCBs [1]	+ 49,336	13,77,75,002
07.10.2003	Allotment of equity shares on conversion of 0.5% FCCBs [1]	+ 49,336	13,78,24,338
07.11.2003	Allotment of equity shares on conversion of 0.5% FCCBs [1]	+ 1,50,00,399	15,28,24,677
24.02.2004	Allotment of equity shares on conversion of 0.5% FCCBs [1]	+ 51,00,036	15,79,24,713

Investor Information

Dates	Particulars of issue / forfeiture	No. of shares	Total No. of shares
23.03.2004	Allotment of shares on a preferential basis [2]	+ 1,35,80,000	17,15,04,713
24.03.2004	Allotment of shares on a preferential basis [2]	+ 36,50,000	17,51,54,713
02.04.2004	Allotment of shares on a preferential basis [2]	+ 91,95,622	18,43,50,335
30.04.2004	Allotment of equity shares on conversion of 0.5% FCCBs [1]	+ 9,99,009	18,53,49,344
29.07.2004	Allotment of equity shares on conversion of 0.5% FCCBs [1]	+ 1,97,346	18,55,46,690
13.12.2004	Annulment and re-issue of forfeited shares	+ 25,909	18,55,72,599
13.12.2004	Allotment of equity shares from 15% FCDs which was kept under abeyance [3]	+ 200	18,55,72,799
02.05.2005	Allotment of equity shares on conversion of warrants [4]	+ 97,50,000	19,53,22,799
21.07.2005	Allotment of shares on a preferential basis [5]	+ 41,84,000	19,95,06,799
05.08.2005	Allotment of equity shares against conversion of warrants [4]	+ 1,11,228	19,96,18,027
19.08.2005	Allotment of equity shares on conversion of 0.5% FCCBs [1]	+ 22,86,224	20,19,04,251
31.03.2006	Allotment of equity shares on conversion of warrants [6]	+ 1,04,16,000	21,23,20,251
07.08.2006	Allotment of shares to shareholders of Reliance Energy Ventures Limited (REVL) pursuant to the scheme of amalgamation between RInfra and REVL	+ 9,17,34,781	30,40,55,032
07.08.2006	Shares held by REVL in the Company extinguished pursuant to the scheme of amalgamation between RInfra and REVL in the ratio of 15 shares of RInfra for 200 shares of REVL	- 9,09,24,724	21,31,30,308
30.01.2007	Allotment of shares on conversion of warrants [6]	+ 1,54,00,000	22,85,30,308
15.10.2007	Allotment of shares on conversion of FCCBs [7]	+ 79,99,954	23,65,30,262
01.04.2008	Extinguishment of shares consequent to Buy-back [8 & 9]	- 1,12,60,000	22,52,70,262
31.03.2010	Allotment of shares on conversion of warrants [10]	+1,96,00,000	24,48,70,262
07.01.2011	Allotment of shares on conversion of warrants [10]	+ 2,25,50,000	26,74,20,262

Dates	No. of shares	Total No. of shares
[7]Allotment of shares on conversion of FCCBs		
15.10.2007	+ 5,59,139	22,90,89,447
05.11.2007	+ 39,48,900	23,30,38,347
19.11.2007	+ 10,71,553	23,41,09,900
26.11.2007	+ 5,85,423	23,46,95,323
01.12.2007	+ 4,61,870	23,51,57,193
11.12.2007	+ 7,07,856	23,58,65,049
15.12.2007	+ 3,87,512	23,62,52,561
31.12.2007	+ 2,50,295	23,65,02,856
22.01.2008	+ 449	23,65,03,305
04.02.2008	+ 26,957	23,65,30,262

[8] Extinguishment of shares consequent to Buy-back (Board approval)

01.04.2008	- 2,49,070	23,62,81,192
04.04.2008	- 5,80,670	23,57,00,522
11.04.2008	- 9,50,260	23,47,50,262
22.04.2008	- 2,58,551	23,44,91,711
08.05.2008	- 3,99,784	23,40,91,927
09.05.2008	- 44,643	23,40,47,284
16.05.2008	- 3,74,020	23,36,73,264
30.05.2008	- 2,00,000	23,34,73,264
13.06.2008	- 10,03,002	23,24,70,262
28.06.2008	- 5,00,000	23,19,70,262
12.07.2008	- 11,00,000	23,08,70,262
04.11.2008	- 3,00,000	23,05,70,262
07.11.2008	- 4,91,834	23,00,78,428
15.11.2008	- 8,07,464	22,92,70,964
21.11.2008	- 4,00,702	22,88,70,262
05.12.2008	- 4,00,000	22,84,70,262
12.12.2008	- 2,00,000	22,82,70,262
20.12.2008	- 5,00,000	22,77,70,262

[9] Extinguishment of shares consequent to Buy-back (Shareholders approval)

07.03.2009	- 4,00,000	22,73,70,262
13.03.2009	- 5,30,968	22,68,39,294
20.03.2009	- 3,15,527	22,65,23,767
27.03.2009	- 1,00,000	22,64,23,767
03.04.2009	- 3,98,173	22,60,25,594
10.04.2009	- 4,29,904	22,55,95,690
14.04.2009	- 3,25,428	22,52,70,262

Notes:

1. Equity Shares were allotted on conversion of 0.5 per cent Foreign Currency Convertible Bonds (FCCBs). These FCCBs were convertible into Equity Shares at a pre-determined price of ₹ 245 from September 25, 2002 to September 25, 2007 at pre-determined exchange rate of US$ 1= ₹ 48.35. The entire outstanding 0.5 per cent FCCBs were converted into equity shares during the year 2005-06.

Investor Information

2. Issued at ₹ 640 per share.
3. Allotment of these shares was kept in abeyance to meet contingencies arising out of shares held by notified persons, pending court cases etc., and the allotments were made upon orders passed by courts / with the approval of stock exchanges.
4. Warrants converted into Equity Shares at a price of ₹ 640 per share.
5. Issued at ₹ 573 per share.
6. Warrants converted into Equity Shares at a price of ₹ 573 per share.
7. Equity Shares were allotted on conversion of zero coupon FCCBs. These FCCBs were converted into Equity Shares at a pre-determined price of ₹ 1,006.92 from October 15, 2007 to February 4, 2008 at a pre-determined exchange rate of US$1 = ₹ 45.24. The entire FCCBs were converted into equity shares.
8. Pursuant to the approval of the Board of Directors of the Company, the Company announced buy-back of its shares from March 5, 2008 and bought- back 87,60,000 equity shares up to February 6, 2009.
9. Pursuant to the approval of the shareholders of the Company, the Company announced buy-back of its shares from February 25, 2009 and bought-back 25,00,000 equity shares up to April 16, 2009.
10. Warrants converted into Equity shares at a price of ₹ 928.89 per share. The Company had on July 9, 2009 allotted 4,29,00,000 warrants of ₹ 928.89 (including a premium of ₹ 918.89) each on preferential basis to one of the promoter companies, AAA Project Ventures Private Limited (AAAPVP). The warrants were convertible into equity shares of ₹ 10 each at a premium of ₹ 918.89 per equity share on or before January 8, 2011. Out of 4,29,00,000 warrants, the warrant holder exercised its option to convert 1,96,00,000 warrants and it was allotted 1,96,00,000 equity shares of ₹ 10 each at a price of ₹ 928.89 (including a premium of ₹ 918.89) on March 31, 2010. Further on January 7, 2011, AAAPVP exercised its option to convert 2,25,50,000 warrants and it was allotted 2,25,50,000 equity shares of ₹ 10 each at a premium of ₹ 918.89 per equity share. Consequent upon the said allotment, the paid-up capital of the Company stands increased to 26,74,20,262 fully paid up equity shares of ₹ 10 each. The balance 7,50,000 warrants have been cancelled and the amount of ₹ 17,41,66,875 paid thereon has been forfeited by the Company. As on March 31, 2011, there are no warrants remaining outstanding.

Stock Price and Volume

Monthly high and low quotations as also the volume of shares traded on Bombay Stock Exchange and National Stock Exchange with monthly high and low quotations of GDRs

	Mumbai (BSE)			NSE			GDRs	
2010-2011	**Highest ₹**	**Lowest ₹**	**Volume Nos.**	**Highest ₹**	**Lowest ₹**	**Volume Nos.**	**Highest US $**	**Lowest US$**
April	1,158.80	1,000.65	5,289,964	1,158.40	1,001.00	24,342,312	76.92	67.83
May	1,133.95	951.35	8,844,408	1,134.55	954.00	35,366,726	74.23	62.28
June	1,225.00	1035.20	11,444,518	1,224.00	1034.00	42,658,620	78.86	66.44
July	1,225.00	1101.00	6,463,224	1,219.80	1102.25	29,066,797	77.97	71.67
August	1,147.00	980.00	4,809,563	1,146.75	980.50	20,933,893	74.09	62.87
September	1,125.00	991.00	4,172,936	1,124.00	990.70	19,657,768	73.68	65.21
October	1,134.00	1,029.75	2,673,471	1,135.00	1,025.05	14,948,297	75.60	69.96
November	1,075.00	808.80	3,544,219	1,075.00	807.35	16,666,680	71.91	53.79
December	892.90	751.25	4,713,026	892.00	751.15	19,542,507	57.97	51.55
January	893.75	697.00	8,245,945	895.00	695.65	28,372,260	58.67	46.23
February	715.70	492.85	29,178,659	717.05	492.05	77,946,271	46.32	35.07
March	699.00	586.55	1,62,61,278	704.00	586.2	4,95,04,036	46.41	39.63

Issue Price per GDR US$ 14.40.

Each GDR represents 3 Equity Shares.

1US$ = ₹ 44.595 as on March 31, 2011.

Investor Information

Share Price Performance in comparison with broad based indices – Sensex (BSE) and Nifty (NSE) as on March 31, 2011

Period	RInfra	Sensex	Nifty
FY 2010-11	-31.11	10.94 per cent	11.14 per cent
2 years	33.46	100.29 per cent	93.11 per cent
3 years	-45.03	24.29 per cent	23.22 per cent

Depository services

For guidance on depository services, shareholders may write to the Registrar and Transfer Agent (RTA) of the Company or National Securities Depository Limited, Trade World, 5th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Telephone : +91 22 24994200, Fax: +91 22 24972993/24976351, e-mail : info@nsdl.co.in, website: www.nsdl.co.in or Central Depository Services (India) Limited, Phiroze Jeejeebhoy Towers, 16th Floor, Dalal Street, Mumbai 400 001 Telephone: +91 22 2272 3333 Fax: +91 22 22723199/2072, website: www.cdslindia.com, e-mail: investors@cdslindia.com

Communication to members

The quarterly financial results of the Company are normally announced within 45 days of the end of the respective quarter. The Company's media releases and details of significant developments are also made available on the website. These are published in leading newspapers, in addition to hosting them on the Company's website: www.rinfra.com

Reconciliation of share capital audit

The Securities and Exchange Board of India has directed vide Circular No. D&CC/ FITTC/CIR-16/2002 dated December 31, 2002 that all issuer companies shall submit a certificate of capital integrity, reconciling the total shares held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued and paid-up capital.

The said certificate, duly certified by the Chartered Accountants is submitted to the Stock Exchanges where the securities of the Company are listed within 30 days of the end of each quarter and the Certificate is also placed before the Board of Directors of the Company.

Key Financial Reporting Dates for the year 2011-12

Unaudited results for the first quarter ending June 30, 2011	:	On or before August 14, 2011
Unaudited results for the second quarter/half year ending September 30, 2011	:	On or before November 14, 2011
Unaudited results for the third quarter ending December 31, 2011	:	On or before February 14, 2012
Audited results for the financial year 2011-12	:	On or before May 30, 2012

Investors' correspondence may be addressed to the Registrar of the Company:

Shareholders/Investors are requested to forward documents related to share transfer, dematerialisation requests (through their respective Depository Participant) and other related correspondence directly to Karvy Computershare Private Limited at the below mentioned address for speedy response.

Karvy Computershare Private Limited

Unit: Reliance Infrastructure Limited

Madhura Estate, Municipal No. 1-9/13/C,

Plot No. 13 & 13C, Madhapur Village,

Hyderabad 500 081

Andhra Pradesh, India

Shareholders / Investors can also send the above correspondence to the Compliance Officer of the Company at the following address:

The Company Secretary

Reliance Infrastructure Limited

H Block, 1st Floor, Dhirubhai Ambani Knowledge City,

Mumbai 400 710

Telephone : +91 22 3038 6290

Fax : +91 22 3037 6633

Email : rinfra.investors@relianceada.com

Power Stations

Dahanu Power Plant

BSES Nagar
Rajiv Ghandhi Marg
Dahanu Road 401 602
Thane District
Maharashtra

Samalkot Power Plant

Industrial Devp. Area
Pedapuram
Samalkot 533 440
Andhra Pradesh

Goa Power Plant

Opp. Sancoale
Industrial Estate
Zuarinagar 403 726
Sancoale
Mormugao, Goa

Wind Farm

Near Aimangala
577 558
Chitradurga District
Karnataka

Auditors' Report on Financial Statements

To the Members of Reliance Infrastructure Limited

1. We have audited the attached Balance Sheet of Reliance Infrastructure Limited (the "Company") as at March 31, 2011, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management.Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India.Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.An audit also includes assessing the accounting principles used and significant estimates made by 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 (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
   (a) 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;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
   (d) 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 Act;
   (e) On the basis of written representations received from the directors, as on March 31, 2011 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
   (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
      (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
      (ii) in the case of the Profit and Loss Account, of the profitfor the year ended on that date; and
      (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Haribhakti & Co.	**For Pathak H.D. & Associates**
Chartered Accountants	Chartered Accountants
Firm Reg. No. 103523W	Firm Reg. No. 107783W
Rakesh Rathi	**Vishal D. Shah**
Partner	Partner
Membership No. 45228	Membership No. 119303

Date : May 27, 2011
Place : Mumbai

Annexure referred to in paragraph 3 of the Auditors' Report of even date to the members of Reliance Infrastructure Limited on the financial statements for the year ended March 31, 2011

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) As informed to us, the fixed assets are physically verified by the Management according to a phased program designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. However, we are informed that distribution system being underground is not physically verifiable.

(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.

(ii) (a) The inventory (excluding stocks with third parties) has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.

(b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

Annexure referred to in paragraph 3 of the Auditors' Report of even date to the members of Reliance Infrastructure Limited on the financial statements for the year ended March 31, 2011

(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

(iii) The Company has neither granted nor taken any loan, secured or unsecured, from any company, firm or other party covered in the register maintained under Section 301 of the Act. Accordingly, provisions of clause 4(iii)(b)(c)(d)(f)and (g) of the order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

(v) According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that Section. Accordingly, the question of commenting on transactions made in pursuance of such contracts or arrangements does not arise.

(vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.

(vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.

(viii) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(ix) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable, with the appropriate authorities.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Act, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, excise duty and cess as at March 31, 2011 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ Crore)	Period to which the amount relates	Forum where the dispute is pending
Works Contract Act, 1999	Works Contract Tax	0.05	2004-2005	Deputy Commissioner (Appeal IV) of Sales Tax, New Delhi
Orissa Sales Tax Act, 1947	Sales Tax	3.46 *	2001-2002	Sales Tax Tribunal, Cuttack
Finance Act, 1994	Service Tax	2.71	2004-2006	Customs, Excise and Service Tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Income Tax	1,192.58 (for which the tax authorities are the appellant)	A.Y. 1978-1979, 1996-1997, 1998-1999, 1999-2000, 2001-2002, 2002-2003, 2003-2004, 2004-2005 and 2005-2006	Bombay High Court
Income Tax Act, 1961	Income Tax	2.54	A.Y 1998-1999 and 1999-2000	Income Tax AppellateTribunal, Mumbai
Income Tax Act, 1961	Income Tax	0.02	A.Y 1999-2000	Income Tax AppellateTribunal, Hyderabad

* Includes amount of ₹ 0.55 Crore paid under protest.

Annexure referred to in paragraph 3 of the Auditors' Report of even date to the members of Reliance Infrastructure Limited on the financial statements for the year ended March 31, 2011

(x) The Company has no accumulated losses as at March 31, 2011 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

(xi) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.

(xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the order are not applicable to the Company.

(xiv) In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the order are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Company.

(xvi) In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.

(xvii) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on short-term basis which have been used for long-term investment except for a short term loan of ₹ 75 Crore obtained from a bank for capital expenditure has been used accordingly.

(xviii) The Company has made preferential allotment of shares to a Company covered in the register maintained under Section 301 of the Act during the year. In our opinion and according to the information and explanations given to us, the price at which such shares have been issued is not prejudicial to the interest of the Company.

(xix) The Company has created security or charge in respect of debentures issued and outstanding at the year-end.

(xx) The Company has not raised any money by public issues during the year.

(xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management except in case of theft of electricity reported by the vigilance department of the Company, the amount for which is not ascertainable.

For Haribhakti & Co.	**For Pathak H.D. & Associates**
Chartered Accountants	Chartered Accountants
Firm Reg. No. 103523W	Firm Reg. No. 107783W
Rakesh Rathi	**Vishal D. Shah**
Partner	Partner
Membership No. 45228	Membership No. 119303

Date : May 27, 2011
Place : Mumbai

Balance Sheet as at March 31, 2011

	Schedule	As at March 31, 2011 ₹ Crore	As at March 31, 2011 ₹ Crore	As at March 31, 2010 ₹ Crore	As at March 31, 2010 ₹ Crore
I. Sources of Funds					
(1) Shareholders' Funds					
(a) Share Capital	1	**267.47**		244.92	
(b) Equity Share Warrants (Refer Note 18)		**-**		541.08	
(c) Reserves and Surplus	2	**17,400.04**		14,366.19	
			17,667.51		15,152.19
(2) Loan Funds					
(a) Secured Loans	3	**1,583.92**		1,475.00	
(b) Unsecured Loans	4	**2,385.37**		2,639.90	
			3,969.29		4,114.90
(3) Deferred Tax Liability (net) (Refer Note 9)		**231.81**		157.71	
Less - Tax to be recovered in future tariff determination (Refer Note 11 (c))		**(132.78)**		-	
			99.03		157.71
			21,735.83		19,424.80
II. Application of Funds					
(1) Fixed Assets	5				
(a) Gross Block		**10,513.72**		7,428.27	
(b) Less: Depreciation		**4,307.75**		3,951.13	
(c) Net Block		**6,205.97**		3,477.14	
(d) Capital Work-in-Progress		**649.25**		554.87	
			6,855.22		4,032.01
(2) Investments	6		**12,584.08**		10,019.57
(3) Current Assets, Loans and Advances	7				
(A) Current Assets					
(a) Inventories		**290.34**		269.15	
(b) Sundry Debtors		**4,857.88**		3,345.71	
(c) Cash and Bank Balances		**371.05**		301.82	
(d) Other Current Assets		**1,768.12**		1,421.26	
(B) Loans and Advances		**8,806.63**		6,663.99	
		16,094.02		12,001.93	
Less: Current Liabilities and Provisions	8				
(A) Current Liabilities		**12,511.42**		5,646.72	
(B) Provisions		**1,286.07**		981.99	
		13,797.49		6,628.71	
Net Current Assets			**2,296.53**		5,373.22
			21,735.83		19,424.80
Notes forming part of the Financial Statements	16				

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No.107783W

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Date : May 27, 2011

For and on behalf of the Board

Anil D Ambani	Chairman
S C Gupta	Director (Operations)
Lalit Jalan	Whole-time Director
Gen V P Malik	Directors
S L Rao	
Dr Leena Srivastava	
R R Rai	
Ramesh Shenoy	Company Secretary

Place : Mumbai
Date : May 27, 2011

Profit and Loss Account for the year ended March 31, 2011

	Schedule	Year ended March 31, 2011 ₹ Crore	Year ended March 31, 2011 ₹ Crore	Year ended March 31, 2010 ₹ Crore	Year ended March 31, 2010 ₹ Crore
Income					
Revenue from Sale of Electrical Energy (Refer Note 11(a))			**5,828.36**		6,392.59
Less : Discount for prompt payment of bills			**22.15**		24.83
			5,806.21		6,367.76
Revenue from EPC and Contracts Business	9		**3,608.58**		3,521.92
Other Income	10		**851.65**		1,018.38
			10,266.44		10,908.06
Expenditure					
Cost of Electrical Energy purchased (net)			**2,724.31**		3,321.94
Cost of Fuel			**1,301.14**		1,219.83
Tax on Sale of Electricity			**134.35**		154.13
Generation, Distribution, Administration and Other Expenses	11		**1,210.00**		1,040.68
Expenditure of EPC and Contracts Business	12		**3,205.73**		3,262.49
Interest and Finance Charges	13		**242.45**		292.21
Depreciation / Amortisation		**376.28**		381.76	
Less: Transferred from Revaluation Reserve (Refer Note 15)		**53.96**		53.90	
Less: Transferred from Service Line Contribution		**8.91**		8.02	
			313.41		319.84
			9,131.39		9,611.12
Profit before Taxation			**1,135.05**		1,296.94
Provision for Taxation:					
Current Tax			**227.00**		279.38
Wealth Tax			**0.15**		0.15
Deferred Tax (net) (Refer Note 9)		**74.10**		(36.24)	
Less - Net Tax to be recovered in future tariff determination (Refer Note 11(c))		**(132.78)**		-	
			(58.68)		(36.24)
Tax adjustments for earlier years (net)			**(114.33)**		(98.04)
Profit after Tax			**1,080.91**		1,151.69
Balance of Profit brought over from previous year			**598.46**		683.20
			1,679.37		1,834.89
Less : Statutory Reserves and other Appropriations	14		**19.06**		16.96
Amount available for distribution and Appropriations			**1,660.31**		1,817.93
Appropriations					
Proposed Final / Interim Dividend on Equity Shares			**191.25**		173.86
Corporate Tax on dividends (net)			**31.03**		9.78
Transfer to Debenture Redemption Reserve			**37.89**		35.83
Transfer to General Reserve			**1,000.00**		1,000.00
Balance carried to Balance Sheet			**400.14**		598.46
			1,660.31		1,817.93
Earnings per Equity Share (Face Value of ₹10 per share)	15		**Rupees**		Rupees
Basic			**43.23**		51.11
Diluted			**40.51**		50.32
Notes forming part of the Financial Statements	16				

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No.107783W

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Date : May 27, 2011

For and on behalf of the Board

Anil D Ambani	Chairman
S C Gupta	Director (Operations)
Lalit Jalan	Whole-time Director
Gen V P Malik	Directors
S L Rao	Directors
Dr Leena Srivastava	Directors
R R Rai	Directors
Ramesh Shenoy	Company Secretary

Place : Mumbai
Date : May 27, 2011

Cash Flow Statement for the year ended March 31, 2011

	Year ended March 31, 2011		Year ended March 31, 2010	
	₹ Crore	**₹ Crore**	₹ Crore	₹ Crore
A. Cash Flow from Operating Activities :				
Profit before Taxation		**1,135.05**		1,296.94
Adjustments for :				
Depreciation (Net of transfer from Reserves)	**313.41**		319.84	
Interest and finance charges	**242.45**		292.21	
(Profit) / Loss on sale / disposal of fixed assets (Net)	**2.67**		(2.70)	
Provision for / (write back of) diminution in value of investments	**0.49**		0.41	
Provision for doubtful debts, advances, deposits	**46.72**		49.13	
Provision for leave encashment	**13.32**		(9.91)	
Interest income	**(396.24)**		(268.29)	
Dividend Income	**(105.86)**		(165.40)	
Premium on Redeemable Preference Shares	**(44.80)**		(195.52)	
Unrealised (Gain) / Loss on exchange fluctuation (net)	**(2.81)**		(9.93)	
Unrealised (Gain) / Loss on derivative Instruments (net)	**39.32**		(81.08)	
(Profit) / Loss on sale / redemption of investments (net)	**(57.42)**		(135.08)	
		51.25		(206.32)
Operating Profit before Working Capital Changes		**1,186.30**		1,090.62
Adjustments for :				
Trade and other receivables	**(5,185.52)**		(1,922.45)	
Inventories	**(21.19)**		171.53	
Trade payables	**5,465.81**	**259.10**	1,170.96	(579.96)
		1,445.40		510.66
Income Taxes paid (net of refund)		**160.61**		99.78
Net Cash generated from Operating Activities		**1,606.01**		610.44
B. Cash Flow from Investing Activities :				
Purchase/acquisition of fixed assets	**(1,748.80)**		(559.93)	
Sale of fixed assets	**3.64**		6.05	
Investments in Subsidiaries / Associates / Joint Ventures	**(2,525.39)**		(280.55)	
Purchase of Investments	**(35,681.72)**		(30,084.53)	
Advance against Investments in Subsidiaries / Associates	**(338.85)**		(208.66)	
Sale / redemption of investments	**36,244.75**		32,301.63	
Inter Corporate Deposits	**977.31**		(1,145.32)	
Dividend Income	**105.86**		165.40	
Premium on Redeemable Preference Shares	**115.50**		36.19	
Interest Income	**396.01**		282.07	
Net Cash generated from / (used in) Investing Activities		**(2,451.69)**		512.35
C. Cash Flow from Financing Activities :				
Proceeds from issue of Shares / Share warrants	**1,570.99**		2,361.70	
Buy back of Equity Shares (including buy back expenses)	**-**		(43.15)	
Proceeds from borrowings [secured]	**108.92**		-	
Repayment of secured loans (net of proceeds)	**-**		(373.33)	
Proceeds from unsecured borrowings (net of repayments)	**(238.97)**		(2,531.92)	
Realised Gain / (Loss) on derivative instruments (net)	**(98.85)**		22.82	
Interest and finance charges	**(242.72)**		(323.10)	
Dividends paid on equity shares including tax	**(184.47)**		(185.00)	
Net Cash generated from / (used in) Financing Activities		**914.90**		(1,071.98)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)		**69.22**		50.81
Cash and cash equivalents as at the commencement of the year (Opening Balance)		**301.82**		251.01
Cash and cash equivalents of Reliance Infraprojects Limited transferred on amalgamation (Refer Note 22)		**0.01**		-
Cash and cash equivalents as at the end of the year (Closing Balance) *		**371.05**		301.82
Net Increase / (Decrease) as disclosed above		**69.22**		50.81

* Including Cash Collateral of ₹ 107.93 Crore (₹ 80.82 Crore) as at March 31, 2011.

Previous year figures have been regrouped / reclassified / rearranged wherever necessary to make them comparable to those for the current year.

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No.107783W

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Date : May 27, 2011

For and on behalf of the Board

Anil D Ambani Chairman
S C Gupta Director (Operations)
Lalit Jalan Whole-time Director
Gen V P Malik
S L Rao
Dr Leena Srivastava
R R Rai
} Directors
Ramesh Shenoy Company Secretary

Place : Mumbai
Date : May 27, 2011

Schedules Annexed to and forming part of the Financial Statements

			As at March 31, 2011 ₹ Crore	As at March 31, 2010 ₹ Crore
Schedule 1 - Share Capital				
(a) Authorised -				
	35,00,00,000	(35,00,00,000) Equity Shares of ₹ 10 each	**350.00**	350.00
	80,00,000	(80,00,000)Equity Shares of ₹ 10 each with differential rights	**8.00**	8.00
	155,00,00,000	(155,00,00,000) Redeemable Preference Shares of ₹ 10 each	**1,550.00**	1,550.00
	4,20,00,000	(4,20,00,000) Unclassified Shares of ₹ 10each	**42.00**	42.00
			1,950.00	1,950.00
(b) Issued -				
	24,72,72,327	(22,84,25,832) Equity Shares of ₹ 10 each	**247.28**	228.43
Add :	2,25,50,000	(1,96,00,000) Equity Shares on conversion of warrants (Refer Note 18)	**22.55**	19.60
Less :	NIL	(7,53,505) Shares bought back	**-**	0.75
			269.83	247.28
(c) Subscribed and Paid-up -				
	24,48,70,262	(22,60,23,767) Equity Shares of ₹ 10 each fully paid up	**244.88**	226.03
Add :	2,25,50,000	(1,96,00,000) Equity Shares on conversion of warrants (Refer Note 18)	**22.55**	19.60
Add :		Forfeited Shares- Amounts originally paid up	**0.04**	0.04
			267.47	245.67
Less :	NIL	(7,53,505) Shares bought back	**-**	0.75
			267.47	244.92

Of the above Equity Shares -

(i)	1,38,400	Shares were allotted as fully paid up pursuant to a contract without payment being received in cash
(ii)	80,96,070	Shares were allotted as fully paid up Bonus Shares by capitalisation of ₹ 0.02 Crore from Securities Premium Account and ₹ 8.08 Crore from General Reserve
(iii)	8,36,790	Shares were allotted on conversion of 7% `B' Class Convertible Debentures
(iv)	56,100	Shares were allotted on conversion of 8.5% `F' Class Convertible Debentures
(v)	4,59,92,760	Shares were allotted on conversion of 12.5% Fully Convertible Debentures
(vi)	5,39,87,736	Shares were allotted on conversion of 15% Fully Convertible Debentures
(vii)	2,60,41,650	Shares were issued by way of Global Depository Receipts (GDR) through an international offering in U.S.Dollars. [Out of which outstanding GDRs as at March 31, 2011 - 3,29,323 (3,23,359)]
(viii)	3,16,81,580	Shares were issued by way of GDRs on conversion of Foreign Currency Convertible Bonds(FCCB)
(ix)	10,84,36,850	(8,58,86,850) Shares were issued on Preferential allotment of equity / warrants.
(x)	8,10,057	Shares were issued on Merger with Reliance Energy Ventures Limited
(xi)	1,12,60,000	Shares were bought back

Schedules Annexed to and forming part of the Financial Statements

	As at March 31, 2011 ₹ Crore	As at March 31, 2011 ₹ Crore	As at March 31, 2010 ₹ Crore	As at March 31, 2010 ₹ Crore
Schedule 2 - Reserves and Surplus				
(a) Capital Reserves -				
1. Capital Reserve:				
Balance as per last Balance Sheet	**783.49**		-	
Add : Transfer on Forfeiture of Equity Share Warrants (Refer Note 18)	**17.42**		783.49	
		800.91		783.49
2. Service Line Contributions:				
Balance as per last Balance Sheet	**118.83**		106.78	
Add : Contributions / Refunds (net) during the year	**21.35**		20.07	
Less: Transfer to Profit and Loss Account	**8.91**		8.02	
		131.27		118.83
3. Sale proceeds of Fractional Equity Shares Certificates and Dividends thereon @ [₹ 37,953 (₹ 37,953)]		**@**		@
(b) Capital Redemption Reserve -				
Balance as per last Balance Sheet	**125.59**		124.84	
Add : Transferred from General Reserve	**-**		0.75	
		125.59		125.59
(c) Securities Premium Account -				
Balance as per last Balance Sheet	**6,983.44**		5,224.82	
Add: Premium received on Issue of Shares (Refer Note 18)	**2,072.10**		1,801.02	
Less: Premium on Equity Shares bought back	**-**		42.40	
		9,055.54		6,983.44
(d) Revaluation Reserve -				
On Revaluation of Fixed Assets (Refer Note 15)	**535.84**		589.74	
Less: Transfer to Profit and Loss Account (Refer Note 15)	**53.96**		53.90	
		481.88		535.84
(e) Statutory Reserves -				
1. Contingencies Reserve:				
Balance as per last Balance Sheet	**131.69**		114.73	
Add: Transfer from Profit and Loss Account	**19.06**		16.96	
		150.75		131.69
2. Development Reserve Account No.1 (Represents Development Rebate Reserve admissible under the Income-tax Act)		**1.69**		1.69
3. Development Reserve Account No.2 (Represents Investment Allowance Reserve admissible under the Income-tax Act)		**18.97**		18.97
4. Debt Redemption Reserve		**2.30**		2.30
Carried Forward		**10,768.90**		8,701.84

Schedules Annexed to and forming part of the Financial Statements

		As at March 31, 2011		As at March 31, 2010	
		₹ Crore	₹ Crore	₹ Crore	₹ Crore
Schedule 2 - Reserves and Surplus (Continued)					
	Brought Forward		**10,768.90**		8,701.84
(f)	**Other Reserves -**				
	Debenture Redemption Reserve				
	Balance as per last Balance Sheet	**118.49**		169.51	
	Add:Transfer from Profit and Loss Account	**37.89**		35.83	
	Less:Transfer to General Reserve	**-**		86.85	
			156.38		118.49
	Rural Electrification Scheme Reserve		**0.11**		0.11
	Reserve to augment production facilities		**0.04**		0.04
	Reserve for Power Project		**100.00**		100.00
	Development Reserve Account No. 3		**140.88**		140.88
	Conversion Reserves		**563.45**		563.45
(g)	**General Reserve -**				
	Balance as per last Balance Sheet	**4,142.92**		3,056.82	
	Add:Transfer from Debenture Redemption Reserve	**-**		86.85	
	Add:Balance of Profit transferred on Amalgamation (Refer Note 22)	**127.22**		-	
	Add:Transfer from Profit and Loss Account	**1,000.00**		1,000.00	
		5,270.14		4,143.67	
	Less:Transfer to Capital Redemption Reserve	**-**		0.75	
			5,270.14		4,142.92
(h)	**Profit and Loss Account**		**400.14**		598.46
			17,400.04		14,366.19

Schedule 3 - Secured Loans

	2011 ₹ Crore	2010 ₹ Crore
Debentures		
6.35%- 25,000 (25,000) Non Convertible Debentures of the face value of ₹ 1 Lakh each (Redeemable at par on July 28, 2013) (Refer Note (a) below)	**250.00**	250.00
6.70%- 12,500 (12,500) Non Convertible Debentures of the face value of ₹ 1 Lakh each (Redeemable at par on August 19, 2018) (Refer Note (a) below)	**125.00**	125.00
5.95%- 10,000 (10,000) Non Convertible Debentures of the face value of ₹ 1 Lakh each (Redeemable at par on July 28, 2013) (Refer Note (a) below)	**100.00**	100.00
5.60%- 15,000 (15,000) Non Convertible Debentures of the face value of ₹ 1 Lakh each (Redeemable at par on July 28, 2013) (Refer Note (a) below)	**150.00**	150.00
11.55%- 8,500 (8,500) Non Convertible Debentures of the face value of ₹ 10 Lakh each (Redeemable in 3 equal instalments on February 24, 2017, February 24, 2018 and February 24, 2019) (Refer Note (a) below)	**850.00**	850.00
Loan from Banks		
Working Capital Loans	**97.33**	-
Buyers' Credit - In Foreign Currency	**11.59**	-
(Refer Note (b) below)	**1,583.92**	1,475.00

Security:

(a) Non Convertible Debentures are secured by way of a first charge, ranking pari passu with the charges created in favour of the Company's existing and proposed Lenders on Company's fixed assets, both present and future, located at its plants at Dahanu, Samalkot & Goa and specific premises at Hyderabad and Mumbai.

(b) Working capital loans are secured by way of first charge on hypothecated stock, book debts and other current assets of the Company and Buyers' Credit is secured by way of pari-passu charge over stock and book-debts.

Schedule 4 - Unsecured Loans

		2011 ₹ Crore	2010 ₹ Crore
(a)	Short Term Loans- From Banks *	**75.00**	350.00
(b)	External Commercial Borrowings - In Foreign Currency *	**2,274.34**	2,289.90
(c)	Buyers' Credit- In Foreign Currency *	**36.03**	-
		2,385.37	2,639.90

* Repayable within next 12 months ₹ 1,716.45 Crore (₹ 350 Crore)

Schedule 5 – Fixed Assets

₹ Crore

Particulars	Gross Block (At Cost)				Depreciation / Amortisation				Net Block	
	As at April 1, 2010	Additions during the year *	Deductions/ Adjustments during the year	**As at March 31, 2011**	Upto April 1, 2010	For the year	Deductions/ Adjustments during the year	**Upto March 31, 2011**	**As at March 31, 2011**	As at March 31, 2010
(A) Intangible Assets @										
Softwares	33.40	5.39	-	**38.79**	24.87	5.90	-	**30.77**	**8.02**	8.53
Toll Collection Rights	-	2,410.00	-	**2,410.00**	-	0.86	-	**0.86**	**2,409.14**	-
(B) Tangible Assets										
Freehold Land	53.36	0.28	-	**53.64**	-	-	-	**-**	**53.64**	53.36
Leasehold Land	18.70	-	-	**18.70**	4.88	0.40	-	**5.28**	**13.42**	13.82
Buildings and Roads	408.14	67.55	0.31	**475.38**	101.22	11.13	0.01	**112.34**	**363.04**	306.92
Railway Siding	51.64	-	0.01	**51.63**	42.95	2.00	0.01	**44.94**	**6.69**	8.69
Plant and Machinery	5,073.21	388.40	20.80	**5,440.81**	3,096.95	258.38	16.42	**3,338.91**	**2,101.90**	1,976.26
Distribution Systems	1,601.24	215.96	1.17	**1,816.03**	575.95	83.48	0.97	**658.46**	**1,157.57**	1,025.29
Furniture, Fixtures, Computers and Office Equipments	114.07	15.66	1.00	**128.73**	69.66	9.03	0.81	**77.88**	**50.85**	44.41
Vehicles	36.98	4.81	2.43	**39.36**	18.01	3.32	1.22	**20.11**	**19.25**	18.97
Electrical Fittings and Apparatus	30.74	2.51	0.19	**33.06**	13.77	1.43	0.19	**15.01**	**18.05**	16.97
Refrigerators and Domestic Appliances	6.79	0.86	0.06	**7.59**	2.87	0.35	0.03	**3.19**	**4.40**	3.92
Total (A + B)	7,428.27	3,111.42	25.97	**10,513.72**	3,951.13	376.28	19.66	**4,307.75**	**6,205.97**	3,477.14
Previous Year	6,922.69	522.08	16.50	7,428.27	3,582.52	381.76	13.15	3,951.13		
(C) Capital Work in Progress (including Capital advances ₹ 11.57 Crore (₹ 16.71 Crore)**)**									**649.25**	554.87
TOTAL (A) + (B) + (C)									**6,855.22**	4,032.01

* Includes ₹ 2.10 Crore (₹ Nil) borrowing cost capitalised.

@ Other than internally generated.

Schedules Annexed to and forming part of the Financial Statements

Schedule 6 - Investments (Non-trade)	No of Units	Face Value per unit ₹	As at March 31, 2011 ₹ Crore	As at March 31, 2011 ₹ Crore	As at March 31, 2010 ₹ Crore	As at March 31, 2010 ₹ Crore
(A) Long Term Investments						
(a) Contingencies Reserve Investments - Quoted						
6.85% India Infrastructure Finance Company Limited -Tax Free Bonds, 2014 [Market Value ₹ 90.97 Crore (₹ 91.01 Crore)]	8,586	100,000	**85.86**		85.86	
11.50% Central Government of India, 2011A*	532,000	100	**5.42**		5.57	
7.46% Central Government of India, 2017*	500,000	100	**5.30**		5.35	
7.40% Central Government of India, 2012*	1,694,600	100	**17.26**		17.55	
*(Aggregate Market Value ₹ 27.26 crore (₹ 28.14 crore)				**113.84**		114.33
(b) Others in Equity Shares (Fully Paid-up, unless otherwise stated)						
i) Subsidiary Companies - Unquoted						
Reliance Infraprojects Limited [Refer Note 22]	- (502,100,000)	10	**-**		502.10	
Reliance Power Transmission Limited	3,815,480	10	**376.60**		0.05	
[3,765,480 equity shares allotted during the year]	(50,000)					
Reliance Infraventures Limited	508,756,000	10	**568.57**		502.11	
[6,646,000 equity shares allotted during the year]	(502,110,000)					
BSES Kerala Power Limited	127,760,000	10	**147.81**		147.81	
Noida Global SEZ Private Limited	4,866,100	10	**48.62**		0.01	
[4,861,000 equity shares allotted during the year]	(5,100)					
Mumbai Metro One Private Limited	353,280,000	10	**280.14**		172.51	
[146,273,100 equity shares allotted during the year ₹ 5 paid-up] (138,000,000 equity shares ₹ 7.50 paid-up)	(207,006,900)					
Reliance Energy Trading Limited	20,650,000	10	**30.55**		30.55	
Parbati Koldam Transmission Company Limited	61,146,200	10	**61.15**		9.66	
[51,489,200 equity shares allotted during the year]	(9,657,000)					
Delhi Airport Metro Express Private Limited	9,500	10	**0.01**		0.01	
DS Toll Road Limited	5,210,000	10	**5.21**		5.21	
NK Toll Road Limited	4,477,000	10	**4.48**		4.48	
TK Toll Road Private Limited	12,633,550	10	**134.26**		11.41	
[1,228,550 equity shares allotted during the year]	(11,405,000)					
TD Toll Road Private Limited	10,744,920	10	**107.46**		9.77	
[976,920 equity shares allotted during the year]	(9,768,000)					
SU Toll Road Private Limited	18,169,860	10	**188.04**		16.45	
[1,715,860 equity shares allotted during the year]	(16,454,000)					
GF Toll Road Private Limited	1,696,200	10	**168.63**		0.01	
[1,686,200 equity shares allotted during the year]	(10,000)					
CBD Tower Private Limited	168,459,250	10	**168.46**		163.70	
[4,763,096 equity shares allotted during the year]	(163,696,154)					
Tulip Realtech Private Limited	10,000	10	**0.01**		0.01	
Reliance Property Developers Limited	50,000	10	**0.05**		0.05	
Reliance Energy Limited	500,000	10	**0.50**		0.50	
Reliance Energy Generation Limited	50,000	10	**0.05**		0.05	
Reliance Cementation Private Limited	38,624,000	10	**218.92**		53.78	
[16,514,000 equity shares allotted during the year]	(22,110,000)					
KM Toll Road Private Limited	500,000	10	**4.91**		0.01	
[490,000 equity shares allotted during the year]	(10,000)					
PS Toll Road Private Limited	7,936	10	**0.01**		0.01	
[536 equity shares allotted during the year]	(7,400)					
DA Toll Road Private Limited *	8,000,000	10	**79.91**		-	
HK Toll Road Private Limited *	200,000	10	**1.91**		-	
Utility Infrastructure & Works Private Limited *	100,000	10	**0.91**		-	
Carried forward			**2,597.17**		1,630.25	
Carried forward				**113.84**		114.33

Schedules Annexed to and forming part of the Financial Statements

Schedule 6 - Investments (Non-trade)	No of Units	Face Value per unit ₹	As at March 31, 2011 ₹ Crore	As at March 31, 2011 ₹ Crore	As at March 31, 2010 ₹ Crore	As at March 31, 2010 ₹ Crore
Brought forward				**113.84**		114.33
Brought forward			**2,597.17**		1,630.25	
Reliance Infrastructure Engineers Private Limited * #	44,350,000	10	**44.35**		10.01	
[34,345,000 equity shares allotted during the year]	(10,005,000)					
Baramati Airport Private Limited **	85,600	10	**0.83**		@	
[83,000 equity shares allotted during the year] (@ Cost ₹ 26,000)	(2,600)					
Latur Airport Private Limited **	169,090	10	**1.67**		@	
[166,490 equity shares allotted during the year] (@ Cost ₹ 26,000)	(2,600)					
Nanded Airport Private Limited **	492,020	10	**4.90**		@	
[489,420 equity shares allotted during the year] (@ Cost ₹ 26,000)	(2,600)					
Osmanabad Airport Private Limited **	20,100	10	**0.18**		@	
[17,500 equity shares allotted during the year] (@ Cost ₹ 26,000)	(2,600)					
Yavatmal Airport Private Limited **	48,100	10	**0.46**		@	
[45,500 equity shares allotted during the year] (@ Cost ₹ 26,000)	(2,600)					
				2,649.56		1,640.26
* Subsidiary relationship during the year # Associate relationship during previous year ** The Balance equity stake is held by another subsidiary Reliance Airport Developers Private Limited						
ii) Associate Companies						
Quoted						
Reliance Power Limited	1,077,500,000	10	**1,720.00**		1720.00	
[Market Value ₹ 14,050.60 Crore (₹16,103.24 Crore)]						
Unquoted						
Reliance Infrastructure and Consultants Limited	10,291,700	10	**10.29**		10.29	
Urthing Sobla Hydro Power Private Limited	2,000	10	**@**		@	
@ Cost ₹ 20,000						
JR Toll Road Private Limited	5,138	10	**0.01**		@	
[338 equity shares allotted during the year] (@ Cost ₹ 48,000)	(4,800)					
Mumbai Metro Transport Private Limited	24,000	10	**0.02**		0.02	
Metro One Operation Private Limited	3,000	10	**@**		@	
@ Cost ₹ 30,000						
Reliance Sea Link One Private Limited #	4,556	10	**@**		-	
@ Cost ₹ 45,560						
# 5,444 equity shares are held by another subsidiary Reliance Infraventures Limited				**1,730.32**		1,730.31
iii) Joint Ventures - Unquoted						
BSES Rajdhani Power Limited	225,400,000	10	**225.40**		225.40	
BSES Yamuna Power Limited	56,840,000	10	**56.84**		56.84	
Tamil Nadu Industries Captive	23,000,000	10	**-**		-	
Power Company Limited [₹ 5.35 paid up]						
Utility Powertech Limited	792,000	10	**0.40**		0.40	
				282.64		282.64
iv) Other Companies - Unquoted						
Western Electricity Supply	100	10	**@**		@	
Company of Orissa Limited (WESCO) @ Cost ₹ 1,000						
North Eastern Electricity Supply	100	10	**@**		@	
Company of Orissa Limited (NESCO) @ Cost ₹ 1,000						
Carried forward			**@**		@	
Carried forward				**4,776.36**		3,767.54

Schedules Annexed to and forming part of the Financial Statements

Schedule 6 - Investments (Non-trade)	No of Units	Face Value per unit ₹	As at March 31, 2011 ₹ Crore	₹ Crore	As at March 31, 2010 ₹ Crore	₹ Crore
Brought forward				**4,776.36**		3,767.54
Brought forward			**@**		@	
Southern Electricity Supply Company of Orissa Limited (SOUTHCO)@ Cost ₹ 1,000	100	10	**@**		@	
Sonata Investments Limited	409,795	10	**0.41**		0.41	
Tech Reliance Private Limited @ Cost ₹ 10,000	1,000	10	**@**		@	
Indian Energy Exchange Limited	1,250,000	10	**1.25**		1.25	
Reliance Infra Projects International Limited *(USD 1)	10,000	*	**0.04**		0.04	
Rampia Coal Mine and Energy Private Limited [8,695,720 equity shares allotted during the year]	19,130,584 (10,434,864)	1	**1.91**		1.04	
Larimar Holdings Limited *(USD 1), @ Cost ₹ 4,909	111	*	**@**		@	
				3.61		2.74
(c) Preference Shares (Fully paid-up, Unquoted)						
(i) 8% Cumulative Non-Convertible Redeemable Preference Shares						
Reliance Infra Projects International Limited * (USD 1)	360,000	*		**1,605.43**		2,330.68
[159,080 Preference Shares redeemed during the year]	(519,080)					
(ii) 10% Cumulative Non-Convertible Redeemable Preference Shares						
Sonata Investments Limited	5,600,000	1		**560.00**	-	-
(iii) 0% Convertible Preference Shares						
Larimar Holdings Limited * (USD 1)	- (20,045,000)	*		**-**		88.64
(d) Sub-ordinate Debts						
DS Toll Road Limited			**46.80**		46.80	
NK Toll Road Limited			**40.29**		40.29	
TK Toll Road Private Limited			**-**		120.83	
TD Toll Road Private Limited			**-**		96.71	
SU Toll Road Private Limited			**-**		166.99	
DA Toll Road Private Limited			**664.33**		-	
HK Toll Road Private Limited			**261.60**		-	
KM Toll Road Private Limited			**284.60**		-	
Mumbai Metro Transport Private Limited			**46.00**		-	
Delhi Airport Metro Express Private Limited			**611.95**		-	
				1,955.57		471.62
(B) Current Investments (Fully paid up, unless otherwise stated)						
(a) In Mutual Fund Units - Quoted						
Reliance Fixed Horizon Fund XII - Series 3 - Super Institutional - Growth Plan #	- (125,000,000)	10	**-**		125.00	
Reliance Fixed Horizon Fund XII - Series 4 - Super Institutional - Growth Plan #	- (500,000,000)	10	**-**		500.00	
Reliance Fixed Horizon Fund XII - Series 5 - Super Institutional - Growth Plan #	- (25,000,000)	10	**-**		25.00	
Reliance Money Manager Fund - Institutional - Growth	106,863 (2,331,321)	1,000	**14.27**		292.57	
Reliance Liquid Fund - Cash Plan - Growth	1,400,622,833	10	**2,225.25**		-	
LIC Nomura Mutual Fund - Income Plus Fund - Growth # (Erstwhile LIC Mutual Fund - Income Plus Fund - Growth)	- (16,177,626)	10	**-**		20.00	
Carried forward			**2,239.52**		962.57	
Carried forward				**8,900.97**		6,661.22

Schedules Annexed to and forming part of the Financial Statements

Schedule 6 – Investments (Non-trade)	No of Units	Face Value per unit ₹	As at March 31, 2011 ₹ Crore	As at March 31, 2011 ₹ Crore	As at March 31, 2010 ₹ Crore	As at March 31, 2010 ₹ Crore
Brought forward				**8,900.97**		6,661.22
Brought forward			**2,239.52**		962.50	
Birla Sun Life Savings Fund – Institutional Plan – Growth #	– (5,721,527)	10	**-**		10.00	
Birla Sun Life Dynamic Bond Fund - Retail - Growth	6,393,648 –	10	**10.45**		-	
ICICI Prudential Flexible Income Plan - Premium – Growth #	– (583,999)	100	**-**		10.00	
ICICI Prudential Institutional Short Term Plan - Growth	5,109,208	10	**10.39**		-	
HDFC Cash Management Fund-Treasury Advantage Plan-Wholesale – Growth #	– (4,954,377)	10	**-**		10.00	
HDFC High Interest Fund - Short Term Plan - Growth	5,372,110	10	**10.38**		-	
Reliance Short Term Fund - Retail Plan - Growth	565,822,428	10	**1,036.71**		-	
Reliance Monthly Interval Fund-Series II - Institutional - Growth Plan	75,706,921	10	**100.00**		-	
Reliance Fixed Horizon Fund - XV Series 7 - Growth Plan	50,000,000	10	**50.00**		-	
Reliance Fixed Horizon Fund - XVI Series 5 - Growth Plan	50,000,000	10	**50.00**		-	
Reliance Fixed Horizon Fund - XVIII - Series 3 - Growth Plan	35,000,000	10	**35.00**		-	
Reliance Interval Fund - Quarterly Plan - Series I - Institutional - Dividend Plan	24,972,780	10	**25.00**		-	
Reliance Quarterly Interval Fund - Series III - Institutional - Growth Plan	75,766,478	10	**100.00**		-	
Blackrock US Dollar Liquidity First Fund - Institutional Distributing Share Class * (USD 1)	341,467 (340,807)	*	**1.52**		1.53	
				3,668.97		994.10
[Market Value ₹ 3,677.19 Crore (₹ 1,045.13 Crore)]						
# Matured / Redeemed during the year						
(b) In Bonds - Quoted						
6.85% India Infrastructure Finance Company Limited -Tax Free Bonds, 2014	1,414	100,000		**14.14**		14.14
[Market Value ₹14.98 Crore (₹ 14.98 Crore)]						
(c) In Certificates of Deposits - Banks - Unquoted				**-**		1,940.64
(d) In Commercial Papers - Unquoted						
Export Import Bank of India			**-**		114.84	
National Bank for Agriculture and Rural Development			**-**		294.63	
				-		409.47
				12,584.08		10,019.57
Less : Diminution in the value of Long Term Investments				**@**		@
@ ₹ 3,000						
				12,584.08		10,019.57

	March 31, 2011 Market Value	March 31, 2011 Book Value	March 31, 2010 Market Value	March 31, 2010 Book Value
Aggregate value of Quoted Investments	**17,861.00**	**5,516.95**	17,282.50	2,842.57
Aggregate value of Unquoted Investments		**7,067.13**		7,177.00
		12,584.08		10,019.57

Schedules Annexed to and forming part of the Financial Statements

	As at March 31, 2011 ₹ Crore	As at March 31, 2011 ₹ Crore	As at March 31, 2010 ₹ Crore	As at March 31, 2010 ₹ Crore
Schedule 7 - Current Assets, Loans and Advances				
(A) Current Assets				
(a) Inventories (as certified by management)				
Coal and Fuel	**155.95**		164.97	
Stores, Spares and Loose Tools	**134.39**		104.18	
		290.34		269.15
(b) Sundry Debtors (Unsecured unless otherwise stated) #				
(i) Debts outstanding for a period exceeding six months*				
- Considered good	**984.93**		897.65	
- Considered doubtful	**183.78**		140.47	
	1,168.71		1,038.12	
Less : Provision for Doubtful Debts	**183.78**		140.47	
	984.93		897.65	
(ii) Other Debts *				
Considered good	**1,808.20**		845.28	
(iii) Tariff Adjustment Account (Refer Note 11(a))	**2,064.75**		1,602.78	
* (Includes ₹ 282.02 Crore (₹ 144.79 Crore) due from subsidiaries)		**4,857.88**		3,345.71
# (Company holds security deposits of ₹ 276.06 Crore (₹ 293.04 Crore) in respect of electricity debtors)				
(c) Cash and Bank Balances-				
Cash balance on hand	**3.80**		2.12	
Bank Balances-				
(i) with Scheduled Banks-				
- Current Accounts	**151.72**		199.28	
- Deposit Accounts	**105.00**		6.00	
	256.72		205.28	
(ii) with Other Banks- (Refer Note 23)	**109.19**		82.62	
	365.91		287.90	
Cheques in hand	**1.34**		11.80	
		371.05		301.82
(d) Other Current Assets				
Interest accrued on Investments	**13.33**		13.10	
Premium receivable on redemption of Preference Shares	**369.41**		374.73	
Due from Customers for Contract work	**297.46**		254.40	
Retentions on contract*	**1,087.92**		779.03	
* (Includes ₹ 105.32 Crore (₹ 7.45 Crore) due from subsidiaries)		**1,768.12**		1,421.26
(B) Loans and Advances				
(Unsecured, considered good, unless otherwise stated)				
(a) Advances recoverable in cash or in kind or for value to be received				
Considered good (including ₹ 498.83 Crore (₹ 1,044.91 Crore) due from Subsidiaries) (Refer Note 24)	**6,881.82**		3,752.10	
Considered doubtful	**4.58**		5.44	
	6,886.40		3,757.54	
(b) Loans to Employees (₹ 24.64 Crore (₹ 21.98 Crore) - Secured)	**24.66**		22.03	
(c) Deposits -				
(i) Inter-Corporate Deposits (including ₹ 997.41 Crore (₹ 9.36 Crore) due from Subsidiaries) (Considered good) (Refer Note 24)	**1,792.12**		2,764.71	
(ii) Other Deposits				
- Considered good	**108.03**		125.15	
- Considered doubtful	**0.10**		0.10	
	108.13		125.25	
	8,811.31		6,669.53	
Less : Provision for doubtful advances / deposits	**4.68**		5.54	
		8,806.63		6,663.99
		16,094.02		12,001.93

Schedules Annexed to and forming part of the Financial Statements

	As at March 31, 2011		As at March 31, 2010	
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
Schedule 8 - Current Liabilities and Provisions				
(A) Current Liabilities				
Sundry Creditors(Refer Note No.16)		**4,369.52**		1,922.91
(Includes ₹ 1,487.56 Crore (₹ 10.24 Crore) due to Subsidiaries)				
Security Deposits from Consumers				
(a) Energy bills	**297.18**		314.00	
(b) Recoverable jobs	**41.54**		42.82	
		338.72		356.82
Deposits and Advances from Consumers				
(a) Contracts (Includes ₹ 34.28 Crore (₹ 136.94 Crore) due to Subsidiaries)	**6,428.68**		2,580.74	
(b) Energy bills	**57.33**		22.07	
		6,486.01		2,602.81
Investor Education and Protection Fund, Amount not due:				
Unclaimed Dividend		**7.77**		4.42
Due to Customers for Contract work		**805.36**		305.33
Other Liabilities (including provision for gratuity ₹ Nil (₹ 9.15 Crore) Refer Note 13)		**456.78**		406.90
Interest accrued but not due on loans / debentures		**47.26**		47.53
		12,511.42		5,646.72
(B) Provisions				
Provision for Taxation (net of Advance Tax Paid ₹ 358.21 Crore (₹ 508.70 Crore))	**428.30**		156.50	
Interim Dividend	**-**		173.86	
Proposed final dividend	**191.25**		-	
Corporate Tax on Dividend (net)	**31.03**		9.78	
Provision for Contingency / Disputed Matters (Refer Note 17)	**610.00**		629.68	
Provision for leave encashment (Refer Note 13)	**25.49**		12.17	
		1,286.07		981.99
		13,797.49		6,628.71

Schedule 9 - Revenue from EPC and Contracts Business	Year ended March 31, 2011		Year ended March 31, 2010	
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
Value of Contracts billed and service charges	**3,346.17**		3,322.09	
Work-in-progress at close	**297.46**		254.40	
Less: Work-in-Progress at commencement	**254.40**		161.64	
Increase in Work-in-Progress	**43.06**		92.76	
Net Income from EPC and Contracts		**3,389.23**		3,414.85
Interest on Deposits / Others		**11.54**		0.06
Insurance Claim received		**1.04**		1.64
Profit on sale of Assets		**0.11**		0.10
Gain on Foreign Exchange Fluctuation (net)		**8.58**		-
Provisions / Liabilities written back		**1.05**		4.92
Miscellaneous Income		**197.03**		100.35
		3,608.58		3,521.92

Schedules Annexed to and forming part of the Financial Statements

	Year ended March 31, 2011		Year ended March 31, 2010	
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
Schedule 10 - Other Income				
Wheeling Charges received		**121.75**		15.26
Provisions / Liabilities written back		**23.77**		20.03
Insurance Claim received		**0.02**		0.45
Profit on sale of Assets		**-**		3.64
Miscellaneous Income		**100.09**		110.87
Gain on Foreign Exchange Fluctuation (net)		**13.24**		-
Gain on Derivative Instruments (net)		**-**		103.90
Income from Investments				
- Dividends from Subsidiary Companies - Long Term Investments	**-**		114.98	
- Dividends - Others (Including on Long Term Investments ₹ 0.40 Crore (₹ 0.12 Crore)	**105.86**		50.42	
- Premium on Redemption of Preference Shares - Long Term Investments	**44.80**		195.52	
- Profit on sale / Redemption of Investments - Current Investments (net)	**57.42**		135.08	
		208.08		496.00
Interest - On Inter Corporate Deposits	**312.13**		215.15	
- Others	**72.57**		53.08	
(Tax Deducted at Source ₹ 33.19 Crore (₹ 21.86 Crore))		**384.70**		268.23
		851.65		1,018.38

	Year ended March 31, 2011		Year ended March 31, 2010	
Schedule 11 - Generation, Distribution, Administration and Other Expenses				
Consumption of stores and spares	**51.80**		64.51	
Less: Allocated to repairs and other relevant revenue accounts	**31.52**		35.21	
		20.28		29.30
Wind mill project expenses		**2.76**		0.73
Rent		**27.88**		20.65
Repairs and Maintenance:				
- Buildings	**7.73**		5.51	
- Plant and Machinery (including Distribution Systems)	**193.26**		177.16	
- Other Assets	**7.11**		8.58	
		208.10		191.25
Salaries, Wages and Bonus (Refer Note 13)		**468.65**		362.52
Contribution to Provident Fund and other Funds (Refer Note 13)		**30.74**		26.60
Contribution to Gratuity Fund (Refer Note 13)		**17.92**		21.40
Workmen and Staff Welfare Expenses		**63.44**		54.37
Insurance		**15.98**		15.26
Rates and Taxes		**7.35**		10.42
Community Development and Environment Monitoring Expenses		**3.68**		3.13
Legal and professional charges		**38.57**		25.44
Bad Debts		**0.27**		0.72
Directors' fees		**0.13**		0.15
Miscellaneous expenses		**158.78**		137.70
Loss on foreign exchange fluctuation (net)		**-**		56.65
Loss on derivative instruments (net) (Refer Note 27)		**138.17**		-
Loss on sale / disposal of unserviceable assets (net)		**2.55**		0.82
Provision for contingency / disputed matters (Refer Note 17)		**-**		70.00
Provision for doubtful debts / advances / deposits		**4.75**		13.57
		1,210.00		1,040.68

Schedules Annexed to and forming part of the Financial Statements

	Year ended March 31, 2011 ₹ Crore	Year ended March 31, 2010 ₹ Crore
Schedule 12 – Expenditure of EPC and Contracts Business		
Cost of Materials and Sub-contract Charges	**2,837.16**	2,882.55
Rent	**15.23**	14.02
Repairs and Maintenance:		
- Buildings	**3.46**	2.95
- Plant and Machinery	**1.16**	3.12
- Other assets	**2.79**	2.37
Salaries, Wages and Bonus (Refer Note 13)	**149.67**	157.88
Contribution to Provident Fund and other Funds (Refer Note 13)	**6.35**	7.02
Contribution to Gratuity Fund (Refer Note 13)	**2.66**	2.75
Workmen and Staff Welfare Expenses	**22.85**	20.32
Insurance	**4.28**	4.89
Rates and Taxes	**1.81**	3.82
Legal and Professional Charges	**56.73**	39.59
Miscellaneous Expenses	**59.38**	51.50
Loss on Foreign Exchange Fluctuation (net)	**-**	33.91
Loss on sale of assets	**0.23**	0.22
Bad Debts	**-**	0.02
Provision for Doubtful Debts	**41.97**	35.56
	3,205.73	3,262.49
Schedule 13 – Interest and Finance Charges		
Interest and Financing Charges on:		
- Debentures	**136.78**	136.78
-External Commercial Borrowings and Commercial Paper	**70.58**	94.04
-Working capital and other borrowings	**19.24**	44.24
-Security Deposits from Consumers	**15.85**	17.15
	242.45	292.21
Schedule 14 – Statutory Reserves and Other Appropriations		
Contingencies Reserve	**19.06**	16.96
	19.06	16.96
Schedule 15 – Earnings Per Equity Share		
(i) Profit for Basic and Diluted Earnings per Share (a)	**1,080.91**	1,151.69
(ii) Weighted average number of Equity Shares		
For Basic Earnings per share (b)	**250,059,851**	225,334,003
Add : Adjustment for conversion / Issue of shares / Warrants	**16,740,113**	3,517,036
For Diluted Earnings per share (c)	**266,799,964**	228,851,039
(iii) Earnings per share (Face Value of ₹10 per share)	**Rupees**	Rupees
Basic (a/b)	**43.23**	51.11
Diluted (a/c)	**40.51**	50.32

Schedules Annexed to and forming part of the Financial Statements

Schedules 16 – Notes Forming part of the Financial Statements

1. Significant Accounting Policies:

(a) Basis of preparation of financial statements:

The financial statements are prepared on an accrual basis of accounting and in accordance with the generally accepted accounting principles in India, provisions of the Companies Act, 1956 (the Act) and comply in material aspects with the Accounting Standards notified under Section 211 (3C) of the Act, read with Companies (Accounting Standards) Rules, 2006. Assets and Liabilities created under applicable electricity laws continue to be depicted under appropriate heads.

(b) Use of Estimate:

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

(c) Revenue Recognition Policy:

(i) Electricity Business:

Revenue from sale of electrical energy is accounted for on the basis of billing to consumers and is inclusive of fuel adjustment charges (FAC) and unbilled revenue carried forward in the Balance sheet as Tariff Adjustment Account. Generally all consumers are billed on the basis of recording of consumption of energy by installed meters. Where meters have stopped or are faulty, the billing is done based on the past consumption for such period.

The Company determines revenue gaps (i.e. surplus/shortfall in actual returns over assured returns) in respect of its regulated operations based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by MERC. In respect of such revenue gaps, appropriate adjustments are made in the revenue of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments representing unbilled revenue are carried forward as Tariff Adjustment Account under the schedule 'Current Assets, Loans and Advances' which would be recovered through future tariff determination by the regulator in accordance with the electricity regulations.

(ii) EPC and Contracts Business:

In respect of construction contracts, revenue is recognised on the percentage of completion method based on the stage of completion of a contract upto the reporting date.

The stage of completion of a contract is determined in proportion that the progress billings raised by the Company on the basis of joint measurement and works certified by the customers up to the reporting date as per the terms of the contract, bear to the total contract value.

Profit is recognised when the outcome of the contract can be estimated reliably. Profit proportionate to value of work done is arrived at by deducting cost of work done plus cost estimated by the management to complete the work from the agreed contract value, after deduction of contingency.

Contract in progress is valued at cost plus proportionate profit less anticipated loss.

In respect of operation and maintenance contracts, profit proportionate to value of work done or the period elapsed as the case may be, is recognised.

(iii) Others:

Insurance and other claims are recognised as revenue on certainty of receipt on prudent basis.

Income on investments is recognised based on the terms of the investment. Income from mutual fund scheme having fixed maturity plans is accounted on declaration of dividend or on maturity of such investments. The accounting for the same is done based on the

(d) Foreign Currency Transactions:

(i) Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Gains and losses, if any, at the year-end in respect of monetary assets and monetary liabilities are recognised in the Profit and Loss Account.

(ii) In respect of integral foreign operations of the Company, its fixed assets are translated at the rate on the date of acquisition, monetary assets and monetary liabilities are translated at the rate on the date of the balance sheet and income and expenditure are translated at the average of month-end rates during the year.

(iii) Non-Monetary items denominated in foreign currency are stated at the rate prevailing on the date of the transaction.

(iv) In respect of derivative transactions, gains / losses are recognised in the Profit and Loss Account on settlement. On a reporting date, open derivative contracts are revalued at fair values and resulting losses on an overall basis (including reversal of losses for earlier periods), if any, are recognised in the Profit and Loss Account.

(e) Fixed Assets:

Tangible Assets

(i) The gross block of fixed assets is stated at cost of acquisition or construction (except revalued assets), including any cost attributable to bringing the assets to their working condition for their intended use.

(ii) All project related expenditure viz. civil works, machinery under erection, construction and erection materials, pre-operative expenditure incidental / attributable to the construction of project, borrowing cost incurred prior to the date of commercial operations and trial run expenditure are shown under Capital Work-In-Progress (CWIP). These expenses are net of recoveries and income (net of tax) from surplus funds arising out of project specific borrowings.

Intangible Assets

Acquisition cost of residual interest in the monthly cash flow of the toll road businesses have been accounted as intangible assets.

(f) Depreciation / Amortisation:

(i) Electricity Business:
Fixed assets are depreciated under the straight line method as per the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956 relating to license business and other electricity business. The depreciation for the year has been shown after reducing the proportion of the amount of depreciation provided on assets created against the contributions received from consumers.

Depreciation on revalued assets is charged over the balance residual life of the assets considering the life prescribed under Schedule XIV of the Companies Act, 1956.

(ii) EPC and Contracts Business:
Fixed assets of EPC Business have been depreciated under the reducing balance method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

(iii) Other Activities:
Fixed assets of other activities have been depreciated under the straight line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

(iv) Leased Assets:
Depreciation on all assets given on lease upto March 31, 2001 is provided on straight line method at the higher of the rates determined with reference to the primary period of the lease and the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

(v) Intangible Assets:

(i) Softwares are amortised over a period of three years.

(ii) Intangible Assets representing acquisition of Residual Interest in Toll Businesses are amortised over a contract period ranging from 12 to 15 years, on the basis of projected revenue which reflects the pattern, which is beyond the maximum period of 10 years, as specified in the Accounting Standard 26 on Intangible Assets, as the economic benefits from the underlying assets would be available to the Company over such period as per the agreements entered.

(g) Investments:

Long-term investments are carried at cost, less provision for diminution other than temporary, if any, in the value of such investments. Current investments are carried at lower of cost and fair value.

(h) Inventories:

Inventories are stated at lower of cost and net realisable value. In case of fuel, stores and spares "cost" means weighted average cost. Unserviceable / damaged stores and spares are identified and written down based on technical evaluation.

(i) Allocation of Indirect Expenses:

(i) Electricity Business:

The allocation to capital and revenue is done consistently on the basis of a technical evaluation.

(ii) EPC and Contracts Business:

Common overheads are absorbed by various jobs in proportion to the prime cost of each job.

(j) Retirement Benefits:

Contributions to defined contribution schemes such as provident fund, superannuation funds etc. are charged to Profit and Loss Account / Capital Work-in-Progress, as applicable. The Company also provides for retirement benefits in the form of gratuity and leave encashment. Such defined benefits are charged to Profit and Loss Account/ Capital Work-in-Progress, as applicable, based on actuarial valuations, as at the balance sheet date, made by independent actuaries.

(k) Borrowing Costs:

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.

(l) Accounting for Taxes on Income:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between 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. However, in respect of unabsorbed depreciation or carry forward loss, the deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the assets will be realised in future. Since income-tax paid is considered in " truing -up" for future tariff determination under the applicable tariff regulation, the Deferred tax liability / asset arising on account of difference between the depreciation claimed as per Electricity Act, 2003 and Income-tax Act, 1961 is recoverable or payable through future tariff. Hence, the recognition of deferred tax asset or liability is made with corresponding provision of liability or asset, for payable or recoverable, as applicable.

(m) Provisions:

Provisions are recognised when the Company has a present obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

(n) Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If the carrying amount of fixed assets / cash generating unit exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows.

(o) Accounting for Oil and Gas Activity:

The Company follows "successful efforts method" for accounting of oil and gas exploration activities as set out by the guidance note issued by the Institute of Chartered Accountants of India on 'Accounting for Oil and Gas Producing Activities'. The cost of survey and prospecting activities conducted in search of oil and gas are expensed out in the year in which the same are incurred.

2. (a) Contingent Liabilities:

(i) Counter guarantees given to banks against guarantees issued by the banks on behalf of the joint ventures aggregate to ₹ 19.91 Crore (₹ 10.50 Crore). Bank guarantees issued for performing its own obligations are not considered as part of contingent liability.

(ii) Corporate Guarantees given to banks and other parties aggregating ₹ 2,924.21 Crore (₹ 2,367.88 Crore) in respect of financing facilities granted to other body corporates (including in respect of joint venture ₹ 2.45 Crore (₹ 2.45 Crore)).

(iii) Uncalled liability on partly paid shares ₹ 83.83 Crore (₹ 45.20 Crore).

(iv) Claims against the Company not acknowledged as debts and under litigation aggregates to ₹ 1,337.35 Crore (₹ 709.90 Crore). These include claim from suppliers aggregating to ₹ 268.48 Crore (₹ 243.43 Crore), income tax claims ₹ 1,061.92 Crore (₹ 459.82 Crore) and other claims ₹ 6.95 Crore (₹ 6.95 Crore).

(v) The Company's application for compounding in respect of its ECB of USD 360 million has been deemed by the Reserve Bank of India (RBI) as never to have been made subsequent to the withdrawal of the compounding application. Accordingly, there is no liability in respect of the compounding fee of ₹ 124.68 Crore earlier specified by RBI. The Company is legally advised that it is in compliance with the regulations under the Foreign Exchange Management Act, 1999. Accordingly, no provision is considered necessary in this regard.

(b) Capital Commitments:

Estimated amount of contracts remaining unexecuted on capital account and not provided for ₹ 53.55 Crore (₹ 92.41 Crore).

3. Managerial remuneration (excluding contribution to gratuity fund and provision for leave encashment on retirement) paid / payable to directors:

₹ Crore

	Particulars	2010-11	2009-10
	Managing / Whole time directors		
(i)	Salary	**1.83**	2.13
(ii)	Perquisites	**0.01**	0.01
(iii)	Contribution to Provident Fund	**0.07**	0.07
(iv)	Contribution to Superannuation Fund	**0.02**	0.02
		1.93	2.23
	Non Executive Directors		
(i)	Sitting fees	**0.13**	0.15
(ii)	Commission paid / payable *	**11.40**	0.40
	Total	**13.46**	2.78

Schedules Annexed to and forming part of the Financial Statements

*Includes ₹ 5.50 Crore paid as Commission to non-executive director for the year 2009-10. The same was recommended by the Remuneration Committee and was paid pursuant to the Circular resolution passed by the Board of Directors on December 28, 2010. The overall remuneration paid / payable to non executive directors for the year 2009-10 and 2010-11 is within the limits approved by the shareholders and Central Government.

Computation of net profit in accordance with Section 198 read with Section 309(5) of the Companies Act, 1956

₹ Crore

	Particulars	2010-11	2009-10
	Profit before Taxation	**1,135.05**	1,296.94
Add:	Provision for Doubtful Debts / Advances	**46.72**	49.13
	Provision for Diminution in value of Investments (net)	**0.49**	0.41
	Managerial remuneration	**13.46**	2.78
	Loss on sale of Fixed Assets	**2.78**	1.04
		1,198.50	1,350.30
Less:	Profit on sale of Fixed Assets	**0.11**	3.74
	Other Income (on Investments)	**102.22**	330.60
	Provision for Wealth Tax	**0.15**	0.15
	Net Profit for the year	**1,096.02**	1,015.81

4. **Details of Remuneration to Auditors:**

₹ Crore

		2010-11	2009-10
(a)	As Auditors *	**1.22**	2.26
(b)	For Other Services*	**1.64**	0.60
(c)	For Reimbursement of out-of-pocket expenses	**0.07**	0.02
	(* Includes Remuneration paid to earlier auditors)	**2.93**	2.88

5. **Quantitative Information:**

kWh (million)

		2010-11	2009-10
(a)	Generation and Supply of Electricity:		
	(i) Generation of Energy	**6,180**	6,361
	(ii) Purchase of Energy	**4,295**	5,266
	(iii) Sale of Energy	**9,186**	10,163
(b)	Wind Mill Project:		
	(i) Generation of Energy	**18**	20
	(ii) Sale of Energy	**17**	20

₹ Crore

6.

		2010-11	2009-10
(a)	C.I.F. Value of Imports:		
	(i) Components and Spare parts	**1.21**	9.76
	(ii) Fuel-Coal	**241.93**	282.44
	(iii) Other Materials (including EPC contract materials)	**257.32**	1,526.28
	(iv) Capital Goods	**33.10**	12.47
		533.56	1,830.95
(b)	Expenditure in Foreign Currency (on cash basis):		
	(i) Professional and Consultation Fees	**17.12**	14.37
	(ii) Interest and Other Charges	**68.92**	81.66
	(iii) Others	**5.43**	19.51
		91.47	115.54

Schedules Annexed to and forming part of the Financial Statements

(c) Value of components, stores and spare parts consumed: (including fuel consumed)

Particulars	2010-11		2009-10	
	Value ₹ Crore	**% to Total Consumption**	Value ₹ Crore	% to Total Consumption
Imported	**276.91**	**16.32**	273.30	17.00
Indigenous	**1,419.82**	**83.68**	1,335.12	83.00
	1,696.73	**100.00**	1,608.42	100.00

(d) The Company has not made any remittance in foreign currency on account of dividends during the year and does not have information as to the extent to which remittances in foreign currencies on account of dividends have been made by or on behalf of non-resident shareholders. The particulars of dividends (after deducting tax) on account of non-resident shareholders are as under:

	Final Dividend :	**2010-11**	2009-10
(i)	Number of Non-Resident shareholders	**18,412**	18,556
(ii)	Number of shares held by them	**38,473,622**	45,097,450
(iii)	Amount of dividend	**₹ 27.32 Crore**	₹ 31.57 Crore
		(Dividend for the Year 2009-10 on Equity Shares)	(Dividend for the Year 2008-09 on Equity Shares)

(e) **Earnings in Foreign Exchange (on cash basis):***

		₹ Crore
	2010-11	2009-10
Premium on Redeemable Preference Shares	**115.50**	36.19
Other Income	**0.68**	6.50
	116.18	42.69

* Excluding amount received in Foreign Currency from Indian Customers

7. Related Party Disclosure :

As per Accounting Standard -18 as prescribed under the Companies (Accounting Standards) Rules, 2006, the Company's related parties and transactions are disclosed below:

(a) Parties where control exists:

Subsidiaries (including step down subsidiaries)

(a) Reliance Power Transmission Limited (RPTL)
(b) Western Region Transmission (Gujarat) Private Limited (WRTG)
(c) Western Region Transmission (Maharashtra) Private Limited (WRTM)
(d) Talcher – II Transmission Company Limited (TTCL) w.e.f. April 27, 2010
(e) North Karanpura Transmission Company Limited (NKTCL) w.e.f. May 20, 2010
(f) Reliance Infraventures Limited (RInvL)
(g) BSES Kerala Power Limited (BKPL)
(h) Noida Global SEZ Private Limited (NGSPL)
(i) Reliance Energy Trading Limited (RETL)
(j) Mumbai Metro One Private Limited (MMOPL)
(k) Parbati Koldam Transmission Company Limited (PKTCL)
(l) Delhi Airport Metro Express Private Limited (DAMEPL)
(m) CBD Tower Private Limited (CBDTPL)
(n) Tulip Realtech Private Limited (TRPL)
(o) Reliance Energy Generation Limited (REGL)
(p) Reliance Energy Limited (REL)
(q) Reliance Property Developers Limited (RPDL)
(r) Reliance Goa and Samalkot Power Limited (RGSPL)
(s) DS Toll Road Limited (DSTL)
(t) NK Toll Road Limited (NKTL)
(u) SU Toll Road Private Limited (SUTL)
(v) TD Toll Road Private Limited (TDTL)
(w) TK Toll Road Private Limited (TKTL)
(x) GF Toll Road Private Limited (GFTL)
(y) KM Toll Road Private Limited (KMTL)

	Subsidiaries (including step down subsidiaries)	(z)	PS Toll Road Private Limited (PSTL)
		(aa)	HK Toll Road Private Limited (HKTL) w.e.f. May 19, 2010
		(bb)	DA Toll Road Private Limited (DATL) w.e.f. May 26, 2010
		(cc)	Reliance Cementation Private Limited (RCPL)
		(dd)	Reliance Cement and Infra Private Limited (RCIPL)
		(ee)	Reliance Cement Corporation Private Limited (RCCPL)
		(ff)	Reliance Cement Works Private Limited (RCWPL)
		(gg)	Utility Infrastructure & Works Private Limited (UIWPL) w.e.f. December 28, 2010
		(hh)	Reliance Concrete Private Limited (RCoPL) (erstwhile Reliance Cement Private Limited) w.e.f. March 18, 2011
		(ii)	Reliance Airport Developers Private Limited (RADPL)
		(jj)	Latur Airport Private Limited (LAPL)
		(kk)	Baramati Airport Private Limited (BAPL)
		(ll)	Nanded Airport Private Limited (NAPL)
		(mm)	Yavatmal Airport Private Limited (YAPL)
		(nn)	Osmanabad Airport Private Limited (OAPL)
		(oo)	Reliance Infrastructure Engineers Private Limited (RIEPL) w.e.f. March 25, 2011
		(pp)	Reliance Sealink One Private Limited (RSOPL) w.e.f. May 26, 2010

(b) Other related parties where transactions have taken place during the year:

(i)	Associates (including subsidiaries of associates)	(a)	Reliance Infrastructure Engineers Private Limited (RIEPL) upto March 24, 2011
		(b)	Reliance Infrastructure and Consultants Limited (RICL)
		(c)	Reliance Power Limited (RePL)
		(d)	Urthing Sobla Hydro Power Private Limited (USHPPL)
		(e)	Rosa Power Supply Company Limited (ROSA)
		(f)	Sasan Power Limited (SPL)
		(g)	Vidarbha Industries Power Limited (VIPL)
		(h)	Chitrangi Power Private Limited (CPPL)
		(i)	Tato Hydro Power Private Limited (THPPL)
		(j)	Siyom Hydro Power Private Limited (SHPPL)
		(k)	Jharkhand Integrated Power Limited (JIPL)
		(l)	Coastal Andhra Power Limited (CAPL)
		(m)	Reliance Coal Resources Private Limited (RCRPL)
		(n)	Samalkot Power Limited (SaPoL) w.e.f. July 29, 2010
		(o)	JR Toll Road Private Limited (JRTL)
		(p)	Mumbai Metro Transport Private Limited (MMTPL)
		(q)	Metro One Operation Private Limited(MOOPL)
(ii)	Joint Ventures	(a)	BSES Rajdhani Power Limited (BRPL)
		(b)	BSES Yamuna Power Limited (BYPL)
		(c)	Tamilnadu Industries Captive Power Company Limited (TICAPCO)
		(d)	Utility Powertech Limited (UPL)
(iii)	Investing Party		AAA Project Ventures Private Limited (AAAPVPL)
(iv)	Persons having control over investing party		Shri Anil D. Ambani
(v)	Key Management Personnel	(a)	Shri S.C.Gupta
		(b)	Shri Lalit Jalan
(vi)	Enterprises over which person described in (iv) has significant influence	(a)	Reliance Natural Resources Limited (RNRL) upto October 14, 2010
		(b)	Reliance Communications Limited (RComm)
		(c)	Reliance Innoventures Private Limited(REIL)
		(d)	Reliance Webstores Limited (RWeb)
		(e)	Reliance General Insurance Company Limited (RGI)
		(f)	Reliance Capital Limited (RCap)
		(g)	Reliance Infratel Limited (RInfTL)
		(h)	Reliance Infocomm Infrastructure Private Limited (RIIPL)
		(i)	Reliance Big Entertainment Private Limited (RBig)

Schedules Annexed to and forming part of the Financial Statements

(c) Details of transactions during the year and closing balances as at the year end:

₹ Crore

Particulars	Subsidiaries	Investing party, Associates and Joint Ventures	Enterprises over which person described in (iv) has significant influence	Key Managerial Personnel/ Persons having control over investing party
(a) Profit and Loss Account Heads:				
(I) Incomes:				
(i) Sale of Electricity	- *18.14*	- -	- -	- -
(ii) Revenue from EPC and Contracts Business	730.94 *269.08*	1,501.80 *313.35*	- -	- -
(iii) Dividend Received	- *114.98*	0.40 *0.12*	- -	- -
(iv) Rent / Lease Rent earned	- *0.01*	- -	0.51 -	- -
(v) Interest earned	12.65 *0.97*	6.09 *10.76*	- -	- -
(vi) Other Income	2.05 *1.99*	7.34 *0.38*	4.75 -	- -
(II) Expenses:				
(i)(a) Purchase of Electricity (Including Open Access Chgs)	541.21 *454.43*	- -	- -	- -
(i)(b) Purchase of Electricity -Compensation Bills / IEX	170.33 *160.65*	- -	- -	- -
(ii) Purchase / (Returns) of other items on revenue account	- -	1.51 *(8.43)*	107.03 *271.42*	- -
(iii) Purchase of other items on Capital account	- -	- -	0.90 -	- -
(iv) Receiving of Services	0.31 -	29.01 *20.22*	58.63 *70.23*	- -
(v) Rent paid	0.01 *0.01*	0.76 *0.53*	1.93 -	- -
(vi) Dividend Paid	- -	73.20 *58.44*	0.62 *0.62*	0.10 -
(vii) Salaries, Commission and Other benefits	- -	- -	- -	12.94 *2.23*
(b) Balance Sheet Heads (Closing Balances):				
(i) Sundry Creditors, Advances received and other liabilities for rendering services	1,605.86 *37.77*	5,304.31 *2,002.98*	30.85 *41.33*	- -
(ii) Investment in Equity Shares / Preference Shares	2,649.55 *1,630.25*	2,012.96 *2,022.96*	- -	- -
(iii) ICDs Placed	997.41 *9.36*	68.40 *140.62*	- -	- -
(iv) Subordinate Debts	1,909.57 *471.62*	46.00 -	- -	- -
(v) Advance against Investments	296.58 *933.55*	53.45 *45.90*	- -	- -
(vi) Recoverable Expenses	202.25 *111.34*	1.82 *0.65*	- -	- -
(vii) Sundry debtors	278.77 *65.52*	20.78 *3.56*	4.33 *1.15*	- -
(viii) Equity Warrants issued / subscribed	- -	- *541.08*	- -	- -

Schedules Annexed to and forming part of the Financial Statements

₹ Crore

		Particulars	Subsidiaries	Investing party, Associates and Joint Ventures	Enterprises over which person described in (iv) has significant influence	Key Managerial Personnel/ Persons having control over investing party
(c)	**Contingent Liabilities (Closing balances):**					
	(i)	Guarantees and Collaterals	1,728.78	691.45	-	-
			1,520.60	*312.45*	*7.78*	-
(d)	**Transactions During the Year:**					
	(i)	Guarantees and Collaterals provided	208.18	389.00	-	-
			489.51	-	*1.74*	-
	(ii)	Deposits Given to	1,034.41	10.95	-	-
			24.19	*18.55*	-	-
	(iii)	Deposits Returned by	46.36	83.17	-	-
			50.74	*20.68*	-	-
	(iv)	Recoverable Expenses:-				
	(a)	incurred for related parties	96.59	1.38	0.20	-
			114.22	*2.47*	*0.96*	-
	(b)	incurred by related parties on our behalf	0.32	-	1.73	-
			-	-	-	-
	(v)	Investment in Equity Shares / Preference Shares	1,511.40	-	-	-
			87.27	*10.03*	-	-
	(vi)	Subordinate Debts	1,210.53	46.00	-	-
			216.79	-	-	-
	(vii)	Advance against Investments	256.39	53.10	-	-
			380.65	*3.35*	-	-
	(viii)	Advance against Investments received back	17.25	-	-	-
			189.96	*8.50*	-	-
	(ix)	Purchase of Investments	-	-	-	-
			-	-	*53.78*	-
	(x)	Purchase of Intangible Assets	2,410.00	-	-	-
			-	-	-	-
	(xi)	Advance received	-	3,137.37	-	-
			-	*800.00*	-	-
	(xii)	Sale of Fixed Assets	-	-	-	-
			-	*0.03*	-	-
	(xiii)	Tax collected at source	48.20	-	-	-
			-	-	-	-
	(xiv)	Warrants money received	-	1,570.99	-	-
			-	*2,361.70*	-	-
	(xv)	Warrants money converted into Equity Shares	-	2,094.65	-	-
			-	*1,820.62*	-	-

Figures in italics represent previous year

Note: The above disclosure does not include transactions with / as public utility service providers, viz, electricity, telecommunications, in the normal course of business.

(d) Details of Material Transactions with Related Parties:

(i) Transactions during the year (Balance Sheet heads): Guarantees and Collaterals provided to JRTL ₹ 389.00 Crore and DATL ₹ 107.89 Crore. Deposit given to HKTL ₹ 177.00 Crore, DATL ₹ 627.00 Crore and KMTL ₹ 193.00 Crore. Deposit returned by RICL ₹ 83.17 Crore and RETL ₹ 35.75 Crore. Recoverable Expenses incurred for REGL ₹ 24.71 Crore and REL ₹ 55.10 Crore. Recoverable Expenses incurred by RComm ₹ 1.67 Crore and BKPL ₹ 0.29 Crore. Investment in Equity Shares of RCPL ₹ 165.14 Crore, RPTL ₹ 376.55 Crore, SUTL ₹ 171.59 Crore and GFTL ₹ 168.62 Crore. Warrants money received from AAAPVPL ₹ 1,570.99 Crore. Warrants money of AAAPVPL converted into equity shares ₹ 2,094.65 Crore. Subordinate debt given to HKTL ₹ 261.60 Crore, DATL ₹ 664.32 Crore and KMTL ₹ 284.60 Crore. Advance against Investments paid to JRTL ₹ 53.10 Crore and PSTL ₹ 237.92 Crore. Advance against Investments received back from RCPL ₹ 17.25 Crore. Purchase of Intangible Assets from DSTL ₹ 355 Crore, NKTL

₹ 275 Crore and PSTL ₹ 1,780 Crore. Tax collected at source from DSTL ₹ 7.10 Crore, NKTL ₹ 5.50 Crore and PSTL ₹ 35.60 Crore. Advances received from CPPL ₹ 1,240.36 Crore, JIPL ₹ 1,000.00 Crore and SaPoL ₹ 787.44 Crore. *(Previous Year: Guarantees and Collaterals provided to DAMEPL ₹ 489.51 Crore. Deposit given to RETL ₹ 15.00 Crore, RICL ₹ 18.55 Crore. Deposit returned by BKPL ₹ 8.95 Crore, RICL ₹ 20.68 Crore, DSTL ₹ 11.60 Crore, NKTL ₹ 10.97 Crore, RETL ₹ 15.00 Crore. Recoverable Expenses incurred for REGL ₹ 18.23 Crore, RGSPL ₹ 13.95 Crore, REL ₹ 72.97 Crore, RICL ₹ 0.15 Crore, SPL ₹ 0.08 Crore, ROSA ₹ 0.21 Crore, REIL ₹ 0.05 Crore and CAPL ₹ 0.02 Crore. Recoverable Expenses incurred by BKPL ₹ 0.01 Crore and MMOPL ₹ 0.01 Crore. Investment in Equity Shares of RIEPL ₹ 10.00 Crore, RETL ₹ 10.00 Crore, RCPL ₹ 53.78 Crore. Warrants money received from AAAPVPL ₹ 2,361.70 Crore. Warrants money of AAAPVPL converted into equity shares ₹ 1,820.62 Crore. Subordinate debt given to SUTL ₹ 91.36 Crore, TDTL ₹ 56.18 Crore and TKTL ₹ 69.24 Crore. Advance against Investments paid to DAMEPL ₹ 93.05 Crore, RInfL ₹ 66.27 Crore and GFTL ₹ 165.42 Crore. Advance against Investments received back from RPTL ₹ 189.86 Crore, Purchase of Investments from RNRL ₹ 53.78 Crore. Sale of Fixed Assets to SPL ₹ 0.03 Crore. Advances received from SPL ₹ 700 Crore and VIPL ₹ 100 Crore.)*

(ii) Balance sheet heads (Closing balance): Sundry Creditors, Advances received and Other Liabilities for rendering services CPPL ₹ 1,220.22 Crore, JIPL ₹ 996.10 Crore, SPL ₹ 1,244.88 Crore, PSTL ₹ 890.00 Crore, SaPoL ₹ 767.94 Crore and CAPL ₹ 732.26 Crore. Investment in Equity RInvl ₹ 568.57 Crore and RePL ₹ 1,720.00 Crore. ICDs placed HKTL ₹ 177.00 Crore, DATL ₹ 627.00 Crore and KMTL ₹ 193.00 Crore. Subordinate debt HKTL ₹ 261.60 Crore, DATL ₹ 664.32 Crore, KMTL ₹ 284.60 Crore and DAMEPL ₹ 611.95 Crore. Advance against Investments JRTL ₹ 53.45 Crore, MMOPL ₹ 36.86 Crore and PSTL ₹ 237.92 Crore. Recoverable Expenses REGL ₹ 42.94 Crore and REL ₹ 128.06 Crore. Sundry Debtors WRTG ₹ 209.68 Crore and WRTM ₹ 67.03 Crore.

(Previous Year: Sundry Creditors, Advances received and Other Liabilities for rendering services SPL ₹ 1,183.18 Crore, VIPL ₹ 195.73 Crore and CAPL ₹ 615.88 Crore. Investment in Equity RInfL ₹ 502.10 Crore, RInvl ₹ 502.11 Crore and RePL ₹ 1,720.00 Crore. ICDs placed BKPL ₹ 9.36 Crore and RICL ₹ 140.62 Crore. Subordinate debt NKTL ₹ 40.29 Crore, DSTL ₹ 46.80 Crore, SUTL ₹ 166.99 Crore, TDTL ₹ 96.71 Crore and TKTL ₹ 120.83 Crore. Advance against Investments DAMEPL ₹ 466.95 Crore, RPTL ₹ 151.46 Crore and GFTL ₹ 165.62 Crore. Recoverable Expenses REGL ₹ 18.23 Crore, RGSPL ₹ 13.95 Crore and REL ₹ 72.97 Crore. Sundry Debtors WRTG ₹ 27.84 Crore and WRTM ₹ 37.68 Crore).

(iii) Income heads: Gross Revenue of EPC and Contracts Division / Sales reversal from WRTG ₹ 239.17 Crore, WRTM ₹ 380.80 Crore, SPL ₹ 501.04 Crore, CAPL ₹ 623.23 Crore and VIPL ₹ 292.99 Crore. Dividend received from UPL ₹ 0.40 Crore. Rent / Lease rent earned from RComm ₹ 0.51 Crore. Interest earned from WRTG ₹ 5.06 Crore, WRTM ₹ 6.00 Crore and RICL ₹ 6.09 Crore. Other Income RePL ₹ 4.86 Crore, PSTL ₹ 1.88 Crore and RNRL ₹ 4.72 Crore. *(Previous Year: Sale of Electricity to RETL ₹ 18.14 Crore. Gross Revenue of EPC and Contracts Division / Sales reversal from WRTG ₹ 98.19 Crore, WRTM ₹ 147.95 Crore, SPL ₹ 162.04 Crore, CAPL ₹ 81.06 Crore and VIPL ₹ 70.26 Crore. Dividend received from UPL ₹ 0.12 Crore, RInfL ₹ 54.73 Crore and RInvL ₹ 60.25 Crore. Rent / Lease Rent earned from BKPL ₹ 0.01 Crore. Interest earned from BKPL ₹ 0.97 Crore and RICL ₹ 10.76 Crore. Other Income SUTL ₹ 0.45 Crore, TDTL ₹ 0.45 Crore, TKTL ₹ 0.45 Crore, GFTL ₹ 0.45 Crore and ROSA ₹ 0.38 Crore).*

(iv) Expenses heads: Purchase / Services on Revenue account from REIL ₹ 27.87 Crore, RNRL ₹ 76.49 Crore. Purchase of electricity (including Open access charges) from RETL ₹ 541.20 Crore. Purchase of Electricity-Compensation Bills / IEX from RETL ₹ 170.33 Crore. Purchase of other items on Capital account from RComm ₹ 0.89 Crore. Receiving of Services from REIL ₹ 11.78 Crore, RNRL ₹ 28.71 Crore, RePL ₹ 23.18 Crore and RGI ₹ 18.13 Crore. Rent paid to RICL ₹ 0.76 Crore and RIIPL ₹ 1.93 Crore. Dividend paid AAAPVPL ₹ 73.20 Crore. *(Previous Year: Purchase / Services on Revenue account from RNRL ₹ 242.20 Crore. Purchase of electricity from RETL 454.43 Crore. Purchase of Electricity- Compensation Bills / IEX from RETL ₹ 160.65 Crore. Receiving of Services from REIL ₹ 4.72 Crore, UPL ₹ 15.81 Crore, RNRL ₹ 55.99 Crore and RGI ₹ 9.44 Crore. Rent paid to RICL ₹ 0.53 Crore. Dividend paid AAAPVPL ₹ 58.44 Crore.).*

(v) Salaries, Commission and Other Benefits paid / payable to Shri Anil D Ambani ₹ 11.01 Crore (₹ Nil), Shri S.C. Gupta ₹ 1.12 Crore (₹ 1.13 Crore) and Shri Lalit Jalan ₹ 0.81 Crore (₹ 1.10 Crore). The Company has made payment to Shri Anil D Ambani towards commission for the financial year 2009-10 amounting to ₹ 5.50 Crore which was not provided in the previous year (Refer note 3 above).

(vi) The Company has given (a) equity support undertakings to power procurers in respect of Sasan Ultra Mega Power Project (UMPP), Krishnapatnam UMPP, Tiliaya UMPP and Chitrangi Power Project of Reliance Power Limited for setting up the respective projects, (b) funding support undertaking for cost overrun and equity support undertaking to Financial Institutions / Banks in respect of Rosa Power Project and (c) keep well letter in favour of a bank, who in turn has issued a letter of credit in favour of the foreign currency convertible bond (FCCB) holders of RNRL (now Reliance Power Limited); the amounts of which currently are not ascertainable.

8. Segment Reporting:

Basis of Preparation: The Company operates in two Business Segments: Electrical Energy and Engineering, Procurement and Contracts (EPC). Business segments have been identified as reportable primary segments in accordance with Accounting Standard-17 Segment Reporting, as prescribed under Companies (Accounting Standards), Rules, 2006, taking into account the organisation and internal reporting structure as well as evaluation of risks and returns from these segments. The inter segment pricing is effected at cost. Segment accounting policies are in line with the accounting policies of the Company.

Schedules Annexed to and forming part of the Financial Statements

In the case of electrical energy, the Company operates a 500 MW Thermal Power Station at Dahanu, a 220 MW combined cycle power plant at Samalkot, a 48 MW combined cycle power plant at Mormugao, a 7.59 MW Windfarm at Chitradurga and also purchases power from third parties and supplies the power through the Company's own distribution grid. The Company supplies power to residential, industrial, commercial and other consumers. EPC segment renders comprehensive value-added services in construction, erection and commissioning.

Geographical Segments: The Company's operations are mainly confined within India. The Company does not have material earnings from business segments outside India. As such there are no reportable geographical segments.

Information about Business Segments – Primary:

₹ Crore

Particulars	**Electrical Energy**	**EPC**	**Total 2010-11**	Electrical Energy	EPC	Total 2009-10
Revenue						
External Sales	**6,026.12**	**3,588.47**	**9,614.59**	6,505.41	3,521.85	10,027.26
Inter-segment sales	**-**	**-**	**-**	-	-	-
Total Revenue	**6,026.12**	**3,588.47**	**9,614.59**	6,505.41	3,521.85	10,027.26
Result						
Segment Result	**552.75**	**373.10**	**925.85**	548.53	283.77	832.30
Unallocated Income net of unallocable expenses			**55.41**			488.56
Interest Income [net of Interest Expense]			**153.79**			(23.92)
Profit before taxation			**1,135.05**			1,296.94
Taxes			**54.14**			145.25
Profit after Tax			**1,080.91**			1,151.69
Other Information						
Segment Assets	**8,375.32**	**8,956.77**	**17,332.09**	7,159.25	4,501.56	11,660.81
Unallocated Assets			**18,201.23**			14,392.70
Total Assets			**35,533.32**			26,053.51
Segment Liabilities	**1,880.76**	**9,386.96**	**11,267.72**	1,858.67	4,083.78	5,942.45
Unallocated Liabilities			**6,598.09**			4,958.87
Total Liabilities			**17,865.81**			10,901.32
Capital Expenditure *	**776.14**	**10.21**		513.46	18.17	
Depreciation *	**365.80**	**9.62**		372.25	9.51	
Non Cash expenses other than depreciation *	**4.73**	**41.97**		13.57	35.56	

(* Only pertaining to the segment)

9. Deferred Taxation:

₹ Crore

	Computation of Deferred Tax Asset / Liability:	**As at March 31, 2011**	As at March 31, 2010
(a)	Deferred Tax Liability on account of:		
	Depreciation Difference and Premium on Redemption of Preference Shares	**481.93**	417.44
(b)	Deferred tax asset on account of:		
	(i) Provisions	**250.05**	229.48
	(ii) Unrealised Forex Loss (MTM)	**-**	29.60
	(iii) Disallowance under section 40(a) of the Income Tax Act, 1961	**0.07**	0.65
	Total	**250.12**	259.73
	Net Deferred Tax Liability	**231.81**	157.71

10. (a) Standby Charges:

In the matter of liability of ₹ 515.60 Crore of standby charges with The Tata Power Company Limited (TPC) determined by MERC for the period April 1, 1998 to March 31, 2004, the Appellate Tribunal of Electricity (ATE) determined the total liability at ₹ 500 Crore and directed TPC to refund ₹ 354 Crore (inclusive of interest of ₹ 15 Crore upto March 31, 2004) to the Company plus interest @ 10% p.a. commencing from April 1, 2004 till the date of payment. Against the said order, TPC filed an appeal with the Supreme Court. The Hon'ble Supreme Court passed an interim order dated February 7, 2007 granting stay of the impugned order of the ATE subject to the condition that, TPC furnish a bank guarantee in the sum of ₹ 227 Crore and, in addition, deposit a sum of ₹ 227 Crore with the Registrar General of the Court which may be withdrawn by the Company subject to the Company giving an undertaking that in the event of the appeal being decided against the Company, wholly or in part, the amount as may be found refundable by the Company shall be refunded to TPC without demur together with interest as may be determined by the Court. The Company accordingly withdrew the amount of ₹ 227 Crore after complying with the conditions specified and has accounted the said amount as other liabilities pending final adjustment. Moreover, pending final order of the Hon'ble Supreme Court, the Company has not accounted for the reduction in standby charges liability of ₹ 15.60 Crore as well as interest amount determined by ATE as payable by TPC to the Company.

(b) Take or Pay and Additional Energy Charges:

Pursuant to the order passed by the Maharashtra Electricity Regulatory Commission (MERC) dated December 12, 2007 in case No. 7 of 2002, TPC has claimed an amount of ₹ 323.87 Crore towards the following:

(i) Difference in the energy charge for energy supplied by TPC at 220 kV interconnection for the period March 2001 to May 2004 along with interest at 24% per annum up to December 31, 2007, and

(ii) Minimum offtake charges for energy for the years 1998-99 to 1999-2000 along with interest at 24% per annum up to December 31, 2007.

In an appeal filed by the Company, ATE held that the amount in the matter (a) above is payable by the Company along with interest at State Bank of India prime lending rate for short term borrowings. The matter (b) is remanded to MERC for redetermination. The Company has filed an appeal against the said order before the Supreme Court, which while admitting the appeal, has restrained TPC from taking any coercive action in respect of the matter stated in (a) above and TPC has also filed an appeal against the said order. The Company has complied with the interim order directions of depositing ₹ 25 Crore with the Registrar of Supreme Court and providing a Bank Guarantee of ₹ 9.98 Crore. The said amount is disclosed under Contingent Liability in Note 2(a)(iv) above.

11. Revenue from Sale of Electrical Energy and Regulatory Matters:

(a) Tariff Adjustment Account

In accordance with accounting policy (refer note 1(c)(i)), the Company has accrued ₹ 461.97 Crore (₹ 568.33 Crore) during the year as unbilled revenue under 'Current Assets, Loans and Advances'.

(b) Regulatory Matters

MERC vide its order dated June 15, 2009 had determined the tariff for the distribution business for the financial year 2009-2010. However, considering the directives received from the Government of Maharashtra, MERC vide its order dated July 15, 2009 stayed the tariff order with respect to the certain consumer categories where there was an increase in tariff as compared to the previous year tariff. Accordingly, the Company billed to the consumers as per the old tariff. Further, MERC vide its order dated September 8, 2009, based on the directives received from Government of Maharashtra, appointed Administrative Staff College of India (ASCI) to investigate whether the Company has discharged its duties as envisaged in Electricity Act, 2003 in the most economical and efficient manner. After considering the contents of the report submitted by ASCI, MERC vide its order dated September 9, 2010 has vacated the interim order dated July 15, 2009 setting aside the stay on the tariff. Subsequent to vacation of the stay order, the Company started billing to the consumers as per the above referred order and has also filed its Annual Revenue Requirement (ARR) with MERC for the financial year 2009-10 and 2010-11.

(c) In accordance with the MERC tariff regulation for determination of tariff, the income-tax paid is considered for tariff determination (truing up) for the financial years commencing from 2007-08. Accordingly, the Company has considered ₹ 132.78 Crore of deferred tax liability arising out of differences in rates of depreciation between MERC and income-tax as "Net tax to be recovered in future tariff determination".

12. The Scheme of Restructuring dated May 9, 2009, envisaging transfer of various operating divisions of the Company, viz., Dahanu Thermal Power Station division, Goa and Samalkot Power Stations division, Power Transmission division, Power Distribution division, Toll Roads division and Real Estate division to its respective resulting six wholly owned subsidiaries was sanctioned by the Hon'ble Bombay High Court on July 24, 2009, subject to the Company receiving the requisite approvals. In view of inter alia the considerable lapse of time of nearly 2 years and subsequent changes in the business environment, the proposal is no longer considered relevant and has been withdrawn on March 25, 2011 with the approval of the Hon'ble Bombay High Court. There is no impact on the profitability or business of the Company.

13. Disclosure under Accounting Standard 15 (revised 2005) "Employee Benefits":

The Company has classified various employee benefits as under:

(a) Defined contribution plans

a. Provident fund

b. Superannuation fund

c. State defined contribution plans

- Employers' Contribution to Employees' State Insurance
- Employers' Contribution to Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner and the superannuation fund is administered by the trustees of the Reliance Infrastructure Limited Officer's Superannuation Scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by the Income tax authorities.

The Company has recognised the following amounts in the Profit and Loss Account for the year:

₹ Crore

Sr. No.	Particulars	2010-11	2009-10
(i)	Contribution to Provident Fund	**23.03**	21.02
(ii)	Contribution to Employee's Superannuation Fund	**6.18**	5.91
(iii)	Contribution to Employee's Pension Scheme 1995	**4.71**	4.57

(b) Defined Benefit Plans

a. Provident Fund (Applicable to certain employees)

b. Gratuity

c. Leave Encashment

The guidance on implementing AS 15, Employee Benefits (revised 2005) issued by Accounting Standard Board states benefit involving employee established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. As per the audited accounts for the year ended March 31, 2011 of Provident Fund Trust maintained by the Company, the shortfall arising in meeting the stipulated interest payment liability has been duly provided for. Pending the issuance of guidance note from the Actuary Society of India, the Company's actuary has expressed an inability to reliably measure provident fund liabilities.

Leave encashment is payable to eligible employees who have earned leaves, during the employment and/or on separation as per the Company's policy.

Valuations in respect of Gratuity and Leave Encashment have been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

Sr. No.	Particulars	Gratuity		Leave Encashment	
		2010-11	2009-10	**2010-11**	2009-10
(i)	Discount Rate (Per annum)	**8.25%**	8.25%	**8.25%**	8.25%
(ii)	Rate of increase in Compensation levels	**7.50%**	7.50%	**7.50%**	7.50%
(iii)	Rate of Return on Plan Assets	**8.25%**	8.25%	**8.25%**	8.25%
(iv)	Expected Avg. remaining working lives of employees in no. of Years	**15**	18	**15**	18

₹ Crore

Sr. No.	Particulars	Gratuity		Leave Encashment	
		2010-11	2009-10	**2010-11**	2009-10
(i)	**Changes in present value of obligation**				
	Opening Balance of Present Value of Obligation	**146.43**	113.86	**107.76**	94.98
	Liability on transfer in / (out) of Employees (Net)	**(1.55)**	(0.06)	**(1.51)**	(0.05)
		144.88	113.80	**106.25**	94.93
	Interest Cost	**12.04**	8.55	**8.89**	7.12
	Current Service Cost	**9.39**	8.93	**4.44**	4.45
	Benefits Paid	**(8.31)**	(4.14)	**(9.89)**	(8.05)
	Actuarial (Gain) / Loss	**7.75**	19.29	**26.82**	9.31
	Closing Balance of Present Value of Obligation	**165.75**	146.43	**136.51**	107.76

Schedules Annexed to and forming part of the Financial Statements

₹ Crore

Sr. No.	Particulars	Gratuity 2010-11	Gratuity 2009-10	Leave Encashment 2010-11	Leave Encashment 2009-10
(ii)	**Changes in Fair Value of plan assets**				
	Opening Balance of Present Value of Plan Assets	**137.63**	114.68	**95.59**	72.90
	Expected return on Plan assets	**11.33**	8.60	**7.89**	5.47
	Contributions	**30.96**	14.47	**19.89**	23.06
	Benefits Paid	**(8.31)**	(4.14)	**(9.89)**	(8.05)
	Actuarial Gain / (Loss) on Plan assets	**(2.73)**	4.02	**(0.95)**	2.22
	Closing Balance of Fair Value of Plan Assets	**168.88**	137.63	**112.53**	95.59
	Plan assets Pending Transfer	**(1.90)**	(0.35)	**(1.51)**	-
	Closing Balance of Fair Value of Plan Assets net of pending transfer	**166.98**	137.28	**111.02**	95.59
(iii)	**Percentage of each category of Plan assets to total fair value of Plan assets as at March 31, 2011**				
	Administered by Reliance Life Insurance Co. Limited / Life Insurance Corporation of India	**100%**	100%	**100%**	100%
(iv)	**Reconciliation of Present Value of Defined Present Obligations and the Fair Value of Assets**				
	Closing Balance of Present Value of Obligation	**165.75**	146.43	**136.51**	107.76
	Closing Balance of Fair Value of Plan Assets net of pending transfers	**166.98**	137.28	**111.02**	95.59
	(Asset) / Liability recognised in the Balance Sheet	**(1.23)**	9.15	**25.49**	12.17
(v)	**Amounts recognised in the Balance Sheet**				
	Closing Balance of Present Value of Obligation	**165.75**	146.43	**136.51**	107.76
	Closing Balance of Fair Value of Plan Assets net of pending transfers	**166.98**	137.28	**111.02**	95.59
	Funded Asset recognised in the Balance Sheet	**1.23**	-	**-**	-
	Unfunded Liability recognised in the Balance Sheet	**-**	9.15	**25.49**	12.17
(vi)	**Expenses recognised in the Profit and Loss Account**				
	Current Service Cost	**9.39**	8.93	**4.44**	4.45
	Interest Cost	**12.04**	8.55	**8.89**	7.12
	Expected Return on Plan Assets	**(11.33)**	(8.60)	**(7.89)**	(5.47)
	Net Actuarial (Gain) / Loss	**10.48**	15.27	**27.77**	7.09
	Expenses recognised in the Profit and Loss Account	**20.58**	24.15	**33.21**	13.19
(vii)	**(a) Experience adjustments**				
	On Plan Liabilities (Gain) / Loss	**7.75**	(1.43)	**26.82**	3.15
	On Plan Assets (Gain) / Loss	**2.73**	(4.02)	**0.95**	(2.22)
	Total Experience Adjustments	**10.48**	(5.45)	**27.77**	0.93
	(b) Adjustments due to change in assumptions	**-**	20.72	**-**	6.16
(viii)	**Expected Employer's Contribution for the next year**	**10.71**	7.30	**30.00**	15.00

Disclosure as required under para 120(n): ₹ Crore

Sr. No.	Particulars	Gratuity 2010-11	Gratuity 2009-10	Gratuity 2008-09	Gratuity 2007-08	Leave Encashment 2010-11	Leave Encashment 2009-10	Leave Encashment 2008-09	Leave Encashment 2007-08
(i)	Present Value of the Defined Benefit Obligation	**165.75**	146.43	113.86	95.72	**136.51**	107.76	94.98	83.88
(ii)	Fair Value of the Plan Assets	**166.98**	137.28	114.39	97.90	**111.02**	95.59	72.90	57.66
(iii)	Surplus/ (Deficit) in the Plan	**1.23**	(9.15)	0.53	2.18	**(25.49)**	(12.17)	(22.08)	(26.23)
(iv)	Experience adjustments on Plan Liabilities (Gain) / Loss	**7.75**	(1.43)	3.56	8.08	**26.82**	3.15	(2.48)	24.41
(v)	Experience adjustments on Plan Assets (Gain) / Loss	**2.73**	(4.02)	6.92	(1.13)	**0.95**	(2.22)	4.37	2.34

Note: Since the Company had adopted AS-15 (Revised)- " Employee Benefit" for the first time during the financial year ended March 31, 2008, hence the disclosure for gratuity and leave encashment figures as required by Para 120(n) have not been presented for the financial year prior to 2007-08.

Schedules Annexed to and forming part of the Financial Statements

14. The Company has been legally advised that the Company is considered to be established with the object of providing infrastructural facilities and accordingly, Section 372A of the Companies Act, 1956 is not applicable to the Company.

15. Revaluation of Tangible Assets:

The Company had, based on a valuation made by approved valuers, revalued as at April 1, 2003 the Plant and Machinery located at Dahanu. The revaluation of the same was based on the technological obsolescence, the year of purchase, the maintenance levels and the currency and customs duty variations as applicable. The resultant appreciation aggregating to ₹ 752.17 Crore has been added to the Gross Block of the Fixed Assets and credited to Revaluation Reserve. Consequent to the revaluation, there is an additional charge for depreciation for the year of ₹ 53.96 Crore (₹ 53.90 Crore) and an equivalent amount, has been withdrawn from Revaluation Reserve and credited to the Profit and Loss Account.

16. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2011. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

17. Provision for Disputed matters / Contingency:

₹ Crore

Particulars	Direct Taxes	Other business (Refer note (a) below)	Total
Opening Balance	19.68	610.00	629.68
Less: Provision reversed	(19.68)	-	(19.68)
Closing Balance	**-**	**610.00**	**610.00**

(a) represents disputes / contingencies in respect of electricity business and other corporate matters. No further information is given as the matters are sub-judice and may jeopardize the interest of the Company.

18. Equity Share Warrants:

During the year, the Company received an application from AAA Project Ventures Private Limited (AAAPVL) for conversion of 2,25,50,000 warrants into shares along with the payment of balance amount of ₹ 1,570.99 Crore. The Company allotted 2,25,50,000 equity shares to AAAPVL against conversion of said warrants. The outstanding 7,50,000 warrants after the said conversion have been cancelled and the sum of ₹ 17.42 Crore paid on such warrants is forfeited in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. The said amount has been credited to Capital Reserve.

19. In accordance with the provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, the Company made a Public announcement to buyback the equity shares of the Company at a maximum price of ₹ 725 per equity share, up to an amount not exceeding 10 per cent of the paid-up equity share capital and free reserves (including securities premium) of the Company, i.e. up to ₹ 1,000 Crore.

20. During the year, the Company has entered into an Operations & Maintenance Contract with its 3 subsidiary companies viz. DS Toll Road Limited, NK Toll Road Limited and PS Toll Road Private Limited, where by the Company is entitled to a residual interest (by way of Fixed and Variable charges) in the monthly cash flow of the toll road business for a period of 12,14 and 15 years respectively. The consideration of ₹ 355 Crore, ₹ 275 Crore and ₹ 1,780 Crore payable respectively to acquire these rights are amortised over the useful life of the contract on the basis of projected revenue.

21. Disclosures pursuant to Accounting Standard (AS) 7 (Revised) "Construction Contracts":

₹ Crore

Sr. No.	Particulars	2010-11	2009-10
1.	Contract Revenue Recognised for the financial year	**3,389.23**	3,414.85
2.	Aggregate amount of costs incurred and recognised profits (Less recognised losses) as at end of the financial year for all contracts in progress as at that date (including construction work in progress ₹ 297.46 Crore (Previous Year : ₹ 254.40 Crore))	**13,147.37**	9,873.46
3.	Amount of customer advances outstanding for contracts in progress as at end of the financial year	**6,421.43**	2,574.84
4.	Retention amount due from customers for contracts in progress as at end of the financial year	**1,087.92**	779.03
5.	Gross amount due from customers for contract works as an asset	**297.46**	254.40

22. Scheme of Amalgamation of Reliance Infraprojects Limited (RInfL) with the Company:

Pursuant to the approval of the Board vide resolution dated November 22, 2010 and the sanction of the Scheme of Amalgamation of RInfL with the Company by the Hon'ble High Court of Judicature at Bombay on March 30, 2011, the assets and liabilities of the erstwhile RInfL, a wholly owned subsidiary of the Company, were transferred to and vested in the Company with effect from the appointed date viz. April 1, 2010 in accordance with the Scheme so sanctioned.

Schedules Annexed to and forming part of the Financial Statements

The amalgamation has been accounted for under the "Pooling of Interest Method" as defined in Accounting Standard 14 - Accounting for Amalgamation (AS-14) as prescribed under the Companies (Accounting Standards) Rules, 2006 and as per the terms of the scheme of amalgamation as under

- The accumulated balance in Profit and Loss Account of ₹ 127.22 Crore as on April 1, 2010 of RInfL has been transferred to General Reserve.
- The assets and liabilities have been taken over at the book value in the books of the Company.
- The investments of the Company in equity shares of RInfL amounting to ₹ 502.10 Crore stands cancelled.

There were no significant differences in the accounting policies followed between the erstwhile Company and the Company as on the appointed date.

The figures for the previous year do not include figures for the erstwhile RInfL and accordingly the current year figures are not comparable to those of the previous year.

23. Balances with Non-Scheduled Banks in Current Account:

₹ **Crore**

Sr. No.	Name of the Non-Scheduled Bank	2010-11		2009-10	
		As at March 31, 2011	Maximum Balance	As at March 31, 2010	Maximum Balance
1.	The Air Corporation Employees Co-operative Bank Limited	**0.01**	**0.07**	0.02	0.19
2.	The Malad Sahakari Bank Limited	**0.07**	**0.59**	0.14	0.84
3.	Hindustan Co-operative Bank Limited	**0.09**	**0.66**	0.19	0.47
4.	Chembur Nagrik Sahakari Bank Limited	**0.14**	**1.18**	0.36	1.08
5.	Shri Arihant Co-operative Bank Limited	**0.13**	**0.70**	0.18	0.72
6.	The Sangli Sahakari Bank Limited	**0.02**	**0.27**	0.02	0.14
7.	Maratha Sahakari Bank Limited	**0.12**	**0.57**	0.10	0.92
8.	Sahyadri Sahakari Bank Limited	**-**	**-**	-	0.15
9.	The City Co-operative Bank Limited	**0.03**	**0.13**	0.05	0.22
10.	Konkan Prant Sahakari Bank Limited	**0.05**	**0.38**	0.09	0.32
11.	Priyadarshani Mahila Co-operative Bank Limited	**-**	**0.09**	0.01	0.17
12.	The C.K.P. Co-operative Bank Limited	**0.06**	**0.43**	0.06	0.32
13.	Bhutan National Bank	**@**	**@**	@	@
14.	Nepal Bank Limited	**0.02**	**0.02**	0.02	0.02
15.	Excellent (Safe) Co-operative Bank Limited	**0.15**	**0.60**	0.20	0.90
16.	Dattatrya Maharaj Kalambe Jaoli Sahakari Bank Limited	**0.12**	**0.59**	0.19	0.65
17.	Model Co-operative Bank Limited	**0.17**	**0.35**	0.10	0.33
18.	Barclays PLC				
	(a) In Current Account	**0.06**	**0.06**	0.06	0.12
	(b) In Cash Collateral Account	**107.93**	**121.73**	80.82	154.09

@ ₹ 36,173

24. Disclosure of Loans and Advances to Subsidiaries, Associates, Joint Ventures and Others (Pursuant to Clause 32 of the Listing Agreement):

₹ **Crore**

Sr. No.	Name	Amount Outstanding as at		Maximum amount Outstanding during the year ended	
		March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
	Subsidiaries:				
1.	Reliance Power Transmission Limited	**11.83**	157.65	**374.56**	348.62
2.	Western Region Transmission (Gujarat) Private Limited	**-**	-	**0.03**	@
3.	Western Region Transmission (Maharashtra) Private Limited	**-**	-	**0.05**	0.01
4.	Talcher- II Transmission Co. Limited (w.e.f. April 27, 2010)	**-**	-	**0.01**	-
5.	North Karanpura Transmission Co. Limited (w.e.f. May 20, 2010)	**-**	-	**@**	-
6.	BSES Kerala Power Limited #	**0.41**	9.36	**14.31**	37.13
7.	Noida Global SEZ Private Limited	**-**	36.18	**168.69**	36.50
8.	Mumbai Metro One Private Limited	**36.86**	7.50	**90.12**	7.73
9.	Reliance Infraventures Limited	**-**	66.27	**68.81**	63.85

Schedules Annexed to and forming part of the Financial Statements

₹ Crore

Sr. No.	Name	Amount Outstanding as at		Maximum amount Outstanding during the year ended	
		March 31, 2011	March 31, 2010	**March 31, 2011**	March 31, 2010
10.	Reliance Energy Trading Limited #	**-**	-	**-**	56.14
11.	Reliance Energy Limited	**128.07**	72.97	**128.07**	72.97
12.	Reliance Energy Generation Limited	**42.94**	18.23	**42.94**	18.23
13.	Reliance Goa and Samalkot Power Limited	**19.42**	13.95	**19.42**	13.95
14.	Parbati Koldam Transmission Co. Limited	**-**	-	**48.43**	4.50
15.	Delhi Airport Metro Express Private Limited	**-**	466.95	**662.02**	467.24
16.	CBD Tower Private Limited	**3.20**	3.78	**3.78**	10.02
17.	DS Toll Road Limited	**-**	-	**7.10**	9.65
18.	NK Toll Road Limited	**-**	-	**0.01**	8.95
19.	SU Toll Road Private Limited	**-**	2.10	**3.16**	5.40
20.	TD Toll Road Private Limited	**-**	0.98	**1.18**	8.17
21.	TK Toll Road Private Limited	**-**	2.02	**4.23**	4.31
22.	GF Toll Road Private Limited	**-**	165.62	**165.74**	166.07
23.	KM Toll Road Private Limited	**193.00**	0.20	**197.70**	0.21
24.	PS Toll Road Private Limited	**237.92**	-	**429.82**	-
25.	HK Toll Road Private Limited (w.e.f. May 19, 2010)	**177.00**	-	**178.80**	-
26.	DA Toll Road Private Limited (w.e.f. May 26, 2010)	**627.00**	-	**706.91**	-
27.	Reliance Airport Developers Private Limited	**-**	-	**0.23**	0.02
28.	Latur Airport Private Limited	**0.76**	0.13	**2.42**	0.17
29.	Baramati Airport Private Limited	**-**	0.11	**1.18**	0.11
30.	Nanded Airport Private Limited	**2.85**	-	**19.42**	-
31.	Yavatmal Airport Private Limited	**-**	0.06	**0.91**	0.11
32.	Osmanabad Airport Private Limited	**-**	0.06	**0.16**	0.32
33.	Reliance Cementation Private Limited	**-**	30.15	**30.15**	31.58
34.	Utility Infrastructure & Works Private Limited (w.e.f. December 28, 2010)	**0.25**	-	**1.15**	-
35.	Reliance Infrastructure Engineers Private Limited (w.e.f. March 25, 2011)	**-**	42.45	**-**	52.55
36.	Reliance Sealink One Private Limited (w.e.f. May 26, 2010)	**14.74**	-	**14.74**	-
	Associates including Subsidiaries of Associates:				
1.	Reliance Power Limited	**3.72**	-	**9.20**	0.17
2.	Reliance Infrastructure and Consultants Limited #	**68.40**	142.01	**140.62**	145.25
3.	Mumbai Metro Transport Private Limited	**-**	3.00	**46.58**	3.65
4.	Urthing Sobla Hydro Power Private Limited	**0.67**	-	**0.67**	-
5.	Rosa Power Supply Co. Limited	**@**	-	**0.18**	0.09
6.	Sasan Power Limited	**-**	-	**-**	1.37
7.	Vidarbha Industries Power Limited	**-**	-	**0.26**	0.03
8.	Tato Hydro Power Private Limited	**0.89**	-	**0.89**	3.67
9.	Siyom Hydro Power Private Limited	**0.47**	-	**0.47**	0.80
10.	JR Toll Road Private Limited	**53.45**	0.35	**121.55**	0.35
11.	Coastal Andhra Power Limited	**-**	-	**0.13**	0.04
12.	Reliance Coal Resources Private Limited	**0.01**	-	**0.05**	0.01
	Joint ventures:				
1.	Tamilnadu Industries Captive Power Company Limited	**0.67**	0.65	**0.67**	0.65
2.	BSES Yamuna Power Limited	**-**	-	**0.31**	0.13
3.	BSES Rajdhani Power Limited	**-**	-	**0.20**	0.04

@ less than ₹ 50,000

Except for these companies, all loans and advances stated above are interest free.

Loans to employees have been considered to be outside the purview of disclosure requirements.

As at the year-end, the Company-
(a) has no loans and advances in the nature of loans, wherein there is no repayment schedule or repayment is beyond seven years and (b) has no loans and advances in the nature of loans to firms / companies in which directors are interested. (c) The above amounts exclude subordinate debts.

25. Details of Purchase and Sale of Investments during the year:

₹ Crore

Mutual Fund	No of Units	Purchase Cost
Reliance Money Manager Fund-Institutional Option-Daily Dividend Plan	74,860,517.70	7,496.32
Reliance Liquid Fund-Growth Option	421,872,939.54	585.50
Reliance Liquid Fund-Daily Dividend-Reinvestment Option	21,628,864,707.15	21,639.90
Reliance Monthly Interval Fund-Series I-Institutional Dividend Plan	199,942,017.13	200.00
Reliance Monthly Interval Fund-Series II-Institutional Dividend Plan	99,982,003.24	100.00
Reliance Liquid Fund-Cash Plan-Daily Dividend Option	3,988,531,609.84	4,443.82
Reliance Liquid Fund-Treasury Plan-Institutional Daily Dividend Option	118,492,164.66	181.14
Reliance Short Term Fund-Retail Plan-Dividend Option	974,306,816.79	1,039.49
Reliance Floating Rate Fund-Short Term Plan-Daily Dividend Reinvestment	753,237,030.84	758.51
Reliance Fixed Horizon Fund-XV Series 1-Daily Payout Option	100,000,000.00	100.00
Reliance Fixed Horizon Fund-XV Series 3-Daily Plan	100,000,000.00	100.00
Reliance Quarterly Interval Fund-Series III- Institutional Dividend Plan	99,936,040.93	100.00
LIC Nomura MF (erstwhile LICMF) Liquid Fund-Dividend Plan	18,614,845.46	20.44
LIC Nomura MF (erstwhile LICMF) Income Plus Fund-Daily Dividend Plan	20,430,978.60	20.43
Birla Sun Life Dynamic Fund-Retail Plan-Monthly Dividend	9,947,689.09	10.37
Birla Sun Life Saving Fund-Institutional-Daily Dividend-Reinvestment	10,079,022.63	10.09
ICICI Prudential Institutional Short Term -Monthly Dividend	8,605,347.59	10.39
ICICI Prudential Flexible Income Plan Premium-Daily Dividend	953,978.08	10.09
HDFC Cash Mgt. Fund-Treasury Advantage Plan-Wholesale-Daily Dividend Option	10,053,666.43	10.09
HDFC High Interest Fund-Short Term Plan-Dividend Reinvestment	9,791,591.88	10.37
IDBI Liquid Fund- Daily Dividend-Reinvestment	20,174,662.25	20.17
IDBI Ultra Short Fund- Daily Dividend-Reinvestment	10,097,362.07	10.10

26. (a) Interest in Joint Ventures:

Company	Proportion of ownership interest as on	
	March 31, 2011	March 31,2010
Utility Powertech Limited	**19.80 %**	19.80 %
BSES Rajdhani Power Limited	**49.00 %**	49.00 %
BSES Yamuna Power Limited	**49.00 %**	49.00 %
Tamilnadu Industries Captive Power Company Limited	**33.70 %**	33.70 %

(b) The above joint venture companies are incorporated in India. The Company's share of the assets and liabilities as on March 31, 2011 and income and expenses based on financial statements audited by other independent Chartered Accountants for the year ended on that date are given below:

₹ Crore

Sr. No.	Particulars	2010-11	2009-10
A	**Assets**		
	Long Term Assets	**2,262.60**	2,142.52
	Current Assets	**2,967.86**	1,447.35
	Total	**5,190.46**	3,589.87
B	**Liabilities**		
	Long Term Liabilities	**3,165.81**	2,241.50
	Current Liabilities and Provisions	**1,316.34**	877.21
	Total	**4,482.15**	3,118.71
C	**Contingent Liabilities**	**61.83**	84.96
D	**Capital Commitments**	**157.05**	248.12
E	**Income**	**5,423.63**	4,055.34
F	**Expenses**	**5,104.45**	3,924.06

The above figures do not include the share of the assets, liabilities, income and expenses etc. pertaining to the share holding of the Company's associates / group companies.

27. Derivative Instruments:

(a) The Company has entered into contracts for derivative instruments, which are not intended for trading or speculative purposes. The details of the derivative instruments are as follows:

Sr. No.	Particulars	No. of instruments	Value (As at March 31, 2011)	
			US $ million	₹ Crore
1.	Currency Swap	15	123.33	550.00
2.	Libor Based Callable Range Accrual	7	300.00	1,337.85
3.	Forward Contract	2	2.64	11.79

Details of the contracts for derivative instruments of previous year 2009-10 were as under:

Sr. No.	Particulars	No. of instruments	Value (As at March 31, 2010)	
			US $ million	₹ Crore
1.	Currency Swap	15	122.49	550.00
2.	Libor Based Callable Range Accrual	4	250.00	1,122.50
3.	Forward Contract	2	18.00	80.82

(b) Pursuant to the clarification issued by the Institute of Chartered Accountants of India on March 29, 2008 on accounting of derivatives, the Company has for the year ended March 31, 2011 provided / (reversed) unrealised loss of ₹ 39.32 Crore (Previous Year (₹ 81.08 Crore)) on account of revaluation of foreign exchange derivative instruments at fair values as at the reporting year end. Profit or Loss on such foreign exchange derivative instruments will be crystallised / realised only on expiry of such instruments in subsequent financial years.

(c) Commodity Contracts: The Company uses Commodity Future Contracts to hedge against fluctuations in commodity prices. The following are outstanding aluminum future contracts entered into by the Company as on March 31, 2011.

Outstanding as on	Number of Contracts	Contractual Quantity	Buy / Sell
March 31, 2011	35	24,425 MT	Buy
March 31, 2011	15	15,175 MT	Sell
March 31, 2010	62	18,100 MT	Buy

(d) Net Foreign Currency exposures that are not covered by derivative instruments or otherwise are ₹ 1,268.76 Crore (₹ 1,644.92 Crore).

28. Interest in Joint Venture Operations:

The Company along with M/s. Geopetrol International Inc. and Reliance Natural Resources Limited *(the consortium) has been allotted 4 Coal Bed Methane (CBM) blocks from Ministry of Petroleum and Natural Gas (Mo PNG) covering an acreage of 3,266 square kilometers in the States of Madhya Pradesh, Andhra Pradesh and Rajasthan. The consortium has entered into a production sharing agreement with Government of India for exploration and production of these four CBM blocks. The Company is a non-operator and has 45% share in each of the four blocks.

Also the Company along with M/s. Geopetrol International Inc, Naftogaz India Private Limited and Reliance Natural Resources Limited *(the consortium) has been allotted oil block from Ministry of Petroleum and Natural Gas (Mo PNG), in the State of Mizoram under the New Exploration Licensing Policy (NELP - VI) round, covering an acreage of 3,619 square kilometers and the consortium has signed an agreement with the Government of India for exploration and production of an Oil and Gas block. The Company is a non-operator and has 70% share in the block.

Disclosure of the Company's share in Joint Venture operations:

Name of the Field in the Joint Venture	Location (Onshore Blocks)	Participating Interest (%) March 31, 2011
SP-(North) – CBM - 2005 / III	Sohagpur, Madhya Pradesh	45 %
KG(E) - CBM - 2005 / III	Kothagudem, Andhra Pradesh	45 %
BS(4) - CBM - 2005 / III	Barmer, Rajasthan	45 %
BS(5) - CBM - 2005 / III	Barmer, Rajasthan	45%
MZ-ONN-2004 / 2	Mizoram	70 %

Schedules Annexed to and forming part of the Financial Statements

The above joint ventures are unincorporated joint ventures carrying out jointly controlled operations. Based on the un-audited statement of accounts of the consortium forwarded by the Operator, the Company's share in respect of assets and liabilities as at March 31, 2011 and expenditure for the year ended on that date has been accounted as under.

₹ Crore

Item	**2010-11 (Un-audited)**	2009-10 (Audited)
Expenses	6.03	3.71
Fixed Assets including Capital work-in-progress	-	-
Other Assets	4.39	3.31
Current Liabilities	1.44	0.48
Contingent Liability	-	-

(* Share of RNRL has since been demerged to 4 Subsidiary Companies of Reliance Power Limited).

29. Power Banking:

The cost of electricity purchased is net of cost incurred towards units purchased and banked with other parties and/or units banked by other parties with us, both on loan basis. Such transactions remaining unsettled at the year end, is carried forward under Loans and Advances / Sundry Creditors, as the case may be at the value of purchase on the date of the transactions when the units are banked, either way, as the case may be.

30. Disclosure as required under AS – 19:

Disclosure as required under AS - 19 "Accounting for Leases" as prescribed under Companies (Accounting Standards) Rules, 2006 is given below:

(a) The Company has entered into cancellable leasing agreement for office, residential and warehouse premises renewable by mutual consent on mutually agreeable terms.

(b) Future minimum lease payments under non-cancellable operating lease are as under:

₹ Crore

Particulars	**Lease Rental Debited to Profit and Loss Account (Cancellable and Non cancellable)**	**Future Minimum Lease Rentals**			**Period of Lease***
		Less Than 1 Year	**Between 1 to 5 Years**	**More than 5 Years**	
Office Premises and Warehouses	21.53	18.20	52.35	10.83	Various

*The Lease terms are renewable on a mutual consent of Lessor and Lessee.

The lease rentals have been included under the head "Rent" under Schedule "11 - Generation, Distribution, Administration and Other Expenses" and Schedule "12 - Expenditure of EPC and Contracts Business".

31. Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year. Figures in bracket indicate previous year's figures.

'@'- represents figures less than ₹ 50,000 which have been shown at actuals in brackets with @.

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No.107783W

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Date : May 27, 2011

For and on behalf of the Board

Anil D Ambani	Chairman
S C Gupta	Director (Operations)
Lalit Jalan	Whole-time Director
Gen V P Malik	Directors
S L Rao	
Dr Leena Srivastava	
R R Rai	
Ramesh Shenoy	Company Secretary

Place : Mumbai
Date : May 27, 2011

Statement Pursuant to Part IV of Schedule VI to the Companies Act, 1956

Balance Sheet Abstract and Company's General Business Profile:

I. Registration Details:

Registration No.	01530	State Code	011
Balance Sheet Date:	31-03-2011		

II. Capital raised during the year: (Amount in ₹ thousand)

Public Issue:	NIL	Rights Issue:	NIL
Bonus Issue:	NIL	Private Placement:	225500

III. Position of mobilisation and deployment of funds: (Amount in ₹ thousand)

Total Liabilities:	217358306	Total Assets:	217358306
Sources of Funds:		**Application of Funds:**	
Paid up Capital:	2674557	Net Fixed Assets:	68552184
Equity Warrants:	NIL	Investments:	125840796
Reserves and Surplus:	174000408	Net Current Assets:	22965326
Secured Loans:	15839310	Miscellaneous Expenditure:	NIL
Unsecured Loans:	23853720		
Deferred Tax Liability:	990311		

IV. Performance of the Company: (Amount in ₹ thousand)

Net Turnover:	102664390	Total Expenditure:	91323883
Profit before tax:	11350507	Profit after tax:	10809092
Earnings per Share in ₹	43	Dividend Rate (%):	72

V. Generic Names of Three Principal Products / Services of Company (As per monetary terms)

Item Code number	NA
Product Description	DISTRIBUTION OF POWER
	GENERATION OF POWER
	CONTRACTING

Statement pursuant to Section 212 of the Companies Act, 1956, relating to Company's Interest in Subsidiary Companies

Statement pursuant to Section 212 of the Companies Act, 1956, relating to Company's Interest in Subsidiary Companies

₹ Crore

Sr. No.	Particulars	The Financial Year of the subsidiary companies ended on	Date from which they became subsidiary companies	Number and face value of shares held by the Company at the end of the financial year of the subsidiary companies	Extent of Interest of Holding Company at the end of the financial year of the subsidiary companies	The net aggregate amount of the subsidiary companies Profit/(loss) so far as it concerns the members of the Holding Company: Not dealt with in the Holding Company's accounts: For the financial year ended 31st March, 2011	Not dealt with in the Holding Company's accounts: For the previous financial years of the subsidiary companies since they became the Holding Company's subsidiary	Dealt with in Holding Company's accounts: For the financial year ended 31st March,2011	Dealt with in Holding Company's accounts: For the previous financial years of the subsidiary companies since they became the Holding Company's subsidiary
1	BSES Kerala Power Limited	31-03-2011	20-11-2006	127,760,000 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	5.65	35.94	-	-
2	Reliance Power Transmision Limited	31-03-2011	06-10-2006	3,815,480 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	(2.59)	(5.29)	-	-
3	Mumbai Metro One Private Limited	31-03-2011	28-02-2007	207,006,900 Equity Shares of the face value of ₹ 10 each fully paid-up and 146,273,100 Equity Shares of the face value of ₹ 10 each paid-up ₹ 5	69%	(0.15)	(1.93)	-	-
4	Noida Global SEZ Private Limited	31-03-2011	06-01-2007	4,866,100 Equity Shares of the face value of ₹ 10 each fully paid-up	99.90%	-	(0.15)	-	-
5	Delhi Airport Metro Express Private Limited	31-03-2011	01-04-2008	9,500 Equity Shares of the face value of ₹ 10 each fully paid-up	95%	(15.47)	-	-	-
6	Reliance Infraventures Limited	31-03-2011	26-10-2006	508,756,000 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	34.65	177.46	-	-
7	Reliance Energy Trading Limited	31-03-2011	31-12-2007	20,650,000 Equity Shares of the face value of ₹ 10 each fully paid -up	100%	19.98	17.16	-	-
8	Parbati Koldam Transmission Company Limited	31-03-2011	23-11-2007	61,146,200 Equity Shares of the face value of ₹ 10 each fully paid-up	74%	(0.33)	(0.83)	-	-
9	DS Toll Road Limited	31-03-2011	23-05-2008	5,210,000 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	(1.77)	(0.20)	-	-
10	NK Toll Road Limited	31-03-2011	23-05-2008	4,477,000 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	(3.06)	(1.25)	-	-
11	SU Toll Road Private Limited	31-03-2011	02-05-2008	18,169,860 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	-	(0.11)	-	-
12	TD Toll Road Private Limited	31-03-2011	02-05-2008	10,744,920 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	-	(0.15)	-	-
13	TK Toll Road Private Limited	31-03-2011	02-05-2008	12,633,550 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	-	(0.06)	-	-
14	GF Toll Road Private Limited	31-03-2011	23-12-2008	1,696,200 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	-	(0.14)	-	-
15	CBD Tower Private Limited	31-03-2011	21-05-2008	168,459,250 Equity Shares of the face value of ₹ 10 each fully paid-up	89%	-	(3.45)	-	-
16	Tulip Realtech Private Limited	31-03-2011	19-01-2009	10,000 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	-	-	-	-
17	Reliance Energy Generation Limited	31-03-2011	13-02-2009	50,000 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	(0.02)	(0.03)	-	-
18	Reliance Energy Limited	31-03-2011	31-01-2009	500,000 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	-	(0.02)	-	-
19	Reliance Property Developers Limited	31-03-2011	31-01-2009	50,000 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	(0.01)	(0.02)	-	-
20	Reliance Cementation Private Limited	31-03-2011	05-09-2009	38,624,000 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	-	-	-	-
21	KM Toll Road Private Limited	31-03-2011	04-02-2010	500,000 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	-	-	-	-
22	PS Toll Road Private Limited	31-.03.2011	09-02-2010	7,936 Equity Shares of the face value of ₹ 10 each fully paid-up	74%	1.46	-	-	-
23	HK Toll Road Private Limited	31-.03.2011	19-05-2010	200,000 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	-	N.A.	-	N.A.
24	DA Toll Road Private Limited	31-.03.2011	26-05-2010	8,000,000 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	(0.06)	N.A.	-	N.A.
25	Reliance Sealink One Private Limited	31-.03.2011	26-05-2010	4,556 Equity Shares of the Face value of ₹ 10 each fully paid-up held by the Company and 5,444 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Infraventures Limited	90%	(0.04)	N.A.	-	N.A.

Statement pursuant to Section 212 of the Companies Act, 1956, relating to Company's Interest in Subsidiary Companies

Statement pursuant to Section 212 of the Companies Act, 1956, relating to Company's Interest in Subsidiary Companies

₹ Crore

Sr. No.	Particulars	The Financial Year of the subsidiary companies ended on	Date from which they became subsidiary companies	Number and face value of shares held by the Company at the end of the financial year of the subsidiary companies	Extent of Interest of Holding Company at the end of the financial year of the subsidiary companies	The net aggregate amount of the subsidiary companies Profit/(loss) so far as it concerns the members of the Holding Company: Not dealt with in the Holding Company's accounts		Dealt with in Holding Company's accounts	
						For the financial year ended 31st March, 2011	For the previous financial years of the subsidiary companies since they became the Holding Company's subsidiary	For the financial year ended 31st March,2011	For the previous financial years of the subsidiary companies since they became the Holding Company's subsidiary
26	Utility Infrastructure & Works Private Limited	31-.03.2011	28-12-2010	1,00,000 Equity Shares of the face value of ₹ 10 each fully paid-up	100%	-	N.A.	-	N.A.
27	Reliance Infrastructure Engineers Private Limited	31.03.2011	25-03-2011	44,350,000 Equity Shares of the face value of ₹ 10 each fully paid-up	81.59%	-	N.A.	-	N.A.
	Step-down Subsidiaries:-								
28	Western Region Transmission (Maharashtra) Private Limited	31-03-2011	14-11-2007	18,007,086 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Power Transmission Limited	100%	0.07	(1.81)	-	-
29	Western Region Transmission (Gujarat) Private Limited	31-03-2011	14-11-2007	14,256,891 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Power Transmission Limited	100%	-	(0.99)	-	-
30	Reliance Goa and Samalkot Power Limited	31-03-2011	04-03-2009	50,000 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Energy Generation Limited	100%	(0.02)	(0.02)	-	-
31	Reliance Cement Corporation Private Limited	31-03-2011	05-09-2009	10,000 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Cementation Private Limited	100%	-	-	-	-
32	Reliance Cement & Infra Private Limited	31-03-2011	05-09-2009	10,000 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Cementation Private Limited	100%	-	-	-	-
33	Reliance Cement Works Private Limited	31-03-2011	05-09-2009	10,000 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Cementation Private Limited	100%	-	-	-	-
34	Reliance Airport Developers Private Limited	31-.03.2011	25-09-2009	6,655,350 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Infraventures Limited	100%	(0.04)	(0.04)	-	-
35	Latur Airport Private Limited	31-03-2011	29-09-2009	169,090 Equity Shares of the face value of ₹ 10 each fully paid-up held by the Company and 481,268 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Airport Developers Private Limited	100%	(1.59)	(0.66)	-	-
36	Baramati Airport Private Limited	31-03-2011	29-09-2009	85,600 Equity Shares of the face value of ₹ 10 each fully paid-up held by the Company and 243,630 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Airport Developers Private Limited	100%	(0.50)	(0.47)	-	-
37	Nanded Airport Private Limited	31-03-2011	29-09-2009	492,020 Equity Shares of the face value of ₹ 10 each fully paid-up held by the Company and 1,400,370 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Airport Developers Private Limited	100%	(3.24)	(0.81)	-	-
38	Yavatmal Airport Private Limited	31-03-2011	29-09-2009	48,100 Equity Shares of the face value of ₹ 10 each fully paid-up held by the Company and 136,900 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Airport Developers Private Limited	100%	(0.23)	(0.09)	-	-
39	Osmanabad Airport Private Limited	31-03-2011	29-09-2009	20,100 Equity Shares of the face value of ₹ 10 each fully paid-up held by the Company and 57,200 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Airport Developers Private Limited	100%	(0.19)	(0.11)	-	-
40	Talcher II Transmission Company Limited	31-03-2011	27-04-2010	1,96,500 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Power Transmission Limited	100%	(0.01)	N.A.	-	N.A.
41	North Karanpura Transmission Company Limited	31-03-2011	20-05-2010	265,000 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Power Transmission Limited	100%	-	N.A.	-	N.A.
42	Reliance Concrete Private Limited (erstwhile Reliance Cement Private Limited)	31-03-2011	18-03-2011	10,000 Equity Shares of the face value of ₹ 10 each fully paid-up held by Reliance Cementation Private Limited	100%	-	N.A.	-	N.A.

Auditors' Report to the Board of Directors of Reliance Infrastructure Limited on the Consolidated Financial Statements

1. We have audited the attached Consolidated Balance Sheet of Reliance Infrastructure Limited (the Company) and its subsidiaries, jointly controlled entities and associate companies, hereinafter referred to as the "Group" as at March 31, 2011, the related Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These Consolidated financial statements are the responsibility of Company's Management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The consolidated financial statements include amounts in respect of 20 subsidiaries and one Jointly controlled entity whose financial statements reflect total assets of ₹ 3,192.10 Crore as at March 31, 2011, total revenue of ₹ 936.58 Crore and net cash outflows amounting to ₹ 0.47 Crore for the year then ended and 2 Associate Companies included in these consolidated financial statements which constitute net loss of ₹ 1.51 Crore, which have been audited by one of the joint auditor and reliance has been placed by other auditor for the purpose of this report.
4. We did not audit the financial statements and other financial information of 22 subsidiaries and 3 jointly controlled entities included in these consolidated financial statements, whose financial statements together comprise total assets of ₹ 16,458.34 Crore as at March 31, 2011, total revenue of ₹ 5,569.58 Crore and net cash inflows amounting to ₹ 117.56 Crore for the year then ended and 4 associate companies included in these consolidated financial statements which constitute net profit of ₹ 324.24 Crore for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our audit opinion on the consolidated financial statements, to the extent they have been derived from such financial statements is based solely on the reports of such auditors.
5. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard 21- "Consolidated Financial Statements", Accounting Standard 23 – "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard 27 – "Financial Reporting of Interests in Joint Ventures" as prescribed under the Companies (Accounting Standards) Rules, 2006.
6. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components of the Group as referred to above, and to the best of our information and according to the explanations given to us, in our opinion, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
   a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2011;
   b) in the case of the consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
   c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For Haribhakti & Co. Chartered Accountants Firm Regn. No. 103523W	**For Pathak H.D. & Associates** Chartered Accountants Firm Regn. No. 107783W
Rakesh Rathi Partner Membership No. 45228	**Vishal D. Shah** Partner Membership No. 119303

Place: Mumbai
Date: May 27, 2011

Consolidated Balance Sheet as at March 31, 2011

	Schedule	As at March 31, 2011 ₹ Crore	As at March 31, 2011 ₹ Crore	As at March 31, 2010 ₹ Crore	As at March 31, 2010 ₹ Crore
I. Sources of Funds					
(1) Shareholders' Funds					
(a) Share Capital	1	**267.47**		244.92	
(b) Equity Share Warrants (Refer Note 21)		**-**		541.08	
(c) Reserves and Surplus	2	**23,340.14**		19,918.06	
			23,607.61		20,704.06
(2) Minority Interest			**187.64**		114.68
(3) Loan Funds					
(a) Secured Loans	3	**9,469.48**		5,748.98	
(b) Unsecured Loans	4	**2,835.67**		2,834.90	
			12,305.15		8,583.88
(4) Deferred Tax Liability (net) (Refer Note 12)		**411.12**		156.94	
Less - Tax to be recovered in future tariff determination (Refer Note 17 (c))		**(312.33)**		-	
			98.79		156.94
			36,199.19		29,559.56
II. Application of Funds					
(1) Fixed Assets	5				
(a) Gross Block		**14,460.60**		11,748.19	
(b) Less: Depreciation		**5,714.66**		5,168.32	
(c) Net Block		**8,745.94**		6,579.87	
(d) Capital Work-in-Progress		**10,030.13**		4,591.27	
			18,776.07		11,171.14
(2) Investments	6		**13,793.90**		13,659.14
(3) Current Assets, Loans and Advances	7				
(A) Current Assets					
(a) Inventories		**425.46**		389.78	
(b) Sundry Debtors		**7,299.95**		4,415.96	
(c) Cash and Bank Balances		**635.75**		449.43	
(d) Other Current Assets		**1,865.31**		1,533.20	
(B) Loans and Advances		**7,988.48**		5,992.24	
		18,214.95		12,780.61	
Less: Current Liabilities and Provisions	8				
(A) Current Liabilities		**13,238.10**		7,044.11	
(B) Provisions		**1,347.63**		1,007.22	
		14,585.73		8,051.33	
Net Current Assets			**3,629.22**		4,729.28
			36,199.19		29,559.56
Notes forming part of the Consolidated Financial Statements	16				

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No.107783W

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Date : May 27, 2011

For and on behalf of the Board

Anil D Ambani	Chairman
S C Gupta	Director (Operations)
Lalit Jalan	Whole-time Director
Gen V P Malik	Directors
S L Rao	Directors
Dr Leena Srivastava	Directors
R R Rai	Directors
Ramesh Shenoy	Company Secretary

Place : Mumbai
Date : May 27, 2011

Consolidated Profit and Loss Account for the year ended March 31, 2011

	Schedule	Year ended March 31, 2011 ₹ Crore	₹ Crore	Year ended March 31, 2010 ₹ Crore	₹ Crore
Income					
Revenue from Sale of Electrical Energy *		**6,645.50**		7,384.61	
Less: Discount for prompt payment of bills		**22.15**		28.05	
Add: Share in Joint Ventures *		**5,384.71**		3,941.85	
* Refer Note 17 (a)			**12,008.06**		11,298.41
Revenue from EPC and Contracts Business	9		**3,014.22**		3,304.87
Revenue from Infrastructure Business			**117.11**		25.34
Other Income	10		**963.54**		1,118.83
			16,102.93		15,747.45
Expenditure					
Cost of Electrical Energy purchased (net)		**3,246.37**		3,859.04	
Add: Share in Joint Ventures		**4,147.35**		3,094.33	
			7,393.72		6,953.37
Cost of Fuel			**1,489.12**		1,580.81
Tax on Sale of Electricity [including Share in Joint Ventures ₹ 125.92 Crore (₹ 111.73 Crore)]			**260.27**		265.86
Generation, Distribution, Administration and Other expenses	11		**1,743.55**		1,512.20
Expenditure of EPC and Contracts Business	12		**2,743.00**		3,090.05
Interest and Finance Charges	13		**634.96**		525.13
Depreciation / Amortisation		**421.54**		415.77	
Less: Transferred from Revaluation Reserve (Refer Note 16)		**53.96**		53.90	
Less: Transferred from Service Line Contribution		**8.91**		8.02	
Add: Share in Joint Ventures [net of amount transferred from Reserves ₹ 16.60 Crore (₹ 11.17 Crore)]		**123.80**		118.59	
			482.47		472.44
			14,747.09		14,399.86
Profit before Taxation, Share in Associates and Minority Interest			**1,355.84**		1,347.59
Provision for Taxation:					
Current Tax		**247.64**		249.56	
Wealth Tax		**0.15**		0.15	
Deferred Tax (net) (Refer Note 12)		**74.12**		(53.84)	
Less - Net Tax to be recovered in future tariff determination (Refer Note 17 (c))		**(132.78)**		-	
		(58.66)		(53.84)	
Tax adjustments for earlier years (net)		**(114.33)**		(47.65)	
			74.80		148.22
Share in Joint Ventures:					
Current Tax		**46.05**		0.45	
Deferred Tax (net) (Refer Note 12)		**180.06**		(0.56)	
Less - Net Tax to be recovered in future tariff determination (Refer Note 17 (c))		**(179.55)**		-	
		0.51		(0.56)	
Tax adjustments for earlier years (net)		**5.48**		1.72	
			52.04		1.61
Profit after Tax but before Share in Associates and Minority Interest			**1,229.00**		1,197.76
Share of Profit / (Loss) of Associates for the year (net)			**322.94**		321.45
Minority Interest			**(0.33)**		0.18
Profit after Tax, Share in Associates and Minority Interest			**1,551.61**		1,519.39
Balance of Profit brought forward from previous year		**1,352.00**		1,147.00	
Add: Share in Joint Ventures		**(247.04)**		(303.81)	
			1,104.96		843.19
Less: Transferred to General Reserve on Amalgmation (Refer Note 24)			**127.22**		-
Less: Statutory Reserves and other Appropriations	14		**19.06**		16.96
Amount available for Distribution and Appropriations			**2,510.29**		2,345.62
Appropriations					
Proposed Final / Interim Dividend on Equity Shares [including Share in Joint Ventures ₹ 0.40 Crore (₹ 0.40 Crore)]			**191.65**		174.26
Corporate Tax on dividends (net) [including Share in Joint Ventures ₹ 0.06 Crore (₹ 0.07 Crore)]			**31.09**		29.38
Transfer to Debenture Redemption Reserve			**37.89**		35.83
Transfer to General Reserve [including Share in Joint Ventures ₹ 0.06 Crore (₹ 1.19 Crore)]			**1,000.06**		1,001.19
Balance carried to Balance Sheet		**1,252.34**		1,352.00	
Add: Share in Joint Ventures		**(2.74)**		(247.04)	
			1,249.60		1,104.96
			2,510.29		2,345.62
Earnings per Equity Share (Face Value of ₹ 10 per share)	15		**Rupees**		Rupees
Basic			**62.05**		67.43
Diluted			**58.16**		66.39
Notes forming part of the Consolidated Financial Statements	16				

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No.107783W

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Date : May 27, 2011

For and on behalf of the Board

Anil D Ambani	Chairman
S C Gupta	Director (Operations)
Lalit Jalan	Whole-time Director
Gen V P Malik **S L Rao** **Dr Leena Srivastava** **R R Rai**	Directors
Ramesh Shenoy	Company Secretary

Place : Mumbai
Date : May 27, 2011

Consolidated Cash Flow Statement for the year ended March 31, 2011

	Year ended March 31, 2011		Year ended March 31, 2010	
	₹ Crore	**₹ Crore**	₹ Crore	₹ Crore
A. Cash Flow from Operating Activities :				
Profit before Taxation		**1,355.84**		1,347.59
Adjustments for :				
Depreciation (Net of transfer from Reserves)	**482.47**		472.44	
Interest and finance charges	**634.96**		525.13	
(Profit) / Loss on sale / disposal of fixed assets (net)	**10.18**		4.62	
Provision for / (write back of) diminution in value of investments	**0.49**		0.41	
Provision for doubtful debts, advances, deposits	**61.97**		50.32	
Provision for leave encashment	**15.31**		(8.06)	
Interest Income	**(390.26)**		(292.25)	
Dividend Income	**(109.80)**		(55.69)	
Premium on Redeemable Preference Shares	**(87.60)**		(283.12)	
Unrealised (Gain) / Loss on exchange fluctuation (net)	**(2.81)**		(9.93)	
Unrealised (Gain) / Loss on derivative Instruments (net)	**39.32**		(81.08)	
(Profit) / Loss on sale / redemption of investments (net)	**(57.44)**		(135.09)	
		596.79		187.70
Operating Profit before Working Capital Changes		**1,952.63**		1,535.29
Adjustments for :				
Trade and other receivables	**(7,391.66)**		(2,569.67)	
Inventories	**(35.68)**		170.86	
Trade payables	**6,087.25**		1,072.28	
		(1,340.09)		(1,326.53)
		612.54		208.76
Income Taxes paid (net of refund)		**32.64**		(40.39)
Net Cash generated from Operating Activities		**645.18**		168.37
B. Cash Flow from Investing Activities :				
Purchase / acquisition of fixed assets	**(7,876.62)**		(2,210.77)	
Sale of fixed assets	**6.57**		6.05	
Purchase of investments	**(38,007.38)**		(31,477.03)	
Acquisition of Subsidiaries	**-**		(53.78)	
Purchase of Interest in Joint Ventures / Associates	**-**		(10.03)	
Advance against Investments in Associates	**(99.10)**		-	
Sale / redemption of investments	**38,378.89**		33,948.81	
Inter Corporate Deposits	**1,972.45**		(1,186.10)	
Dividend Income	**109.80**		55.69	
Premium on Redeemable Preference Shares	**115.50**		36.20	
Interest income	**389.77**		280.72	
Net Cash used in Investing Activities		**(5,010.12)**		(610.24)
C. Cash Flow from Financing Activities :				
Proceeds from issue of Share warrants	**1,570.99**		2,361.70	
Proceeds of Share Capital from Minority shareholders (including share application money)	**66.45**		3.26	
Buy back of Equity Shares (including buy back expenses)	**-**		(43.15)	
Proceeds / (Repayments) of secured loans (net)	**3,720.49**		1,127.48	
Proceeds / (Repayments) of unsecured loans (net)	**15.79**		(2,336.92)	
Proceeds from Grants / Capital Contribution	**294.10**		159.90	
Realised Gain / (Loss) on derivative instruments (net)	**(98.85)**		22.82	
Interest and finance charges	**(832.93)**		(663.04)	
Dividends paid on equity shares including tax	**(184.93)**		(200.50)	
Net Cash generated from Financing Activities		**4,551.11**		431.55
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)		**186.17**		(10.32)
Cash and cash equivalents as at the commencement of the year (Opening Balance)	**360.84**		435.63	
Add: Share in Joint Ventures	**88.59**		22.64	
		449.43		458.27
Add: Cash taken over on acquisition of Subsidiaries		**0.15**		1.48
		449.58		459.75
Cash and cash equivalents as at the end of the year (Closing Balance) *	**536.31**		360.84	
Add: Share in Joint Ventures	**99.44**		88.59	
		635.75		449.43
Net Increase / (Decrease) as disclosed above		**186.17**		(10.32)

* Including Cash Collateral of ₹ 107.93 Crore (₹ 80.82 Crore) as at March 31, 2011.

Previous year figures have been regrouped / reclassified / rearranged wherever necessary to make them comparable to those for the current year.

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No.107783W

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Date : May 27, 2011

For and on behalf of the Board

Anil D Ambani Chairman
S C Gupta Director (Operations)
Lalit Jalan Whole-time Director
Gen V P Malik
S L Rao
Dr Leena Srivastava } Directors
R R Rai
Ramesh Shenoy Company Secretary

Place : Mumbai
Date : May 27, 2011

Schedules Annexed to and forming part of the Consolidated Financial Statements

			As at March 31, 2011 ₹ Crore	As at March 31, 2010 ₹ Crore
Schedule 1 - Share Capital				
(a) Authorised -				
	35,00,00,000	(35,00,00,000) Equity Shares of ₹ 10 each	**350.00**	350.00
	80,00,000	(80,00,000) Equity Shares of ₹ 10 each with differential rights	**8.00**	8.00
	155,00,00,000	(155,00,00,000) Redeemable Preference Shares of ₹ 10 each	**1,550.00**	1,550.00
	4,20,00,000	(4,20,00,000) Unclassified Shares of ₹ 10 each	**42.00**	42.00
			1,950.00	1,950.00
(b) Issued -				
	24,72,72,327	(22,84,25,832) Equity Shares of ₹ 10 each	**247.28**	228.43
Add :	2,25,50,000	(1,96,00,000) Equity Shares on conversion of warrants (Refer Note 21)	**22.55**	19.60
Less :	Nil	(7,53,505) Shares bought back	**-**	0.75
			269.83	247.28
(c) Subscribed and Paid-up -				
	24,48,70,262	(22,60,23,767) Equity Shares of ₹ 10 each fully paid up	**244.88**	226.03
Add :	2,25,50,000	(1,96,00,000) Equity Shares on conversion of warrants (Refer Note 21)	**22.55**	19.60
Add:		Forfeited Shares- Amounts originally paid up	**0.04**	0.04
			267.47	245.67
Less :	Nil	(7,53,505) Shares bought back	**-**	0.75
			267.47	244.92

Of the above Equity Shares -

(i)	1,38,400	Shares were allotted as fully paid up pursuant to a contract without payment being received in cash
(ii)	80,96,070	Shares were allotted as fully paid up Bonus Shares by capitalisation of ₹ 0.02 Crore from Securities Premium Account and ₹ 8.08 Crore from General Reserve
(iii)	8,36,790	Shares were allotted on conversion of 7% `B' Class Convertible Debentures
(iv)	56,100	Shares were allotted on conversion of 8.5% `F' Class Convertible Debentures
(v)	4,59,92,760	Shares were allotted on conversion of 12.5% Fully Convertible Debentures
(vi)	5,39,87,736	Shares were allotted on conversion of 15% Fully Convertible Debentures
(vii)	2,60,41,650	Shares were issued by way of Global Depository Receipts (GDR) through an international offering in U.S.Dollars. [Out of which outstanding GDRs as at March 31, 2011 - 3,29,323 (3,23,359)]
(viii)	3,16,81,580	Shares were issued by way of GDRs on conversion of Foreign Currency Convertible Bonds(FCCB)
(ix)	10,84,36,850	(8,58,86,850) Shares were issued on preferential allotment of equity / warrants
(x)	8,10,057	Shares were issued on Merger with Reliance Energy Ventures Limited
(xi)	1,12,60,000	Shares were bought back

Schedules Annexed to and forming part of the Consolidated Financial Statements

	As at March 31, 2011		As at March 31, 2010	
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
Schedule 2 - Reserves and Surplus				
(a) Capital Reserves -				
1. Capital Reserve:				
Balance as per last Balance Sheet	**783.49**		-	
Add: Transfer on Forfeiture of Equity Share Warrants (Refer Note 21)	**17.42**		783.49	
		800.91		783.49
2. Service Line Contributions:				
Balance as per last Balance Sheet	**118.83**		106.78	
Add : Contributions / Refunds (net) during the year	**21.35**		20.07	
Less: Transfer to Profit and Loss Account	**8.91**		8.02	
		131.27		118.83
3. Capital Reserve on Consolidation:				
Balance as per last Balance Sheet	**4,381.17**		4,381.17	
Less : Loss on dilution in share holding of associate company (Refer Note 25)	**357.71**		-	
		4,023.46		4,381.17
4. Sale proceeds of Fractional Equity Shares Certificates and Dividends thereon @ [₹ 37,953 (₹ 37,953)]		**@**		@
5. Grants / Capital Contribution				
Balance as per last Balance Sheet	**270.80**		128.50	
Add: Received during the year	**375.08**		142.30	
		645.88		270.80
(b) Capital Redemption Reserve -				
Balance as per last Balance Sheet	**125.59**		124.84	
Add : Transferred from General Reserve	**-**		0.75	
		125.59		125.59
(c) Securities Premium Account -				
Balance as per last Balance Sheet	**6,983.44**		5,224.82	
Add: Premium received on Issue of Shares (Refer Note 21)	**2,072.10**		1,801.02	
Less: Premium on Equity Shares bought back	**-**		42.40	
		9,055.54		6,983.44
(d) Revaluation Reserve -				
Balance as per last Balance Sheet	**535.84**		589.74	
Less: Transfer to Profit and Loss Account (Refer Note 16)	**53.96**		53.90	
		481.88		535.84
(e) Statutory Reserves -				
1. Contingencies Reserve:				
Balance as per last Balance Sheet	**131.69**		114.73	
Add: Transfer from Profit and Loss Account	**19.06**		16.96	
		150.75		131.69
2. Development Reserve Account No.1 (Represents Development Rebate Reserve admissible under the Income-tax Act)		**1.69**		1.69
3. Development Reserve Account No.2 (Represents Investment Allowance Reserve admissible under the Income-tax Act)		**18.97**		18.97
4. Debt Redemption Reserve		**2.30**		2.30
Carried Forward		**15,438.24**		13, 353.81

Schedules Annexed to and forming part of the Consolidated Financial Statements

	As at March 31, 2011		As at March 31, 2010	
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
Schedule 2 - Reserves and Surplus				
Brought Forward		**15,438.24**		13, 353.81
(f) Other Reserves -				
1. Debenture Redemption Reserve				
Balance as per last Balance Sheet	**118.49**		169.51	
Add: Transfer from Profit and Loss Account	**37.89**		35.83	
Less: Transfer to General Reserve	**-**		86.85	
		156.38		118.49
2. Rural Electrification Scheme Reserve		**0.11**		0.11
3. Reserve to augment production facilities		**0.04**		0.04
4. Reserve for Power Project		**100.00**		100.00
5. Development Reserve Account No. 3		**140.88**		140.88
6. Conversion Reserve		**563.45**		563.45
(g) General Reserve -				
Balance as per last Balance Sheet	**4,142.92**		3,056.82	
Add:Transfer from Profit and Loss Account on Amalgmation (Refer Note 24)	**127.22**		-	
Add: Transfer from Debenture Redemption Reserve	**-**		86.85	
Add: Transfer from Profit and Loss Account	**1,000.00**		1,000.00	
	5,270.14		4,143.67	
Less:Transfer to Capital Redemption Reserve	**-**		0.75	
		5,270.14		4,142.92
(h) Profit and Loss Account		**1,252.34**		1,352.00
(i) Share in Joint Ventures		**418.56**		146.36
		23,340.14		19,918.06

Schedules Annexed to and forming part of the Consolidated Financial Statements

	As at March 31, 2011 ₹ Crore	As at March 31, 2011 ₹ Crore	As at March 31, 2010 ₹ Crore	As at March 31, 2010 ₹ Crore
Schedule 3 - Secured Loans				
Debentures				
6.35% - 25,000 (25,000) Non Convertible Debentures of the face value of ₹ 1 Lakh each (Redeemable at par on July 28, 2013) (Refer Note (a) below)	**250.00**		250.00	
6.70% - 12,500 (12,500) Non Convertible Debentures of the face value of ₹ 1 Lakh each (Redeemable at par on August 19, 2018) (Refer Note (a) below)	**125.00**		125.00	
5.95% - 10,000 (10,000) Non Convertible Debentures of the face value of ₹ 1 Lakh each (Redeemable at par on July 28, 2013) (Refer Note (a) below)	**100.00**		100.00	
5.60% - 15,000 (15,000) Non Convertible Debentures of the face value of ₹ 1 Lakh each (Redeemable at par on July 28, 2013) (Refer Note (a) below)	**150.00**		150.00	
11.55% - 8,500 (8,500) Non Convertible Debentures of the face value of ₹ 10 Lakh each (Redeemable in 3 equal instalments on February 24, 2017, February 24, 2018 and February 24, 2019) (Refer Note (a) below)	**850.00**		850.00	
2% - 159,179,194 (159,767,891) Convertible Debentures of the face value of ₹ 10 each [Refer Note (c) below]	**159.18**	**1,634.18**	159.77	1,634.77
Working Capital facility from Bank [Refer Note (d) below]		**26.33**		21.57
Term Loan				
Working Capital Loan from Banks [Refer Note (b) below]	**97.33**		-	
Rupee Loans [Refer Note (d) below]	**3,735.89**		1,473.49	
Foreign Currency Loans [Refer Note (d) below]	**411.47**		121.46	
Loan against Fixed Deposit [Refer Note (d) below]	**8.00**		22.44	
		4,252.69		1,617.39
Buyers' Credit - In Foreign Currency [Refer Note (b) and (d) below]		**390.46**		233.74
Share in Joint Ventures [Refer Note (e) below]		**3,165.82**		2,241.51
		9,469.48		5,748.98

Notes:

Security:

(a) Non Convertible Debentures are secured by way of a first charge, ranking pari passu with the charges created in favour of the Parent Company's existing and proposed Lenders on Parent Company's fixed assets, both present and future, located at its plants at Dahanu, Samalkot & Goa and specific premises at Hyderabad and Mumbai.

(b) Working capital loans are secured by way of first charge on hypothecated stock, book debts and other current assets and Buyer's Credit is secured by way of pari passu charge over stock and book debts of the Parent Company.

(c) Refer Note 8 (a) for security clauses.

(d) Refer Note 8(c), (d), (e) and (f) for security clauses.

(e) Refer Note 8(b) for security clauses with respect to Joint Ventures.

	As at March 31, 2011 ₹ Crore	As at March 31, 2010 ₹ Crore
Schedule 4 - Unsecured Loans		
Short Term Loans - From Banks *	**525.00**	545.00
External Commercial Borrowings - In Foreign Currency *	**2,274.34**	2,289.90
Buyers' Credit - In Foreign Currency *	**36.03**	-
Inter Corporate Deposit *	**0.30**	-
	2,835.67	2,834.90

* Repayable within next 12 months ₹ 2,166.75 Crore (₹ 545 Crore)

Schedule 5 – Fixed Assets

₹ Crore

Particulars	Gross Block					Depreciation / Amortisation					Net Block	
	As at April 1, 2010	Additions on Acquisition	Additions during the year *	Deduction/ Adjustment # during the year	**As at March 31, 2011**	Upto March 31, 2010	Additions on Acquisition	For the year	Deduction/ Adjustment during the year	**Upto March 31, 2011**	**As at March 31, 2011**	As at March 31, 2010
Intangible Assets : @												
Goodwill On Consolidation	74.79	-	2.18	-	**76.97**	-	-	-	-	**-**	**76.97**	74.79
Softwares	33.76	-	6.09	0.04	**39.81**	24.93	-	6.13	-	**31.06**	**8.75**	8.83
Toll Collection Rights	770.68	-	-	-	**770.68**	4.68	-	14.93	-	**19.61**	**751.07**	766.00
Airport Concessionaire Rights	65.37	-	-	-	**65.37**	0.34	-	0.69	-	**1.03**	**64.34**	65.03
Container Trains Licence Fee	-	50.00	-	-	**50.00**	-	5.36	-	-	**5.36**	**44.64**	-
Metro Rail Concessionaire Rights	-	-	1,524.23	-	**1,524.23**	-	-	0.14	-	**0.14**	**1,524.09**	-
Tangible Assets :												
Freehold Land	69.05	-	75.44	0.51	**143.98**	-	-	-	-	**-**	**143.98**	69.05
Leasehold Land	33.38	-	0.10	-	**33.48**	5.16	-	0.64	-	**5.80**	**27.68**	28.22
Buildings and Roads	439.26	-	67.57	0.31	**506.52**	108.95	-	12.03	-	**120.98**	**385.54**	330.31
Railway Sidings	51.63	-	-	0.01	**51.62**	42.95	-	2.00	0.01	**44.94**	**6.68**	8.68
Plant and Machinery	5,577.15	-	488.95	(7.67)	**6,073.77**	3,334.06	-	287.51	5.61	**3,615.96**	**2,457.81**	2,243.09
Distribution Systems	1,601.25	-	215.96	1.17	**1,816.04**	575.94	-	83.48	0.97	**658.45**	**1,157.59**	1,025.31
Vehicles	38.14	0.12	5.38	2.58	**41.06**	18.13	0.01	3.45	1.24	**20.35**	**20.71**	20.01
Furniture and Fixtures, Computers and Office Equipments	121.84	-	27.13	1.00	**147.97**	71.48	-	10.48	0.86	**81.10**	**66.87**	50.36
Electrical Fittings and Apparatus	31.46	-	2.55	0.20	**33.81**	13.91	-	1.47	0.19	**15.19**	**18.62**	17.55
Refrigerators and Domestic Appliances	6.79	-	0.92	0.06	**7.65**	2.87	-	0.35	0.03	**3.19**	**4.46**	3.92
Total (A)	8,914.55	50.12	2,416.50	(1.79)	**11,382.96**	4,203.40	5.37	423.30	8.91	**4,623.16**	**6,759.80**	4,711.15
Previous Year	7,508.84	2.98	1,420.48	17.75	8,914.55	3,801.44	0.07	415.11	13.22	4,203.40	4,711.15	
Leased Assets :												
Plant and Machinery	28.57	-	-	28.57	**-**	10.96	-	-	10.96	**-**	**-**	17.61
Total (B)	28.57	**-**	**-**	28.57	**-**	10.96	-	-	10.96	**-**	**-**	17.61
Previous Year	28.57	-	-	-	28.57	9.45	-	1.51	-	10.96		
Total (C) = (A) + (B)	8,943.12	50.12	2,416.50	26.78	**11,382.96**	4,214.36	5.37	423.30	19.87	**4,623.16**	**6,759.80**	4,728.76
Previous Year	7,537.41	2.98	1,420.48	17.75	8,943.12	3,810.89	0.07	416.62	13.22	4,214.36		
Share in Joint Ventures **(D)**	2,805.07	-	277.30	4.73	**3,077.64**	953.96	-	140.40	2.86	**1,091.50**	**1,986.14**	1,851.11
Previous Year	2,570.00	-	238.79	3.72	2,805.07	827.09	-	129.76	2.89	953.96	1,851.11	
Transferred to Capital Work-in-Progress **(E)**								1.76				
Previous Year	-	-	-	-	**-**	-	-	0.38	-	**-**		
Grand Total (F) = (C) + (D) – (E)	11,748.19	50.12	2,693.80	31.51	**14,460.60**	5,168.32	5.37	561.94	22.73	**5,714.66**	**8,745.94**	6,579.87
Previous Year	10,107.41	2.98	1,659.27	21.47	11,748.19	4,637.98	0.07	545.53	16.11	5,168.32		
Capital Work in Progress [including share in Joint Ventures ₹ 151.48 Crore (₹192.52 Crore)] (Refer Note 27) **(G)** [Includes Capital Advances of ₹ 3,876.01 Crore (₹ 697.43 Crore)]											**10,030.13**	4,591.27
Total (F) + (G)											**18,776.07**	11,171.14

* Includes ₹ 87.73 Crore (₹ 86.44 Crore) borrowing cost capitalised.

Plant and Machinery includes adjustment on account of ₹ 0.10 Crore (₹ 1.18 Crore) arrived at due to Exchange rate variations of Foreign Currency Loans [Refer Note 1 (e)]

@ Other than internally generated.

Schedules Annexed to and forming part of the Consolidated Financial Statements

	No. of Units	Face Value per unit ₹	**As at March 31, 2011 ₹ Crore**	**₹ Crore**	As at March 31, 2010 ₹ Crore	₹ Crore
Schedule 6 - Investments						
(Non-trade)						
(A) Long Term Investments						
(a) Contingencies Reserve Investments						
Quoted						
6.85% India Infrastructure Finance Company Limited -Tax Free Bonds, 2014	8,586	100,000	**85.86**		85.86	
[Market Value ₹ 90.97 Crore (₹ 91.01 Crore)]						
11.50% Central Government of India, 2011A*	532,000	100	**5.42**		5.57	
7.46% Central Government of India, 2017*	500,000	100	**5.30**		5.35	
7.40% Central Government of India, 2012*	1,694,600	100	**17.26**		17.55	
*[Aggregate Market Value ₹ 27.26 Crore (₹ 28.14 Crore)]				**113.84**		114.33
(b) Others in Equity Shares						
(Fully Paid-up, unless otherwise stated)						
(i) Associate Companies						
Quoted						
Reliance Power Limited (Refer Note 25)	1,077,500,000	10	**6,439.52**		6,508.10	
[Market Value ₹ 14,050.60 Crore (₹ 16,103.24 Crore)]						
Unquoted						
Reliance Infrastructure Engineers Private Limited *	-	10	**-**		6.35	
	(10,005,000)					
Reliance Infrastructure and Consultants Limited	10,291,700	10	**7.76**		9.27	
Urthing Sobla Hydro Power Private Limited	2,000	10	**-**		-	
JR Toll Road Private Limited	5,138	10	**-**		@	
[338 equity shares allotted during the year] @ ₹ 48,000	(4,800)					
Mumbai Metro Transport Private Limited	24,000	10	**0.02**		0.02	
Metro One Operation Private Limited	3,000	10	**0.12**		0.05	
* Subsidiary relationship during the year				**6,447.42**		6,523.79
(ii) Other Companies - Unquoted						
Western Electricity Supply Company of Orissa Limited (WESCO) @ (Cost ₹ 2,000)	200	10	**@**		@	
North Eastern Electricity Supply Company of Orissa Limited (NESCO) @ (Cost ₹ 2,000)	200	10	**@**		@	
Southern Electricity Supply Company of Orissa Limited (SOUTHCO) @ (Cost ₹ 2,000)	200	10	**@**		@	
Sonata Investments Limited	409,795	10	**0.41**		0.41	
Larimar Holdings Limited *(USD 1), @ (Cost ₹ 4,909)	111	*	**@**		@	
Tech Reliance Private Limited @ (Cost ₹ 10,000)	1,000	10	**@**		@	
Indian Energy Exchange Limited	1,250,000	10	**1.25**		1.25	
Reliance Infra Projects International Limited *(USD 1)	10,000	*	**0.04**		0.04	
Rampia Coal Mine and Energy Private Limited	19,130,584	1	**1.91**		1.04	
[8,695,720 equity shares allotted during the year]	(10,434,864)					
Reliance Global Limited	249,000	10	**0.25**		0.25	
Reliance Energy Global Pte Ltd.of 1 SGD each fully paid up. *(SGD 1) (@ ₹ 19,035)	620	*	**@**		-	
				3.86		2.99
Carried Forward				**6,565.12**		6,641.11

Schedules Annexed to and forming part of the Consolidated Financial Statements

	No. of Units	Face Value per unit ₹	As at March 31, 2011 ₹ Crore	As at March 31, 2011 ₹ Crore	As at March 31, 2010 ₹ Crore	As at March 31, 2010 ₹ Crore
Schedule 6 - Investments						
Brought Forward				**6,565.12**		6,641.11
(c) Preference Shares (Fully paid-up, Unquoted)						
(i) 10% Non-Convertible Non-Cumulative Redeemable Preference Shares						
Sonata Investments Limited	109,500,000	1		**1,095.00**		1,095.00
(ii) 8% Cumulative Non-Convertible Redeemable Preference Shares						
Reliance Infra Projects International Limited * (USD 1)	360,000	*		**1,605.43**		2,330.68
(159,080 preference shares redeemed during the year)	(519,080)					
(iii) 0% Convertible Preference Shares						
Larimar Holdings Limited * (USD 1)	- (20,045,000)	*		**-**		88.64
(d) Sub-ordinate Debts						
Mumbai Metro Transport Private Limited				**46.00**		-
(B) Current Investments - Quoted						
(Fully paid up, unless otherwise stated)						
(a) In Mutual Fund Units						
Reliance Fixed Horizon Fund XII - Series 3 - Super Institutional - Growth Plan #	- (125,000,000)	10	**-**		125.00	
Reliance Fixed Horizon Fund XII - Series 4 - Super Institutional - Growth Plan #	- (500,000,000)	10	**-**		500.00	
Reliance Fixed Horizon Fund XII - Series 5 - Super Institutional - Growth Plan #	- (25,000,000)	10	**-**		25.00	
Reliance Liquid Fund - Treasury - Institutional - Growth Option #	- (9,019,019)	10	**-**		12.50	
Reliance Liquid Fund - Cash Plan - Daily Dividend - Reinvestment Plan @ ₹ 17,794	1,220 (1,164)	10	**@**		@	
Reliance Liquidity Fund - Institutional - Daily Dividend Reinvestment Plan	268,176,252 (10,889,992)	10	**268.36**		13.61	
Reliance Money Manager Fund - Institutional - Growth	350,915 (2,575,373)	1,000	**44.27**		322.56	
Reliance Liquid Fund - Cash Plan - Growth Option	2,253,825,148	10	**2,660.33**		-	
Reliance Liquidity Fund - Cash Plan - Growth Option	23,958,519	10	**38.06**		-	
Reliance Money Manager Fund - Institutional - Daily Dividend Plan	9,014 (366,375)	1,000	**0.40**		36.68	
Reliance Floating Rate Fund - Daily Dividend Option	281,653 (4,389,206)	10	**0.28**		4.42	
Reliance Floating Rate Fund - Growth Plan	8,770,626 (483,085)	10	**13.00**		0.70	
SBI SHF - Ultra short term fund - Institutional Plan - Daily dividend	501,052 (29,015,404)	10	**0.50**		29.03	
SBI Premier Liquid Fund - Super Institutional - Daily Dividend	101,074 (5,299,893)	10	**0.10**		5.30	
Birla Sun Life Dynamic Bond Fund - Retail Plan - Growth	6,393,648	10	**10.45**		-	
LIC Nomura Mutual Fund - Income Plus Fund - Growth # (Erstwhile LIC Mutual Fund - Income Plus Fund - Growth)	- (16,177,626)	10	**-**		20.00	
Birla Sun Life Savings Fund – Institutional Plan – Growth #	- (5,721,527)	10	**-**		10.00	
ICICI Prudential Flexible Income Plan-Premium – Growth #	- (583,999)	100	**-**		10.00	
Carried Forward			**3,035.75**		1,114.80	
Carried Forward				**9,311.55**		10,155.43

Schedules Annexed to and forming part of the Consolidated Financial Statements

	No. of Units	Face Value per unit ₹	As at March 31, 2011 ₹ Crore	₹ Crore	As at March 31, 2010 ₹ Crore	₹ Crore
Schedule 6 - Investments						
Brought Forward				**9,311.55**		10,155.43
Brought Forward			**3,035.75**		1,114.80	
ICICI Prudential Institutional Short Term Plan - Growth	5,109,208	10	**10.39**		-	
HDFC Cash Management Fund - Treasury Advantage Plan - Wholesale Option - Growth #	- (4,954,377)	10	**-**		10.00	
HDFC High Interest Fund - Short Term Plan - Growth	5,372,110	10	**10.38**		-	
Reliance Short Term Fund - Retail Plan - Growth	565,822,428	10.00	**1,036.71**		-	
Reliance Monthly Interval Fund-Series II - Institutional - Growth Option	75,706,921	10.00	**100.00**		-	
Reliance Fixed Horizon Fund - XV Series 7 - Growth Option	50,000,000	10.00	**50.00**		-	
Reliance Fixed Horizon Fund - XVI Series 5 - Growth Option	50,000,000	10.00	**50.00**		-	
Reliance Fixed Horizon Fund - XVIII - Series 3 - Growth Plan	35,000,000	10.00	**35.00**		-	
Reliance Interval Fund - Quarterly Plan - Series I - Institutional Dividend Plan	24,972,780	10.00	**25.00**		-	
Reliance Quarterly Interval Fund - Series III - Institutional Dividend Plan	75,766,478	10.00	**100.01**		-	
Blackrock US Dollar Liquidity First Fund - Institutional Distribution Share Class * (USD 1)	341,467 (340,807)	*	**1.52**		1.53	
				4,454.76		1,126.33
[Market Value ₹ 4,466.46 Crore (₹ 1,178.01 Crore)]						
# Matured / Redeemed during the year						
(b) In Certificates of Deposits - Banks - Unquoted				**-**		1,940.64
(c) In Commercial Papers - Unquoted						
Export Import Bank of India			**-**		114.84	
National Bank for Agriculture and Rural Development			**-**		294.63	
				-		409.47
(d) In Bonds - Quoted						
6.85% India Infrastructure Finance Company Limited -Tax Free Bonds, 2014	1,414	100,000		**14.14**		14.14
[Market Value ₹ 14.98 Crore (₹ 14.99 Crore)]						
				13,780.45		13,646.01
Less : Diminution in the value of Long Term Investments				**@**		@
@ ₹ 6,000 (@ ₹ 6,000)				**13,780.45**		13,646.01
Share in Joint Ventures [Market Value ₹ 13.37 Crore (₹ 13.30 Crore)]				**13.45**		13.13
				13,793.90		13,659.14

	Market Value	Book Value	Market Value	Book Value
Aggregate value of Quoted Investments	**18,663.64**	**11,035.71**	17,428.69	7,776.03
Aggregate value of Unquoted Investments		**2,758.19**		5,883.11
		13,793.90		13,659.14

Schedules Annexed to and forming part of the Consolidated Financial Statements

	As at March 31, 2011 ₹ Crore	As at March 31, 2011 ₹ Crore	As at March 31, 2010 ₹ Crore	As at March 31, 2010 ₹ Crore
Schedule 7 - Current Assets, Loans and Advances				
(A) Current Assets				
(a) Inventories (as certified by management)				
Coal and Fuel	**190.86**		189.16	
Stores, spares and loose tools	**142.87**		112.53	
	333.73		301.69	
Share in Joint Ventures	**91.73**		88.09	
		425.46		389.78
(b) Sundry Debtors (Unsecured unless otherwise stated) #				
(i) Debts outstanding for a period exceeding six months				
- Considered good	**698.71**		749.29	
- Considered doubtful	**183.78**		140.47	
	882.49		889.76	
Less: Provision for Doubtful Debts	**183.78**		140.47	
	698.71		749.29	
(ii) Other Debts-				
Unsecured - considered good	**1,902.41**		914.97	
(iii) Tariff Adjustment Account (Refer Note 17 (a))	**2,064.75**		1,602.78	
	4,665.87		3,267.04	
Share in Joint Ventures	**2,634.08**		1,148.92	
		7,299.95		4,415.96
# (Group holds security deposits of ₹ 550.01 Crore (₹ 537.16 Crore) in respect of electricity debtors)				
(c) Cash and Bank Balances-				
Cash balance on hand	**3.96**		2.23	
Bank Balances-				
(i) with Scheduled Banks-				
- Current Accounts	**292.70**		227.50	
- Deposit Accounts	**129.12**		36.68	
	421.82		264.18	
(ii) with Other Banks	**109.19**		82.63	
	531.01		346.81	
Cheques in hand	**1.34**		11.80	
	536.31		360.84	
Share in Joint Ventures	**99.44**		88.59	
		635.75		449.43
(d) Other Current Assets				
Interest accrued on Investments, Deposits and Loans	**13.79**		13.24	
Premium Receivable on redemption of Preference Shares	**476.35**		506.01	
Grants / Capital Contribution Receivable	**80.98**		-	
Due from customers for contract work	**297.46**		254.40	
Retentions on contract	**995.44**		756.97	
	1,864.02		1,530.62	
Share in Joint Ventures	**1.29**		2.58	
		1,865.31		1,533.20
Carried Forward		**10,226.47**		6,788.37

Schedules Annexed to and forming part of the Consolidated Financial Statements

	As at March 31, 2011		As at March 31, 2010	
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
Schedule 7 - Current Assets, Loans and Advances				
Brought Forward		**10,226.47**		6,788.37
(B) Loans and Advances				
(Unsecured, considered good, unless otherwise stated)				
(a) Advances recoverable in cash or in kind or for value to be received -				
Considered good	**6,737.11**		2,877.22	
Considered doubtful	**4.58**		5.44	
	6,741.69		2,882.66	
(b) Loans to Employees [Secured : ₹ 24.64 Crore (₹ 21.98 Crore)]	**25.15**		22.26	
(c) Advance Tax and Tax deducted at source	**207.54**		116.34	
(d) Deposits -				
(i) Inter-Corporate Deposits (Considered good)	**797.52**		2,769.59	
(ii) Other Deposits				
Considered good	**125.51**		139.67	
Considered doubtful	**0.10**		0.10	
	125.61		139.77	
	7,897.51		5,930.62	
Less: Provision for doubtful advances/deposits	**4.68**		5.54	
	7,892.83		5,925.08	
Share in Joint Ventures	**95.65**		67.16	
		7,988.48		5,992.24
		18,214.95		12,780.61
Schedule 8 - Current Liabilities and Provisions				
(A) Current Liabilities				
Sundry Creditors (Refer Note 19)		**3,786.28**		2,527.84
Security Deposits from Consumers -				
(a) Energy bills	**297.18**		314.00	
(b) Recoverable jobs	**41.54**		42.82	
		338.72		356.82
Deposits and Advances from Consumers -				
(a) Contracts	**6,407.39**		2,461.25	
(b) Energy bills	**57.33**		22.07	
		6,464.72		2,483.32
Investor Education and Protection Fund, Amount not due - Unclaimed Dividend		**7.77**		4.42
Due to customers for contract work		**805.36**		305.33
Other Liabilities (including provision for gratuity ₹ 0.03 Crore (₹ 8.54 Crore) (Refer Note 14)		**508.54**		431.10
Interest accrued but not due on Loans / Debentures		**83.52**		80.56
		11,994.91		6,189.39
Share in Joint Ventures		**1,243.19**		854.72
		13,238.10		7,044.11
(B) Provisions				
Provision for Taxation	**431.26**		156.51	
Interim Dividend	**-**		173.86	
Proposed Final Dividend	**191.25**		-	
Corporate Tax on Dividend (net)	**31.03**		13.96	
Provision for Contingency / Disputed Matters (Refer Note 20)	**610.00**		629.68	
Provision for Leave Encashment (Refer Note 14)	**29.65**		14.36	
	1,293.19		988.37	
Share in Joint Ventures	**54.44**		18.85	
		1,347.63		1,007.22
		14,585.73		8,051.33

Schedules Annexed to and forming part of the Consolidated Financial Statements

	Year ended March 31, 2011		Year ended March 31, 2010	
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
Schedule 9 -Revenue from EPC and Contracts Business				
Value of Contracts billed and service charges	**2,691.18**		3,053.01	
Work-in-progress at close	**297.46**		254.40	
Less: Work-in-Progress at commencement	**254.40**		161.64	
Increase / (Decrease) in Work-in-Progress	**43.06**		92.76	
Net Income from EPC and Contracts		**2,734.24**		3,145.77
Interest on Deposits / Others		**11.54**		0.06
Insurance Claim received		**1.04**		1.64
Profit on sale of Assets		**0.11**		0.10
Gain on Foreign Exchange Fluctuation (net)		**8.58**		-
Provisions / Liabilities written back		**1.05**		4.92
Miscellaneous Income		**197.03**		100.32
		2,953.59		3,252.81
Share in Joint Ventures		**60.63**		52.06
		3,014.22		3,304.87

Schedule 10 - Other Income				
Wheeling Charges received		**121.75**		15.26
Provisions / Liabilities written back		**23.77**		20.03
Insurance Claim received		**0.02**		0.45
Profit on sale of Assets		**0.03**		3.64
Miscellaneous Income		**107.61**		113.58
Gain on Derivative Instruments (net) (Refer Note 6)		**-**		103.90
Gain on Foreign Exchange Fluctuation (net)		**17.16**		-
Income from Investments				
- Dividends [including on Long term Investments ₹ 0.40 Crore (₹ 0.12 Crore)]	**109.80**		55.69	
- Premium on Redemption of Preference Shares - Long Term Investments	**87.60**		283.12	
- Profit on sale / redemption of investments - Current Investments (net)	**57.44**		135.09	
		254.84		473.90
Interest - On Inter-Corporate Deposits	**311.95**		215.70	
- Others	**64.65**		55.33	
[Tax Deducted at Source ₹ 33.61 Crore (₹ 22.53 Crore)]		**376.60**		271.03
		901.78		1,001.79
Share in Joint Ventures		**61.76**		117.04
		963.54		1,118.83

Schedules Annexed to and forming part of the Consolidated Financial Statements

	Year ended March 31, 2011		Year ended March 31, 2010	
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
Schedule 11 – Generation, Distribution, Administration and Other Expenses				
Consumption of Stores and Spares	**55.81**		69.24	
Less: Allocated to Repairs and other Relevant Revenue Accounts	**31.52**		35.21	
		24.29		34.03
Wind Mill Project Expenses		**2.76**		0.73
Rent		**29.87**		22.21
Repairs and Maintenance:				
– Buildings	**7.81**		5.65	
– Plant and Machinery (including Distribution Systems)	**201.87**		183.09	
– Other Assets	**17.14**		10.08	
		226.82		198.82
Salaries, Wages and Bonus (Refer Note 14)		**481.64**		370.84
Contribution to Provident Fund and other funds (Refer Note 14)		**31.42**		27.05
Contribution to Gratuity Fund (Refer Note 14)		**18.39**		21.43
Workmen and Staff Welfare Expenses		**64.80**		55.35
Insurance		**21.31**		19.41
Rates and Taxes		**7.71**		10.49
Community Development and Environment Monitoring Expenses		**3.68**		3.13
Legal and Professional Charges		**43.37**		27.40
Bad Debts		**0.27**		0.72
Directors' Fees		**0.13**		0.15
Miscellaneous Expenses		**182.98**		147.92
Upfront Premium		**45.45**		-
Loss on Derivative Instruments (net) (Refer Note 6)		**138.17**		-
Loss on Foreign Exchange Fluctuation (net)		**-**		23.46
Loss on Sale / Disposal of Unserviceable Assets (net)		**2.55**		0.83
Provision for Contingency / Disputed Matters (Refer Note 20)		**-**		70.00
Provision for Doubtful Debts / Advances / Deposits		**4.75**		13.57
Preliminary Expenses written off		**0.30**		-
		1,330.66		1,047.54
Share in Joint Ventures		**412.89**		464.66
		1,743.55		1,512.20

Schedules Annexed to and forming part of the Consolidated Financial Statements

	Year ended March 31, 2011 ₹ Crore	Year ended March 31, 2010 ₹ Crore
Schedule 12 - Expenditure of EPC and Contracts Business		
Cost of Materials and Sub-contract Charges	**2,315.58**	2,657.97
Rent	**15.23**	14.02
Repairs and Maintenance:		
- Buildings	**3.46**	2.95
- Plant and Machinery	**1.16**	3.12
- Other Assets	**2.79**	2.37
Salaries, Wages and Bonus (Refer Note 14)	**149.67**	157.88
Contribution to Provident Fund and other funds (Refer Note 14)	**6.35**	7.02
Contribution to Gratuity Fund (Refer Note 14)	**2.66**	2.76
Workmen and Staff Welfare Expenses	**22.85**	20.32
Insurance	**4.28**	4.89
Rates and Taxes	**1.81**	3.82
Legal and Professional Charges	**56.73**	39.59
Miscellaneous Expenses	**59.38**	53.33
Loss on Foreign Exchange Fluctuation (net)	**-**	33.91
Loss on sale of assets	**0.23**	0.22
Bad Debts	**-**	0.02
Provision for Doubtful Debts	**41.97**	35.56
	2,684.15	3,039.75
Share in Joint Ventures	**58.85**	50.30
	2,743.00	3,090.05
Schedule 13 - Interest and Finance Charges		
Interest and Financing Charges on:		
Debentures	**136.78**	136.78
External Commercial Borrowings and Commercial Paper	**70.58**	94.04
Working capital and other borrowings	**19.16**	44.55
Security Deposits from Consumers	**15.85**	17.15
Term Loans	**50.45**	21.03
Other finance Charges	**0.73**	0.34
	293.55	313.89
Share in Joint Ventures	**341.41**	211.24
	634.96	525.13
Schedule 14 - Statutory Reserves and Other Appropriations		
Contingencies Reserve	**19.06**	16.96
	19.06	16.96
Schedule 15 - Earnings per Equity Share		
(i) Profit for Basic and Diluted Earnings per Share (a)	**1,551.61**	1,519.39
(ii) Weighted average number of Equity Shares		
For Basic Earnings per share (b)	**250,059,851**	225,334,003
Add: Adjustment for conversion / Issue of shares / Warrants	**16,740,113**	3,517,036
For Diluted Earnings per share (c)	**266,799,964**	228,851,039
(iii) Earnings per share (Face Value of ₹ 10 per share)	**Rupees**	Rupees
Basic (a/b)	**62.05**	67.43
Diluted (a/c)	**58.16**	66.39

Schedules Annexed to and forming part of the Consolidated Financial Statements

Schedule 16 – Notes forming part of the Consolidated Financial Statements

1. Significant Accounting Policies:

(a) Basis of preparation of financial statements:

The consolidated financial statements are prepared on an accrual basis of accounting and in accordance with the generally accepted accounting principles in India, provisions of the Companies Act, 1956 (the Act) and comply in material aspects with the Accounting Standards notified under Section 211 (3C) of the Act, read with Companies (Accounting Standards) Rules, 2006. Assets and liabilities created under applicable electricity laws continue to be depicted under appropriate heads. In case of BSES Rajdhani Power Limited (BRPL) and BSES Yamuna Power Limited (BYPL) provisions of the Delhi Electricity Reform (Transfer Scheme) Rules, 2001 (hereinafter referred to as 'Transfer Scheme') and other relevant documents / agreements have also been taken into account while preparing the consolidated financial statements.

(b) Use of Estimates:

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

(c) Basis of Consolidation:

The consolidated financial statements relate to Reliance Infrastructure Limited (the Parent Company), its subsidiary companies, joint ventures and associates.

(i) Principles of Consolidation

The consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS–21) - "Consolidated Financial Statements", Accounting Standard 23 (AS–23) - "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard 27 (AS–27) - "Financial Reporting of Interests in Joint Ventures" as prescribed under the Companies (Accounting Standards) Rules, 2006. The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the Parent and its subsidiary companies (together the "Group") have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and unrealised profits or losses on intra-group transactions.

b) The consolidated financial statements include the interest of the Parent Company in joint ventures, which has been accounted for using the proportionate consolidation method of accounting and reports the Parent Company's share of assets, liabilities, income and expenses of a jointly controlled entity as a separate item after fully eliminating unrealised profits or losses on intra-group transactions.

c) The Build, Operate & Transfer (BOT) contracts are governed by Service concession agreements with government authorities (grantor).Under these agreements, the operator does not own the road, but gets "toll collection rights" against the construction services rendered. Since the construction cost incurred by the operator is considered as exchanged with the grantor against toll collection rights, profit from such contracts is considered as realized. Accordingly, BOT contracts awarded to group companies (operator), where work is subcontracted to Parent Company, the intra group transactions on BOT contracts and the profits arising thereon are taken as realised and not eliminated.

d) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Parent Company's separate financial statements. Appropriate adjustments have been made in the financial statements of the subsidiaries / joint ventures / associates with respect to different accounting policies for like transaction and events in similar circumstances for the purpose of preparation of consolidated financial statements.

e) Investments in associates have been accounted for under AS–23 using equity method whereby the investment is initially recorded at cost and adjusted thereafter for post acquisition change in the Group's share of net assets.

On occasion, an associate company accounted for by the equity method may issue its shares to third parties as either a public offering or private placement at per share amounts in excess of or less than Parent Company's average per share carrying value. With respect to such transactions, the resulting gains / losses arising from the dilution of interest are recorded as Capital Reserve / Goodwill.

f) The excess of cost to the Parent Company of its investment in the subsidiary / joint venture / associates over the Parent Company's portion of equity of the subsidiary / joint venture / associates is recognised in the financial statements as Goodwill. This Goodwill is tested for impairment at the end of the financial year. The excess of Parent Company's portion of equity over the cost of investment as at the date of its investment is treated as Capital Reserve.

g) The financial statements of the subsidiaries / joint ventures / associates used in consolidation are drawn upto the same reporting date as that of the Parent Company i.e. year ended March 31, 2011.

h) Minority's share of net profit or loss, for the year, of consolidated subsidiaries is identified and adjusted against the income of the Group in order to arrive at the net income attributable to the Equity Shareholders of the Parent Company.

Schedules Annexed to and forming part of the Consolidated Financial Statements

i) Minority's share of net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet as a separate item from liabilities and the Shareholders' Equity.

(ii) The subsidiary and joint venture companies considered in the consolidated financial statements are:

Name of Company	Country of Incorporation	Proportion (%) of shareholding as on March 31, 2011	Proportion (%) of shareholding as on March 31, 2010
Subsidiary Companies:			
BSES Kerala Power Limited (BKPL)	India	**100.00**	100.00
Reliance Power Transmission Limited (RPTL)	India	**100.00**	100.00
Mumbai Metro One Private Limited (MMOPL)	India	**69.00**	69.00
Noida Global SEZ Private Limited (NGSPL)	India	**99.90**	51.00
Delhi Airport Metro Express Private Limited (DAMEPL)	India	**95.00**	95.00
Reliance Infraventures Limited (RInvL)	India	**100.00**	100.00
Reliance Energy Trading Limited (RETL)	India	**100.00**	100.00
Parbati Koldam Transmission Company Limited (PKTCL)	India	**74.00**	74.00
DS Toll Road Limited (DSTL)	India	**100.00**	100.00
NK Toll Road Limited (NKTL)	India	**100.00**	100.00
SU Toll Road Private Limited (SUTL)	India	**100.00**	100.00
TD Toll Road Private Limited (TDTL)	India	**100.00**	100.00
TK Toll Road Private Limited (TKTL)	India	**100.00**	100.00
GF Toll Road Private Limited (GFTL)	India	**100.00**	100.00
CBD Tower Private Limited (CBDTPL)	India	**89.00**	89.00
Tulip Realtech Private Limited (TRPL)	India	**100.00**	100.00
Reliance Energy Generation Limited (REGL)	India	**100.00**	100.00
Reliance Energy Limited (REL)	India	**100.00**	100.00
Reliance Property Developers Limited (RPDL)	India	**100.00**	100.00
Reliance Cementation Private Limited (RCPL)	India	**100.00**	100.00
KM Toll Road Private Limited (KMTL)	India	**100.00**	100.00
PS Toll Road Private Limited (PSTL)	India	**74.00**	74.00
HK Toll Road Private Limited (HKTL) w.e.f. May 19, 2010	India	**100.00**	-
DA Toll Road Private Limited (DATL) w.e.f. May 26, 2010	India	**100.00**	-
Reliance Sealink One Private Limited (RSOPL) w.e.f. May 26, 2010 including shareholding of RInvL, a wholly owned subsidiary.	India	**90.00**	-
Utility Infrastructure & Works Private Limited (UIWPL) w.e.f. December 28, 2010	India	**100.00**	-
Reliance Infrastructure Engineers Private Limited (RIEPL) w.e.f. March 25, 2011 *	India	**81.59**	-
Step-down Subsidiaries:			
Western Region Transmission (Maharashtra) Private Limited (WRTM)	India	**100.00**	100.00
Western Region Transmission (Gujarat) Private Limited (WRTG)	India	**100.00**	100.00
Reliance Goa and Samalkot Power Limited (RGSPL)	India	**100.00**	100.00
Reliance Airport Developers Private Limited (RADPL)	India	**100.00**	100.00
Latur Airport Private Limited (LAPL)	India	**100.00**	100.00
Baramati Airport Private Limited (BAPL)	India	**100.00**	100.00
Nanded Airport Private Limited (NAPL)	India	**100.00**	100.00
Yavatmal Airport Private Limited (YAPL)	India	**100.00**	100.00
Osmanabad Airport Private Limited (OAPL)	India	**100.00**	100.00
Reliance Cement and Infra Private Limited (RCIPL)	India	**100.00**	100.00
Reliance Cement Corporation Private Limited (RCCPL)	India	**100.00**	100.00
Reliance Cement Works Private Limited (RCWPL)	India	**100.00**	100.00
North Karanpura Transmission Company Limited (NKTCL) w.e.f. May 20, 2010	India	**100.00**	-
Talcher II Transmission Company Limited (TTCL) w.e.f. April 27, 2010	India	**100.00**	-
Reliance Concrete Private Limited (RConPL) [formerly known as Reliance Cement Private Limited] w.e.f. March 18, 2011	India	**100.00**	-
Joint Venture Companies:			
BSES Rajdhani Power Limited (BRPL)	India	**49.00**	49.00
BSES Yamuna Power Limited (BYPL)	India	**49.00**	49.00
Tamil Nadu Industries Captive Power Company Limited (TICAPCO)	India	**33.70**	33.70
Utility Powertech Limited (UPL)	India	**19.80**	19.80

* In the previous year and upto the date of acquisition, entity has been consolidated as an associate.

Schedules Annexed to and forming part of the Consolidated Financial Statements

(iii) Investment in Associates:

Name of Company	Country of Incorporation	Proportion (%) of shareholding as on March 31, 2011	Proportion (%) of shareholding as on March 31, 2010
Reliance Power Limited (RePL)	India	**38.41**	44.96
Reliance Infrastructure Engineers Private Limited (RIEPL)*	India	**-**	50.00
Reliance Infrastructure and Consultants Limited (RICL)	India	**40.17**	40.17
Urthing Sobla Hydro Power Private Limited (USHPPL)	India	**20.00**	20.00
Mumbai Metro Transport Private Limited (MMTPL)	India	**48.00**	48.00
JR Toll Road Private Limited (JRTL)	India	**48.00**	48.00
Metro One Operation Private Limited (MOOPL)	India	**30.00**	30.00

* Subsidiary relationship in the current year

(iv) Break-up of Investments in Associates is as under: **₹ Crore**

Sr. No.	Particulars	RePL	RICL	USHPPL	MMTPL	JRTL	MOOPL
a)	Number of Equity Shares (Nos.)	1,077,500,000	10,291,700	2,000	24,000	5,138	3,000
b)	Percentage holding	38.41%	40.17%	20.00%	48.00%	48.00%	30.00%
c)	Cost of Investment	1,720.00	10.29	(i)	0.02	(iv)	(v)
d)	Including Goodwill / (Capital Reserve)	0.04	(1.18)	-	-	-	-
e)	Capital Reserve on dilution of stake in RePL	3,967.07	-	-	-	-	-
f)	Share in accumulated profits/ (losses) till net of dividend received upto March 31, 2010	463.32	(1.02)	(ii)	(iii)	-	0.05
g)	Share of profits/ (losses) for the year	324.17	(1.51)	-	-	-	0.07
h)	Less: Elimination of unrealized gains	(35.04)	-	-	-	-	-
i)	Carrying Cost	6,439.52	7.76	-	0.02	-	0.12

(i) ₹ 20,000, (ii) ₹ (20,000), (iii) ₹ (10,896), (iv) ₹ 51,380, (v) ₹ 30,000

(d) Revenue Recognition Policy:

(i) Electricity Business:

Revenue from sale of electrical energy is accounted for on the basis of billing to consumers and is inclusive of Fuel Adjustment Charges (FAC) and unbilled revenue carried forward in the Balance sheet as Tariff Adjustment Account. Generally all consumers are billed on the basis of recording of consumption of energy by installed meters. Where meters have stopped or are faulty, the billing is done based on the past consumption for such period.

The Parent Company, BRPL and BYPL determines revenue gaps (i.e surplus/shortfall in actual returns over assured returns) in respect of its regulated operations based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the respective state electricity regulatory commission. In respect of such revenue gaps, appropriate adjustments are made in the revenue of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments representing unbilled revenue are carried forward as 'Tariff Adjustment Account' under the schedule 'Current Assets, Loans and Advances' which would be recovered through future tariff determination by the regulator in accordance with the electricity regulations.

In case of BKPL, revenue from sale of power is accounted for on the basis of billing to bulk customer as provided in the Power Purchase Agreement (PPA).

In case of RETL, revenue from sale of energy and margin on banking transactions is accounted for based on rates agreed with the customers on delivery of power. Compensation for deviation of energy is accounted as sales and purchase of energy, as the case may be, on its occurrence. The margin earned on sale or purchase of energy through energy exchange is recognised on the date of transaction with the exchange.

In case of Transmission business, revenue from transmission service charge is accounted as per contractual terms.

(ii) EPC and Contracts Business:

In respect of construction contracts, revenue is recognised on the percentage of completion method based on the stage of completion of a contract upto the reporting date.

The stage of completion of a contract is determined in proportion that the progress billings raised by the Group on the basis of joint measurement and works certified by the customers up to the reporting date as per the terms of the contract, bear to the total contract value.

Profit is recognised when the outcome of the contract can be estimated reliably. Profit proportionate to value of work done is arrived at by deducting cost of work done plus cost estimated by the Management to complete the work from the agreed contract value, after deduction of contingency.

Contract in progress is valued at cost plus proportionate profit less anticipated loss.

In respect of Operation and Maintenance Contracts, profit proportionate to value of work done or the period elapsed as the case may be, is recognised.

(iii) Infrastructure Business:

In respect of Roads, toll revenue from operations of the facility is accounted on receipt basis.

In respect of Airports, revenue is recognised on accrual basis when services are rendered and is net of service tax.

In respect of Metro Rail Transit System, revenue from fare collection is recognized on the basis of use of tokens, money value of actual usage in case of Smart Cards and other direct fare collection.

(iv) Others:

Insurance and other claims are recognised as revenue on certainty of receipt on prudent basis.

Income on investment is recognised based on the terms of the investment. Income from mutual fund scheme having fixed maturity plans is accounted on declaration of dividend or on maturity of such investments.

(e) Foreign Currency Transactions:

(i) Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Gains and losses, if any, at the year-end in respect of monetary assets and monetary liabilities are recognised in the Profit and Loss Account.

(ii) In respect of Integral Foreign Operations of the Company, its fixed assets are translated at the rate on the date of acquisition, monetary assets and monetary liabilities are translated at the rate on the date of the Balance Sheet and Income and Expenditure are translated at the average of month-end rates during the year.

(iii) Non-Monetary items denominated in foreign currency are stated at the rate prevailing on the date of the transaction.

(iv) In respect of derivative transactions, gains / losses are recognised in the Profit and Loss Account on settlement. On a reporting date, open derivative contracts are revalued at fair values and resulting losses on an overall basis (including reversal of losses for earlier periods), if any, are recognised in the Profit and Loss Account.

(v) In case of BKPL, exchange differences arising on repayment / revaluation of monetary liabilities incurred prior to April 1, 2004 for the purpose of acquiring fixed assets are adjusted with the carrying amount of the respective fixed assets.

(f) Fixed Assets:

(i) The gross block of Fixed Assets is stated at cost of acquisition or construction (except revalued assets), including any cost attributable to bringing the assets to their working condition for their intended use.

(ii) All project related expenditure viz. civil works, machinery under erection, construction and erection materials, pre-operative expenditure incidental / attributable to the construction of project, borrowing cost incurred prior to the date of commercial operations and trial run expenditure are shown under Capital Work-In-Progress (CWIP). These expenses are net of recoveries and income (net of tax) from surplus funds arising out of project specific borrowings.

(iii) Toll collection rights recognised as intangible assets, represent commercial rights in relation to toll roads to collect toll fee and have been accounted at the cost incurred on the project activity towards reconstruction, strengthening, widening and rehabilitation of the toll roads on build operate and transfer basis (BOT) including project related expenditure as mentioned in (ii) above and obligations towards negative grant payable to regulatory authorities, if any.

(iv) Airport Concessionaire Rights recognised as intangible assets, represent amounts in the nature of upfront fee and other costs paid to various regulatory authorities pursuant to the terms and conditions of the contracts.

(v) Metro Rail Concessionaire Rights recognised as intangible assets, represent rights in relation to operation and maintenance of Metro Rail Line and have been accounted based on the date of completion of construction for the completed portion of the project at the cost incurred on the project activity towards construction, design, installation and commissioning of the Metro Rail Line including project related expenditure as mentioned in (ii) above. Cost incurred on the project which is incomplete as on balance sheet date has been shown as Capital Work-in-Progress (CWIP).

(g) Depreciation / Amortisation:

(i) Tangible Assets:

- Electricity Business:

  Fixed assets are depreciated under the straight line method as per the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956 relating to license business and other electricity business. The depreciation for the year has been shown after reducing the proportion of the amount of depreciation provided on assets created against the service line and capital contribution received from consumers.

  Depreciation on revalued assets is charged over the balance residual life of the assets considering the life prescribed under Schedule XIV of the Companies Act, 1956.

- EPC and Contracts Business:

  Fixed assets of EPC Business have been depreciated under the reducing balance method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

- Other Activities:

  Fixed assets of other activities have been depreciated under the straight line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

- Leased Assets:

  Depreciation on all assets given on lease upto March 31, 2001 is provided on straight line method at the higher of the rates determined with reference to the primary period of the lease and the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

(ii) Intangible Assets:

Goodwill arising on consolidation is not amortised but tested for impairment.

Toll Collection Rights are amortised over the concession period on the basis of projected toll revenue which reflects the pattern in which the assets' economic benefits are consumed. The projected total toll revenue is based on the independent traffic volume projections. Amortisation is revised in case of any material change in the expected pattern of economic benefits.

In case of Airports, amounts in the nature of upfront fee and other costs paid to various regulatory authorities, are amortised on a straight line method over the period of the agreement.

Metro Rail Concessionaire Rights are amortised over the concession period on the basis of projected revenue which reflects the pattern in which the assets' economic benefits are consumed. The projected total revenue is based on the independent traffic volume projections. Amortisation is revised in case of any material change in the expected pattern of economic benefits.

Intangible assets representing toll collection rights, airport concessionaire rights and metro rail concessionaire rights are amortised over the concession period ranging from 17-30 years, 95 years and 27 years respectively, which is beyond the maximum period of 10 years as specified in the Accounting Standard 26 on Intangible Assets, as the economic benefits from the underlying assets would be available to the Group over such period as per the respective Concessionaire agreements.

Softwares are amortised over a period of three years.

(h) Investments:

Long-term investments are carried at cost, less provision for diminution other than temporary, if any, in the value of such investments. Current investments are carried at lower of cost and fair value.

(i) Inventories:

Inventories are stated at lower of cost and net realisable value. In case of fuel, stores and spares "cost" means weighted average cost. Unserviceable / damaged stores and spares are identified and written down based on technical evaluation.

(j) Allocation of Indirect Expenses:

a) Electricity Business:

The allocation to capital and revenue is done consistently on the basis of a technical evaluation.

b) EPC and Contracts Business:

Common overheads are absorbed by various jobs in proportion to the prime cost of each job.

(k) Retirement Benefits:

Contribution to defined contribution schemes such as provident fund, superannuation funds etc. are charged to the Profit and Loss Account / Capital Work-in-Progress, as applicable. The Group also provides for retirement benefits in the form of gratuity and leave encashment. Such defined benefits are charged to the Profit and Loss Account / Capital Work-in-Progress, as applicable, based on actuarial valuations, as at the balance sheet date, made by independent actuaries. However in case of employees of erstwhile Delhi Vidyut Board (presently employees of BRPL and BYPL) in accordance with the stipulation made by the Government of National Capital Territory of Delhi (GoNCTD), in its notification dated January 16, 2001 the contributions on account of the general provident fund, pension, gratuity and earned leave as per the Financial Rules and Service Rules applicable in respect of the employees of the erstwhile DVB, is accounted for on due basis and are paid to the Delhi Vidyut Board – Employees Terminal Benefit Fund 2002 (DVB ETBF 2002). Further the retirement benefits are guaranteed by GoNCTD. All such payments made to the DVB ETBF 2002 are charged off to the Profit and Loss Account.

(l) Borrowing Costs:

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.

(m) Accounting for Taxes on Income:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between 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. However, in respect of unabsorbed depreciation or carry forward loss, the deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the assets will be realised in future. Since income-tax paid is considered in " truing -up" for future tariff determination under the applicable tariff regulation, the Deferred tax liability / asset arising on account of difference between the depreciation claimed as per Electricity Act, 2003 and Income-tax Act, 1961 is recoverable or payable through future tariff. Hence, the recognition of deferred tax assets or liability is made with corresponding provision of liability or asset, for payable or recoverable, as applicable.

(n) Provisions:

Provisions are recognised when the Group has a present obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

Schedules Annexed to and forming part of the Consolidated Financial Statements

(o) Impairment of Assets:

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the assets. If the carrying amount of fixed assets / cash generating unit exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows.

(p) Accounting for Oil and Gas Activity:

The Group follows "Successful Efforts Method" for accounting of oil and gas exploration activities as set out by the guidance note issued by the Institute of Chartered Accountants of India on 'Accounting for Oil and Gas Producing Activities'. The cost of survey and prospecting activities conducted in search of oil and gas are expensed out in the year in which the same are incurred.

(q) Grants / Capital Contribution:

Grants / Capital contribution received from government authorities as promoter towards meeting the capital cost of the project are treated as capital reserve, in compliance with Accounting Standard -12 "Accounting for Government Grants" as prescribed by the Companies (Accounting Standards) Rules, 2006. Grant from government authorities which are not in the nature of promoters' contribution are credited to Reserves and are gradually recognised in the Profit and Loss Account in the same proportion as the depreciation written off on the assets purchased out of the grants. Grants / capital contributions are recognised in financial statements when there is a reasonable assurance that the underlying conditions have been complied and grants will be received.

2. (a) Contingent Liabilities:

₹ Crore

Sr. No.	Particulars	As at March 31, 2011	As at March 31, 2010
(i)	Counter guarantees given to banks against guarantees issued by the banks on behalf of the Group	**25.79**	13.29
	(including share in joint ventures)	**(1.60)**	(2.79)
(ii)	Corporate guarantees given to Banks and other parties in respect of financing facilities granted to other body corporates	**2,924.21**	2,367.88
(iii)	Uncalled liability on partly paid shares	**83.83**	45.20
(iv)	Claims against the Group not acknowledged as debts and under litigation	**1,400.32**	794.17
	These include:-		
	a) Claims from Suppliers	**271.09**	249.30
	b) Income-tax claims	**1,066.40**	459.91
	c) Claims from Consumers	**53.27**	54.23
	d) Other Claims	**9.56**	30.73
	(including share in joint ventures)	**(60.29)**	(78.03)

(v) The Parent Company's application for compounding in respect of its ECB of USD 360 million has been deemed by the Reserve Bank of India (RBI) as never to have been made subsequent to the withdrawal of the compounding application. Accordingly, there is no liability in respect of the compounding fee of ₹ 124.68 Crore earlier specified by RBI. The Parent Company is legally advised that it is in compliance with the regulations under the Foreign Exchange Management Act, 1999. Accordingly, no provision is considered necessary in this regard.

(vi) As per the Development Right Agreement (DRA), entered by NGSPL with Noida Authority in February 2007, 2500 acres of land was to be acquired by the regulator and transferred to the Company. Based on the said DRA, the Collector Stamps, Uttar Pradesh raised a demand for the stamp duty of ₹ 1,029 Crore (including interest) on the Company considering the same as sale deed. However in the opinion of the management there would not be any liability of stamp duty as the title of the land has not been transferred to the Company and further, SEZ projects are exempted from the stamp duty. The said matter is pending resolution before the High Court of Allahabad, which has granted a stay on the demand.

(vii) In case of BRPL and BYPL:

In December 2003, BRPL and BYPL had announced a Special Voluntary Retirement Scheme (SVRS). The Companies had taken a stand that terminal benefit to SVRS retirees was the responsibility of Delhi Vidyut Board (DVB) Employees Terminal Benefits Fund - 2002 Trust (DVB ETBF - 2002) and the amount was not payable by the companies. The DVB ETBF - 2002 had contended that terminal benefits to the SVRS retirees did not fall in its purview as the employees had not attained superannuation. For resolution of the issue through the process of law, both the Companies had filed a writ petition before the High Court of Delhi. The Hon'ble Court had pronounced its judgment on this issue on July 2, 2007 whereby it had provided two options to the Distribution Companies (Discoms) for paying terminal benefits and residual pension to the Trust:

- Terminal benefits to the SVRS optees to be paid by Discoms which shall be reimbursed to Discoms by the Trust without interest on normal retirement / death (whichever is earlier) of such SVRS optees. In addition, the Discoms shall pay the Retiral Pension to SVRS optees till their respective dates of normal retirement, after which the Trust shall commence payment to such optees.
- The Trust to pay the terminal benefits of the SVRS optees on reimbursement by Discoms of 'Additional Contribution' required on account of premature payout by the Trust which shall be computed by an Arbitral Tribunal of Actuaries. The liability to pay residual pension i.e. monthly pension shall be borne by the respective companies.

Even though both the companies had taken the second option, vide Court direction dated January 25, 2008, both the companies have paid leave encashment, gratuity and commuted pension amounting to ₹ 64.54 Crore and ₹ 45.20 Crore, respectively. The interest amounting to ₹ 20.09 Crore and ₹ 14.33 Crore on the delayed payment has also been paid during the year 2008-09, pending computation of the additional contribution, if any, by the Arbitral Tribunal of Actuaries and the final decision in the said matter. The net recoverable amount has been shown under Loans and Advances.

Apart from the above, both the companies are also paying retiral pension to the SVRS optees till their respective date of normal retirement or death (whichever is earlier). DERC has approved the aforesaid retiral pension in its Annual Revenue Requirement (ARR) and the same has been charged to profit and loss account. The final impact on the financial statements in addition to the aforesaid amounts will be determined when the final order is received.

(b) Capital Commitments:

₹ Crore

Particulars	**As at March 31, 2011**	As at March 31, 2010
Estimated amount of contracts remaining unexecuted on Capital Account and not provided for	**4,729.39**	4,737.43
(including share in joint ventures)	**(157.05)**	(248.12)

3. Notes related to BRPL and BYPL:

(a) Both the Companies have conducted physical verification of its major fixed assets as per its policies. Necessary adjustments for retirement would be carried out after reconciliation and obtaining the approval of DERC. In case of BRPL an amount of ₹ 17.40 Crore (₹ 21.19 Crore) has been provided against retirement of fixed assets.

(b) Transfer Schemes:

(i) The amount of Consumer Security Deposit (CSD) transferred to both the companies by virtue of Part II of Schedule E of the Transfer Scheme was ₹ 11.00 Crore in case of BRPL and ₹ 8.00 Crore in case of BYPL. The Transfer Scheme as well as erstwhile DVB did not furnish the consumer wise details of the amount transferred to it as CSD. Both the Companies have compiled from the consumer records the amount of CSD as on June 30, 2002, which works out to ₹ 90.43 Crore in case of BRPL and ₹ 35.38 Crore in case of BYPL. The management of both the Companies are of the opinion that its liability towards CSD is limited to ₹ 11.00 Crore in case of BRPL and ₹ 8.00 Crore in case of BYPL, as per the Transfer Scheme. Therefore the liability towards refund of consumer deposits in excess of ₹ 11.00 Crore in case of BRPL and ₹ 8.00 Crore in case of BYPL and interest thereon has not been accounted for in the books of the respective companies. They have also filed a writ petition with the High court of Delhi during the year 2004-05 with the DERC to deal with the actual amount of CSD as on the date of transfer. DERC during the year 2007-08 had advised the GoNCTD to transfer ₹ 97.48 Crore and ₹ 70.90 Crore to BRPL and BYPL respectively. However GoNCTD did not abide by the advice and hence both the companies have filed writ petition with the High Court of Delhi. The case is pending before High Court of Delhi.

(ii) As per notification dated April 18, 2007 issued by DERC, interest @ 6 per cent per annum is payable on CSD received from all consumers. In view of the pending litigation, as explained in note 3(b)(i) above, BRPL and BYPL have provided for interest only to the extent of amount transferred as per the transfer scheme i.e. ₹ 11.00 Crore in case of BRPL and ₹ 8.00 Crore in case of BYPL. The Companies are of the view that the interest on CSD in excess of the amount as per the Transfer Scheme would be recoverable from Delhi Power Company Limited (DPCL) if the contention is upheld by the High Court of Delhi.

(iii) The liabilities arising out of litigation, suits, claims etc. pending on the date of transfer and / or arising due to events prior to the date of transfer shall be borne by BRPL and BYPL subject to a maximum of ₹ 1.00 Crore per annum. Any amount above this shall be to the account of DPCL in the event of DERC not allowing the amount to be included in the ARR of the respective companies.

4. Disclosure as required under AS – 19 :

Disclosure as required under AS – 19 "Accounting for Leases" as prescribed under Companies (Accounting Standards) Rules, 2006 for the Group is given below:

(a) The Group has entered into cancellable leasing agreement for office, residential and warehouse premises renewable by mutual consent on mutually agreeable terms.

(b) Future minimum lease payments under non-cancellable operating lease are as under:

₹ Crore

Particulars	Lease Rentals Debited to Profit and Loss Account / CWIP (Cancellable and Non-cancellable)	Future Minimum Lease Rentals			Period of Lease*
		Less Than 1 Year	Between 1 to 5 Years	More than 5 Years	
Office Premises and Warehouses	41.87	24.70	54.10	10.83	Various

* The Lease terms are renewable on a mutual consent of Lessor and Lessee.

The lease rentals have been included under the head "Rent" under Schedule 11- Generation, Distribution, Administration and Other Expenses, Schedule 12 - Expenditure of EPC and Contract Business and Capital Work-in-progress (CWIP).

5. Power Banking:

The cost of electricity purchased is net of cost incurred towards units purchased and banked with other parties and / or units banked by other parties with us, both on loan basis. Such transactions remaining unsettled at the year end, are carried forward under Loans and Advances / Sundry Creditors, as the case may be at the value of purchase on the date of the transactions when the units were banked, either way, as the case may be.

6. Derivative Instruments:

(a) The Parent Company has entered into contracts for derivative instruments, which are not intended for trading or speculative purposes. The details of the derivative instruments are as follows:

Sr. No.	Particulars	No. of instruments	Value (As at March 31, 2011)	
			US $ million	₹ Crore
1.	Currency Swap	15	123.33	550.00
2.	Libor Based Callable Range Accrual	7	300.00	1,337.85
3.	Forward Contract	2	2.64	11.79

Details of the contracts for derivative instruments of previous year 2009-10 were as under:

Sr. No.	Particulars	No. of instruments	Value (As at March 31, 2010)	
			US $ million	₹ Crore
1.	Currency Swap	15	122.49	550.00
2.	Libor Based Callable Range Accrual	4	250.00	1,122.50
3.	Forward Contract	2	18.00	80.82

(b) Pursuant to the clarification issued by the Institute of Chartered Accountants of India on March 29, 2008 on accounting of derivatives, the Parent Company has for the year ended March 31, 2011 provided / (reversed) for unrealised loss of ₹ 39.32 Crore (Previous Year (₹ 81.08 Crore)) on account of revaluation of foreign exchange derivative instruments at the fair values as at the reporting year end. Profit or Loss on such foreign exchange derivative instruments will be crystallised / realised only on expiry of such instruments in subsequent financial years.

(c) Commodity Contracts:

The Company uses Commodity Future Contracts to hedge against fluctuations in commodity prices. The following are outstanding aluminum future contracts entered into by the Parent Company as on March 31, 2011.

Outstanding as on	Number of Contracts	Contractual Quantity	Buy / Sell
March 31, 2011	35	24,425 MT	Buy
March 31, 2011	15	15,175 MT	Sell
March 31, 2010	62	18,100 MT	Buy

(d) Net Foreign Currency exposures of the Parent Company that are not covered by derivative instruments or otherwise are ₹ 1,268.76 Crore (₹ 1,644.92 Crore).

7. (a) In case of CBDTPL, the Company had signed a development agreement dated May 28, 2008 with Andhra Pradesh Industrial Infrastructure Limited (APIIC) for the development of trade tower and business district in Hyderabad, which the Company, after development intends to lease out to the intended users. To mitigate the risk of the project due to economic slowdown and recession in real estate market, the Board of Directors of the Company submitted a plan to APIIC to restructure the project in three categories - financial restructuring, restructuring of project development framework and restructuring of project implementation. Material proposals approved by APIIC includes waiver of development premium payable @12% p.a on the unpaid balance towards cost of land upto March 31, 2012 and decrease in the rate of interest on debentures to 2% p.a upto March 31, 2014.

Certain consequential issues, like effective date being date of signing of amended agreement and similar mechanism for land transfer for trade tower, arising out of the main approved terms, are in advanced stages of getting approval from APIIC. As per the current applicable terms of development agreement, the title with respect to land would be transferred on payment of full amount and complying with all the terms of development agreement, accordingly part payments made towards the purchase of land have been disclosed under Capital Work in Progress.

(b) In case of NGSPL, as per the terms of the DRA the Noida Authority needs to transfer land of 2500 acres to the Company to commence the project. However no land title has been transferred to the Company till date. The Company filed a petition with the High Court of Allahabad to expedite the process of land acquisition. The matter has been transferred to Supreme Court, where the case is pending for hearing.

8. The details of security clause with respect to secured loans are as follows:

(a) CBDTPL [Debentures of ₹ 159.18 Crore (₹ 159.77 Crore)]

CBDTPL had entered into a Debenture Subscription Agreement dated May 28, 2008 with Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC) for the issue of 12 per cent fully convertible debentures of ₹ 10 each aggregating to ₹ 179.99 Crore for a consideration other than cash, secured against a first charge created on the land till the date of execution of the financing documents and thereafter APIIC will cede the first charge in favour of the lenders and shall continue to have a second charge till the debentures are fully converted into equity shares of the CBDTPL. The debentures shall be convertible into equity shares of CBDTPL to maintain the minority equity holding of APIIC at 11 per cent till the debentures are fully converted into equity shares. The debentures shall be entitled to a coupon of 12 per cent per annum compounded annually pending the conversion into equity shares. Pursuant to the restructuring of the project (Refer Note 7(a) above) , the coupon rate for interest on debentures has been reduced to 2% p.a. for the period April 1, 2010 to March 31, 2014.

(b) BRPL and BYPL [Share of Joint Ventures in Term Loans, ₹ 3,165.81 Crore (₹ 2,241.51 Crore)]:

(i) The following term loans sanctioned / availed (total amount) for various purposes by BRPL and BYPL are secured by first pari passu charge on the fixed assets (present and future) and a residual charge on the receivables of the respective companies:

₹ Crore

Sr. No.	Name of the Bank	BRPL	BYPL
1	IDBI Limited	1,034	380
2	Punjab National Bank	1,000	500
3	Bank of Baroda	600	400
4	State Bank of Travancore	50	50
5	Corporation Bank	50	50
6	State Bank of Patiala	50	250
7	State Bank of Mysore	122	76
8	Axis Bank	150	200
9	State Bank of Hyderabad	100	125
10	Federal Bank Limited	150	150
11	South India Bank Limited	200	200
12	Indian Bank	150	-
13	Allahabad Bank	200	150
14	Karnataka Bank Limited	75	100
15	Bank of India	20	40
16	Dena Bank	250	100

(ii) ₹ 500 Crore in case of BRPL availed from Delhi Power Corporation Limited (DPCL) is secured by a first charge on movable assets (present and future).

(iii) The loans taken under the Accelerated Power Development and Reforms Programme (APDRP) scheme of the Government of India are secured by a first pari passu charge on the fixed assets of the respective companies.

(iv) The working capital facilities availed from the consortium of bankers are secured by first charge on stores and spares, second charge on the fixed assets (present and future) and third charge on the receivables of the respective companies.

(v) According to Section 26 of the Delhi Electricity Reform Act, 2000, each company has to obtain permission of the DERC for creating charges on assets for loans and other credit facilities availed by it. BRPL and BYPL have obtained the requisite permission except, in case of the following loans for which permission is awaited:

₹ Crore

Sr. No.	Name of the Bank	BRPL
1	South India Bank Limited	200
2	Indian Bank	150
3	Allahabad Bank	200
4	Federal Bank Limited	150
5	Karnataka Bank Limited	75
6	Bank of India	20
7	Dena Bank	250

(c) BKPL [Term Loans, Working capital facility and loan against fixed deposit of ₹ 59.94 Crore (₹ 82.76 Crore)]

Rupee and foreign currency loans from senior lenders are secured by first mortgage and charge on all immovable and movable properties, save and except stocks and receivables, both present and future and floating charge on all the Company's receivables and other rights arising from and relating to its projects. Working Capital facilities from banks are secured by hypothecation of stocks and by first charge on book debts. The Company has also taken loans against fixed deposits.

(d) Toll Companies (DSTL, NKTL, SUTL, TDTL, TKTL & GFTL) [Term Loans of ₹ 2,169.39 Crore (₹ 1,031.03 Crore)]

The Rupee Loans are secured by first mortgage and charge on all immovable properties, movable assets, intangible assets, receivables, book debts, cash and cash equivalents, present and future, save and except the project assets. The same are also secured by first charge on government approvals, insurance policies, uncalled capital, project documents, guarantees, letter of credit, performance warranties, indemnities and securities given to the Company. Further in case of DSTL & NKTL the Rupee Loans are secured by negative lien of 51% of their Equity Share Capital.

(e) MMOPL and DAMEPL [Term Loans and Buyer's Credit of ₹ 1,917.60 Crore (₹ 631.58 Crore)]

The Rupee and Foreign Currency Loans are secured by first charge by way of hypothecation on the Company's movable properties, movable machinery and its spares, equipments, tools and accessories, vehicles and all other movable assets both present and future, save and except the Project assets, including but not limited to goodwill, rights, undertakings and uncalled capital. The same are also secured by way of assignment of book debts, escrow account balances, operating cash flows and revenues of whatsoever nature, both present and future. Further in case of MMOPL the loans are also secured by negative lien of 51% of it's Equity Share Capital.

(f) WRTG and WRTM [Term Loans of ₹ 413.61 Crore (₹ 127.33 Crore)]

The Rupee Loan is secured by first charge by way of hypothecation on the Company's immovable properties, movable assets including movable equipments, machinery spares, tools and accessories, receivables, all intangibles including but not limited to goodwill, rights, undertakings and uncalled capital. Further the loan is also secured over Trust and Retention accounts, Debt Reserve Sub-account, Retention accounts, both present and future.

9. During the year, HKTL, DATL, RSOPL, UIWPL and RIEPL became subsidiaries of the Parent company. The effect of acquisition of the above subsidiaries on the consolidated financial statements is as follows:

₹ Crore

Name of the Company	Goodwill / (Capital Reserve) on Consolidation	Effect on Group Profit after Minority Interest	Net Effect on Group Net Assets as at March 31, 2011
HKTL	-	(i)	1.91
DATL	-	(0.06)	79.85
RSOPL	-	(0.04)	(0.03)
UIWPL	-	(ii)	0.91
RIEPL	2.18	-	47.45

(i) ₹ 9,072, (ii) ₹ (23,245)

10. Related Party Disclosure:

As per Accounting Standard -18 as prescribed under the Companies (Accounting Standards) Rules, 2006, the Group's related parties and transactions are disclosed below:

(a) Parties where control exists: Nil

(b) Other related parties where transactions have taken place during the year:

(i) Associates (including subsidiaries of associates)

(a) Reliance Power Limited (RePL)
(b) Reliance Infrastructure Engineers Private Limited (RIEPL) upto March 24, 2011
(c) Reliance Infrastructure and Consultants Limited (RICL)
(d) Urthing Sobla Hydro Power Private Limited (USHPPL)
(e) Rosa Power Supply Company Limited (ROSA)
(f) Sasan Power Limited (SPL)
(g) Vidarbha Industries Power Limited (VIPL)
(h) Chitrangi Power Private Limited (CPPL)
(i) Tato Hydro Power Private Limited (THPPL)
(j) Siyom Hydro Power Private Limited (SHPPL)
(k) Jharkhand Integrated Power Limited (JIPL)
(l) Coastal Andhra Power Limited (CAPL)
(m) Reliance Coal Resources Private Limited (RCRPL)
(n) Samalkot Power Limited (SaPoL) w.e.f. July 29, 2010
(o) JR Toll Road Private Limited (JRTL)
(p) Mumbai Metro Transport Private Limited (MMTPL)
(q) Metro One Operation Private Limited (MOOPL)

(ii)	Joint Ventures	(a)	BSES Rajdhani Power Limited (BRPL)
		(b)	BSES Yamuna Power Limited (BYPL)
		(c)	Tamilnadu Industries Captive Power Company Limited (TICAPCO)
		(d)	Utility Powertech Limited (UPL)
(iii)	Investing Party		AAA Project Ventures Private Limited (AAAPVPL)
(iv)	Persons having control over investing party		Shri Anil D. Ambani
(v)	Key Management Personnel	(a)	Shri S.C.Gupta
		(b)	Shri Lalit Jalan
(vi)	Enterprises over which person described in (iv) has significant influence	(a)	Reliance Natural Resources Limited (RNRL) upto October 14, 2010
		(b)	Reliance Communications Limited (RComm)
		(c)	Reliance Innoventures Private Limited(REIL)
		(d)	Reliance Webstores Limited (RWeb)
		(e)	Reliance General Insurance Company Limited (RGI)
		(f)	Reliance Capital Limited (RCap)
		(g)	Reliance Infratel Limited (RInfTL)
		(h)	Reliance Infocomm Infrastructure Private Limited (RIIPL)
		(i)	Reliance Big Entertainment Private Limited (RBig)

(c) Details of transactions during the year and closing balances as at the year end:

₹ Crore

Particulars	**Investing party, Associates and Joint Ventures**	**Enterprises over which person described in (iv) has significant influence**	**Key Managerial Personnel/ Persons having control over investing party**
(a) Profit and Loss Account Heads:			
(I) Incomes:			
(i) Sale of Electricity	260.51 *198.49*	- -	- -
(ii) Revenue from EPC and Contracts Business	1,501.80 *313.35*	- -	- -
(iii) Dividend Received	0.40 *0.12*	- -	- -
(iv) Rent / Lease Rent earned	- -	0.51 -	- -
(v) Interest earned	6.09 *10.76*	- -	- -
(vi) Other Income	12.24 *1.91*	4.75 -	- -
(II) Expenses:			
(i) Purchase of Electricity (Including Open Access charges)	113.89 -	- -	- -
(ii) Purchase / (Returns) of other items on revenue account	1.51 *(5.98)*	107.03 *271.42*	- -
(iii) Purchase of other items on Capital account	- -	0.90 -	- -
(iv) Receiving of Services	49.13 *24.12*	69.27 *70.23*	- -
(v) Rent paid	0.76 *0.53*	1.93 -	- -
(vi) Dividend Paid	73.20 *58.44*	0.62 *0.62*	0.10 -
(vii) Salaries, Commission and Other benefits	- -	- -	12.94 *2.23*

₹ Crore

Particulars	Investing party, Associates and Joint Ventures	Enterprises over which person described in (iv) has significant influence	Key Managerial Personnel/ Persons having control over investing party
(b) Balance Sheet Heads (Closing Balances):			
(i) Sundry Creditors & Advances received / other liabilities for rendering services	5,311.64 *2,013.53*	30.85 *41.33*	- -
(ii) Investment in Equity Shares / Preference Shares	2,012.96 *2,022.96*	- -	- -
(iii) ICDs Placed	68.40 *140.62*	- -	- -
(iv) Subordinate Debts	46.00 -	- -	- -
(v) Advance against Investments	53.45 *45.90*	- -	- -
(vi) Recoverable Expenses	1.82 *0.65*	- -	- -
(vii) Sundry debtors	20.78 *3.56*	4.33 *1.15*	- -
(viii) Equity Warrants issued / subscribed	- -	- *541.08*	- -
(c) Contingent Liabilities (Closing balances): Guarantees and Collaterals	691.45 *312.45*	- 7.78	- -
(d) Transactions During the Year:			
(i) Guarantees and Collaterals provided	389.00 -	- *1.74*	- -
(ii) Deposits Given to	10.95 *18.55*	- -	- -
(iii) Deposits Returned by	83.17 *20.68*	- -	- -
(iv) Recoverable Expenses:-			
(a) incurred for related parties	1.38 *2.47*	0.20 *0.96*	- -
(b) incurred by related parties on our behalf	- -	1.73 -	- -
(v) Investment in Equity Shares / Preference Shares	@ *10.03*	- -	- -
(vi) Subordinate Debts	46.00 -	- -	- -
(vii) Advance against Investments	53.10 *3.35*	- -	- -
(viii) Advance against Investments received back	- *8.50*	- -	- -
(ix) Purchase of Investments	- -	- *53.78*	- -
(x) Sale of Fixed Assets	- *0.03*	- -	- -
(xi) Advances received	3,148.80 *800.00*	- -	- -
(xii) Warrants money received	1,570.99 *2,361.70*	- -	- -
(xiii) Warrants money converted into Equity Shares	2,094.65 *1,820.62*	- -	- -

Figures in italics represent previous year ; @ ₹ 3,380/-

Note: The above disclosure does not include transactions with / as public utility service providers, viz, electricity, telecommunications, in the normal course of business.

(d) Details of Material Transactions with Related Parties:

(i) Transactions during the year (Balance Sheet heads):

Guarantees and Collaterals provided to JRTL ₹ 389 Crore. Deposit given to RICL ₹ 10.95 Crore. Deposit Returned by RICL ₹ 83.17 Crore. Recoverable Expenses incurred for RNRL ₹ 0.20 Crore, MMTPL ₹ 0.32 Crore and BYPL ₹ 0.76 Crore. Recoverable Expenses incurred by RComm ₹ 1.67 Crore. Investment in Equity Shares of JRTL ₹ 3,380. Subordinate debt given to MMTPL ₹ 46 Crore. Advance against Investment paid to JRTL ₹ 53.10 Crore. Advances received towards contract from CPPL ₹ 1,240.36 Crore, JIPL ₹ 1,000 Crore and SaPoL ₹ 787.44 Crore. Warrant money received from AAAPVPL ₹ 1,570.99 Crore. Warrants money of AAAPVPL converted into equity shares ₹ 2,094.65 Crore.

(Previous Year: Guarantees and Collaterals provided to RNRL ₹ 1.74 Crore. Deposit given to RICL ₹ 18.55 Crore. Deposit Returned by RICL ₹ 20.68 Crore. Recoverable Expenses incurred for REIL ₹ 0.05 Crore, ROSA ₹ 0.21 Crore, SPL ₹ 0.08 Crore, CAPL ₹ 0.02 Crore, RNRL ₹ 0.92 Crore and MMTPL ₹ 1.38 Crore. Investment in Equity Shares of MMTPL ₹ 0.02 Crore and JRTL ₹ 48,000. Advance against Investment paid to MMTPL ₹ 3 Crore and JRTL ₹ 0.35 Crore. Advance against Investment received back from RIEPL ₹ 8.50 Crore. Purchase of Investments from RNRL ₹ 53.78 Crore. Warrant money received from AAAPVPL ₹ 2,361.70 Crore. Warrants money of AAAPVPL converted into equity shares ₹ 1,820.62 Crore. Sale of Fixed Assets to SPL ₹ 0.03 Crore. Advances received towards contract from SPL ₹ 700 Crore and VIPL ₹ 100 Crore)

(ii) Balance Sheet heads (Closing balance):

Sundry Creditors, Advances received and Other Liabilities for rendering services SPL ₹ 1,244.88 Crore, CAPL ₹ 732.26 Crore, CPPL ₹ 1,220.22 Crore, JIPL ₹ 996.10 Crore and SaPoL ₹ 767.94 Crore. Investment in Equity Shares RePL ₹ 1,720.00 Crore and BRPL ₹ 225.40 Crore. ICDs placed RICL ₹ 68.40 Crore. Subordinate debt given MMTPL ₹ 46 Crore. Advance against Investments JRTL ₹ 53.45 Crore. Recoverable Expenses USHPPL ₹ 0.67 Crore, SHPPL ₹ 0.47 Crore and TICAPCO ₹ 0.67 Crore. Sundry Debtors RGI ₹ 4.33 Crore, RePL ₹ 3.72 Crore and ROSA ₹ 17.06 Crore.

(Previous Year: Sundry Creditors, Advances received and Other Liabilities for rendering services SPL ₹ 1,183.18 Crore, VIPL ₹ 195.73 Crore and CAPL ₹ 615.88 Crore. Investment in Equity Shares RePL ₹ 1,720.00 Crore and BRPL ₹ 225.40 Crore. ICDs placed RICL ₹ 140.62 Crore. Advance against Investments RIEPL ₹ 42.55 Crore. Recoverable Expenses TICAPCO ₹ 0.65 Crore. Sundry Debtors RGI ₹ 1.15 Crore and ROSA ₹ 3.56 Crore)

(iii) Income heads:

Sale of Electricity to BRPL ₹ 154.07 Crore and BYPL ₹ 106.44 Crore. Gross Revenue of EPC and Contracts Division / Sales reversal from SPL ₹ 501.04 Crore, VIPL ₹ 292.99 Crore and CAPL ₹ 623.23 Crore. Dividend Received from UPL ₹ 0.40 Crore. Rent / Lease Rent earned from RComm ₹ 0.51 Crore. Interest earned from RICL ₹ 6.09 Crore. Other Income from RNRL ₹ 4.72 Crore, RePL ₹ 4.86 Crore, BYPL ₹ 2 Crore and BRPL ₹ 3.13 Crore.

(Previous Year: Sale of Electricity to BRPL ₹ 174.75 Crore and BYPL ₹ 23.75 Crore. Gross Revenue of EPC and Contracts Division / Sales reversal from SPL ₹ 162.04 Crore, VIPL ₹ 70.26 Crore and CAPL ₹ 81.06 Crore. Dividend Received from UPL ₹ 0.12 Crore. Interest earned from RICL ₹ 10.76 Crore. Other Income from ROSA ₹ 0.38 Crore, BYPL ₹ 0.42 Crore and BRPL ₹ 1.12 Crore)

(iv) Expense heads:

Purchase of Electricity from BRPL ₹ 64.17 Crore and BYPL ₹ 49.72 Crore. Purchase / Services on Revenue account from REIL ₹ 27.87 Crore and RNRL ₹ 76.49 Crore. Purchase of other items on Capital account from RComm ₹ 0.89 Crore. Services received from RGI ₹ 28.78 Crore, RNRL ₹ 28.71 Crore, RePL ₹ 23.19 Crore and MMOPL ₹ 19.68 Crore. Rent paid to RICL ₹ 0.76 Crore and RIIPL ₹ 1.93 Crore. Dividend paid to AAAPVPL ₹ 73.20 Crore.

(Previous Year: Purchase / Services on Revenue account from REIL ₹ 29.17 Crore and RNRL ₹ 242.20 Crore. Services received from RGI ₹ 11.20 Crore, RNRL ₹ 55.99 Crore and UPL ₹ 15.81 Crore. Rent paid to RICL ₹ 0.53 Crore. Dividend paid to AAAPVPL ₹ 58.44 Crore)

(v) Salaries, Commission and Other Benefits paid / payable to Shri Anil D Ambani ₹ 11.01 Crore (₹ Nil), Shri S.C. Gupta ₹ 1.12 Crore (₹ 1.13 Crore) and Shri Lalit Jalan ₹ 0.81 Crore (₹ 1.10 Crore). The Company has made payment to Shri Anil D Ambani towards commission for the financial year 2009-10 amounting to ₹ 5.50 Crore which was not provided in the previous year.

(vi) The Parent Company has given (a) equity support undertakings to power procurers in respect of Sasan Ultra Mega Power Project (UMPP), Krishnapatnam UMPP, Tilaiya UMPP and Chitrangi Power Project of Reliance Power Limited for setting up the respective projects, (b) funding support undertaking for cost overrun and equity support undertaking to Financial Institutions / Banks in respect of Rosa Power Project and (c) keep well letter in favour of a bank, who in turn has issued a letter of credit in favour of the foreign currency convertible bond (FCCB) holders of RNRL (now Reliance Power Limited); the amounts of which currently are not ascertainable

11. Segment wise Revenue, Results and Capital Employed:

Basis of Preparation: The Group has identified following business segments as reportable viz. Electrical Energy, Engineering Procurement and Contracts (EPC) and Infrastructure. Business segments have been identified as reportable primary segments in accordance with Accounting Standard-17 as prescribed under the Companies (Accounting Standards) Rules, 2006, taking into account the organisation and internal reporting structure as well as evaluation of risks and returns from these segments. The inter segment pricing is effected at cost. Segment accounting policies are in line with the accounting policies of the Group.

Schedules Annexed to and forming part of the Consolidated Financial Statements

The electrical energy segment is engaged in generation, transmission and distribution of electrical power at various locations. The Parent Company operates a 500 MW Thermal Power Station at Dahanu, a 220 MW Combined Cycle Power Plant at Samalkot, a 48 MW Combined Cycle Power Plant at Mormugao, a 7.59 MW Wind-farm at Chitradurga and also purchases power from third parties and supplies the power through the Parent Company's own distribution grid in suburbs of Mumbai. BRPL and BYPL distribute the power in the city of Delhi. BKPL operates a 165 MW combined cycle power plant at Kochi. The segment also includes operations from trading of electricity. EPC segment (of Parent company and UPL) renders comprehensive value-added services in construction, erection and commissioning. Infrastructure segment includes businesses with respect to development, operation and maintenance of toll roads,metro rail transit system and airports. The segment also includes construction of cement plant and development of real estate projects including special economic zone.

Geographical Segments: All the operations are mainly confined within India. There are no material earnings from outside India. As such there are no reportable geographical segments.

Information about Business Segments – Primary

₹ Crore

Particulars	Electrical Energy	EPC	Infrastructure	Total 2010-11	Electrical Energy	EPC	Infrastructure	Total 2009-10
Revenue								
External Revenue	**12,297.18**	**2,994.00**	**117.11**	**15,408.29**	11,534.48	3,304.78	25.56	14,864.82
Inter-segment Revenue					-	-	-	-
Total Revenue	**12,297.18**	**2,994.00**	**117.11**	**15,408.29**	11,534.48	3,304.78	25.56	14,864.82
Result								
Segment Result	**1,236.21**	**241.26**	**18.01**	**1,495.48**	828.56	240.95	13.19	1,082.70
Unallocated Income net of unallocable expenses				**104.92**				497.79
Interest Income (net of Interest Expense)				**(244.56)**				(232.90)
Profit before taxation				**1,355.84**				1,347.59
Taxes				**126.84**				149.83
Profit after Tax				**1,229.00**				1,197.76
Share in Profit/(Loss) of Associates				**322.94**				321.45
Minority Interest				**(0.33)**				0.18
Profit after tax, Share in Associates and Minority Interest				**1,551.61**				1,519.39
Other Information:								
Segment Assets	**14,591.13**	**8,980.36**	**12,007.15**	**35,578.64**	11,229.54	4,524.49	4,645.28	20,399.31
Unallocated Assets				**15,206.28**				17,211.58
Total Assets				**50,784.92**				37,610.89
Segment Liabilities	**6,819.79**	**9,407.25**	**6,622.09**	**22,849.13**	5,154.11	4,102.82	2,629.02	11,885.95
Unallocated Liabilities				**4,328.18**				5,020.88
Total Liabilities				**27,177.31**				16,906.83
Capital Expenditure *	**1,798.58**	**10.23**	**6,311.51**		682.79	18.21	2,010.43	
Depreciation *	**535.47**	**9.73**	**15.88**		530.88	9.57	5.08	
Non Cash expenses other than depreciation *	**19.98**	**41.97**	**-**		14.76	35.56	-	

* only pertaining to the segment.

12. Deferred Taxation:

₹ Crore

	Computation of Deferred Tax Asset / Liability:	As at March 31, 2011	As at March 31, 2010
(a)	Deferred Tax Liability on account of:		
	Depreciation Difference and Premium on redemption of Preference Shares	**484.01**	417.44
(b)	Deferred Tax Asset on account of:		
	(i) Unabsorbed Losses	**2.01**	-
	(ii) Provisions	**250.26**	229.64
	(iii) Disallowances under Section 40(a) of the Income Tax Act, 1961	**0.07**	0.65
	(iv) Unrealised Forex Loss (MTM)	**-**	29.60
	Total	**252.34**	259.89
	Net Deferred Tax Liability	**231.67**	157.55
	Add: Share in Joint Venture	**179.45**	(0.61)
	Net Deferred Tax Liability including Share in Joint Venture	**411.12**	156.94

Schedules Annexed to and forming part of the Consolidated Financial Statements

13. (a) Standby Charges (Parent Company):

In the matter of liability of ₹ 515.60 Crore of standby charges with The Tata Power Company Limited (TPC) determined by MERC for the period April 1, 1998 to March 31, 2004, the Appellate Tribunal of Electricity (ATE) determined the total liability at ₹ 500 Crore and directed TPC to refund ₹ 354 Crore (inclusive of interest of ₹ 15 Crore upto March 31, 2004) to the Parent Company plus interest @ 10% p.a. commencing from April 1, 2004 till the date of payment. Against the said order, TPC filed an appeal with the Supreme Court. The Hon'ble Supreme Court passed an interim order dated February 7, 2007 granting stay of the impugned order of the ATE subject to the condition that, TPC furnish a bank guarantee in the sum of ₹ 227 Crore and, in addition, deposit a sum of ₹ 227 Crore with the Registrar General of the Court which may be withdrawn by the Parent Company subject to the Parent Company giving an undertaking that in the event of the appeal being decided against the Parent Company, wholly or in part, the amount as may be found refundable by the Parent Company shall be refunded to TPC without demur together with interest as may be determined by the Court. The Parent Company accordingly withdrew the amount of ₹ 227 Crore after complying with the conditions specified and has accounted the said amount as other liabilities pending final adjustment. Moreover, pending final order of the Hon'ble Supreme Court, the Parent Company has not accounted for the reduction in standby charges liability of ₹ 15.60 Crore as well as interest amount determined by ATE as payable by TPC to the Parent Company.

(b) Take or Pay and Additional Energy Charges (Parent Company):

Pursuant to the order passed by MERC dated December 12, 2007, in case No. 7 of 2002, TPC has claimed an amount of ₹ 323.87 Crore towards the following:

(i) Difference in the energy charge for energy supplied by TPC at 220 kV interconnection for the period March 2001 to May 2004 along with interest at 24% per annum up to December 31, 2007, and

(ii) Minimum offtake charges for energy for the years 1998-99 to 1999-2000 along with interest at 24% per annum up to December 31, 2007.

In an appeal filed by the Parent Company, ATE held that the amount in the matter (a) above is payable by the Parent Company along with interest at State Bank of India prime lending rate for short term borrowings. The matter (b) is remanded to MERC for redetermination. The Parent Company has filed an appeal against the said order before the Supreme Court, which while admitting the appeal, has restrained TPC from taking any coercive action in respect of the matter stated in (a) above and TPC has also filed an appeal against the said order. The Parent Company has complied with the interim order directions of depositing ₹ 25 Crore with the Registrar of Supreme Court and providing a Bank Guarantee of ₹ 9.98 Crore.

The said amount is disclosed under Contingent Liability in Note 2(a)(iv) above.

14. Disclosure under Accounting Standard 15 (revised 2005) "Employee Benefits" :

The Group has classified various employee benefits as under:

(a) Defined contribution plans

a. Provident fund

b. Superannuation fund

c. State defined contribution plans

- Employers' Contribution to Employees' State Insurance
- Employers' Contribution to Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the regional provident fund commissioner and the superannuation fund is administered by the Trustees of respective schemes of the companies. Under the schemes, respective companies are required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by the Income tax authorities. However in case of employees of erstwhile DVB (presently employees of BRPL and BYPL) in accordance with the stipulation made by GoNCTD, in its notification dated January 16, 2001 the contributions on account of the general provident fund, pension, gratuity and earned leave as per the Financial Rules and Service Rules applicable in respect of the employees of the erstwhile DVB, is accounted for on due basis and are paid to the DVB -ETBF 2002.

The Group has recognised the following amounts in the Profit and Loss Account for the year:

₹ Crore

Sr. No.	Particulars	2010-2011	2009-2010
(i)	Contribution to Provident Fund	**26.26**	23.21
(ii)	Contribution to Employees Superannuation Fund	**6.94**	6.34
(iii)	Contribution to Employees State Insurance	**0.30**	-
(iv)	Contribution to Employees Pension Scheme, 1995	**16.08**	23.81

(b) Defined Benefit Plans

a. Provident Fund (Applicable to certain employees of the Parent Company)

b. Gratuity

c. Leave Encashment

Schedules Annexed to and forming part of the Consolidated Financial Statements

The guidance on implementing AS 15, Employee Benefits (revised 2005) issued by Accounting Standard Board states benefit involving employee established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. As per the audited accounts for the year ended March 31, 2011 of Provident Fund Trust maintained by the Parent Company, the shortfall arising in meeting the stipulated interest payment liability has been duly provided for. Pending the issuance of guidance note from the Actuary Society of India, the Parent Company's actuary has expressed an inability to reliably measure provident fund liabilities.

Leave encashment is payable to eligible employees who have earned leaves, during the employment and / or on separation as per the Group's policy.

Valuations in respect of Gratuity and Leave Encashment have been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

Sr. No.	Particulars	Gratuity		Leave Encashment	
		2010-2011	2009-2010	**2010-2011**	2009-2010
(i)	Discount Rate (Per annum)	**8% - 8.50%**	7.50%-8.25%	**8% - 8.50%**	7.50%-8.25%
(ii)	Rate of increase in Compensation levels	**5.50%-7.50%**	5.50%-7.50%	**5.50%-7.50%**	5.50%-7.50%
(iii)	Rate of Return on Plan Assets	**8% - 8.50%**	7.50%-8.25%	**8% - 8.50%**	7.50%-8.25%

₹ Crore

Sr. No.	Particulars	Gratuity		Leave Encashment	
		2010-2011	2009-2010	**2010-2011**	2009-2010
(i)	**Changes in present value of obligation**				
	Opening Balance of Present Value of Obligation	**149.87**	115.81	**113.50**	97.48
	Liability on increased stake in Joint Ventures/ Subsidiaries	**0.11**	0.63	**0.12**	1.37
	Liability on transfer of Employees (Net)	**(1.56)**	(0.07)	**(1.51)**	(0.06)
		148.42	116.37	**112.11**	98.79
	Interest Cost	**12.36**	8.76	**9.44**	7.47
	Current Service Cost	**10.63**	9.86	**6.50**	6.14
	Benefits Paid	**(8.57)**	(4.32)	**(10.28)**	(8.34)
	Actuarial (Gains) / Loss	**8.03**	19.20	**26.54**	9.44
	Closing Balance of Present Value of Obligation	**170.87**	149.87	**144.31**	113.50
(ii)	**Changes in Fair Value of plan assets**				
	Opening Balance of Present Value of Plan Assets	**141.33**	115.87	**95.60**	72.91
	Planned Assets on increased stake in Joint Ventures/Subsidiaries	**0.13**	1.16	**-**	-
	Planned Assets on transfer of employees (Net)	**(0.02)**	-	**-**	(0.06)
		141.44	117.03	**95.60**	72.85
	Expected return on Plan assets	**11.64**	8.81	**7.89**	5.47
	Contributions	**32.05**	15.97	**20.28**	23.39
	Benefits Paid	**(8.57)**	(4.32)	**(10.28)**	(8.34)
	Actuarial Gain / (Loss) on Plan assets	**(2.77)**	3.84	**(0.95)**	2.23
	Closing Balance of Fair Value of Plan Assets	**173.79**	141.33	**112.54**	95.60
	Plan assets Pending Transfer	**(1.90)**	(0.36)	**(1.51)**	-
	Closing Balance of Fair Value of Plan Assets net of pending transfer	**171.89**	140.97	**111.03**	95.60
(iii)	**Percentage of each category of Plan assets to total fair value of Plan assets as at the year end**				
	Administered by Reliance Life Insurance Company Limited / Life Insurance Corporation of India	**100%**	100%	**100%**	100%

Schedules Annexed to and forming part of the Consolidated Financial Statements

₹ Crore

Sr. No.	Particulars	Gratuity		Leave Encashment	
		2010-2011	2009-2010	**2010-2011**	2009-2010
(iv)	**Reconciliation of Present Value of Defined Present Obligations and the Fair Value of Assets**				
	Closing Balance of Present Value of Obligation	**170.87**	149.87	**144.31**	113.50
	Closing Balance of Fair Value of Plan Assets net of pending transfers	**171.89**	140.97	**111.03**	95.60
	(Asset) / Liability recognised in the Balance Sheet	**(1.02)**	8.90	**33.28**	17.90
(v)	**Amounts recognised in the Balance Sheet**				
	Closing Balance of Present Value of Obligation	**170.87**	149.87	**144.31**	113.50
	Closing Balance of Fair Value of Plan Assets net of pending transfers	**171.89**	140.97	**111.03**	95.60
	Funded Asset recognised in the Balance Sheet	**1.02**	-	**-**	-
	Unfunded Liability recognised in the Balance Sheet	**-**	8.90	**33.28**	17.90
(vi)	**Expenses recognised in the Profit and Loss Account / Capital work in progress**				
	Current Service Cost	**10.63**	9.86	**6.50**	6.14
	Interest Cost	**12.36**	8.76	**9.44**	7.47
	Expected Return on Plan Assets	**(11.64)**	(8.81)	**(7.89)**	(5.47)
	Net Actuarial (Gain) / Loss	**10.80**	15.36	**27.50**	7.21
	Total Expenses recognised in the Profit and Loss Account / Capital work in progress	**22.15**	25.17	**35.55**	15.35
(vii)	**(a) Experience adjustments**				
	On Plan Liabilities (Gain) / Loss	**8.01**	(1.57)	**26.61**	3.20
	On Plan Assets (Gain) / Loss	**2.77**	(3.84)	**0.95**	(2.23)
	Total Experience Adjustments	**10.78**	(5.41)	**27.56**	0.97
	(b) Adjustments due to change in assumptions	**0.02**	20.77	**(0.07)**	6.24

Disclosure as required under para 120(n):

₹ Crore

Sr. No.	Particulars	Gratuity				Leave Encashment			
		2010-11	2009-10	2008-09	2007-08	**2010-11**	2009-10	2008-09	2007-08
(i)	Present Value of the Defined Benefit Obligation	**170.87**	149.87	115.81	96.89	**144.31**	113.50	97.48	85.13
(ii)	Fair Value of the Plan Assets	**171.89**	140.97	115.60	98.50	**111.03**	95.60	72.91	57.67
(iii)	Surplus/ (Deficit) in the Plan	**1.02**	(8.90)	(0.21)	1.61	**(33.28)**	(17.90)	(24.57)	(27.46)

Note: Since the Group had adopted AS-15, " Employee Benefits " (Revised 2005) for the first time during the financial year ended March 31, 2008 hence the disclosure for gratuity and leave encashment figures as required by Para 120(n) have not been presented for the financial year prior to 2007-08.

15. The Parent Company has been legally advised that it is considered to be established with the object of providing infrastructural facilities and accordingly, Section 372A of the Companies Act, 1956 is not applicable to the Parent Company.

16. Revaluation of Tangible Assets:

The Parent Company has, based on a valuation made by approved valuers, revalued as at April 1, 2003 the Plant and Machinery located at Dahanu. The revaluation of the same has been based on the technological obsolescence, the year of purchase, the maintenance levels and the currency and customs duty variations as applicable. The resultant appreciation aggregating to ₹ 752.17 Crore has been added to the Gross Block of the Fixed Assets and credited to Revaluation Reserve. Consequent to the revaluation, there is an additional charge for depreciation for the year of ₹ 53.96 Crore (₹ 53.90 Crore) and an equivalent amount, has been withdrawn from Revaluation Reserve and credited to the Profit and Loss Account.

17. Revenue from Sale of Electrical Energy and Regulatory Matters:

(a) Tariff Adjustment Account:

In accordance with accounting policy (refer note 1 (d) (i) above) the Parent Company has accrued ₹ 461.97 Crore (₹ 568.33 Crore) during the year as unbilled revenue under 'Current Assets, Loans and Advances'.

Schedules Annexed to and forming part of the Consolidated Financial Statements

Accordingly, BRPL and BYPL have also accrued ₹ 1,024.82 Crore (₹ 405.61 Crore) and ₹ 649.18 Crore (₹128.65 Crore) respectively, during the year as unbilled revenue under 'Current Assets, Loans and Advances'. The amount given above represents Parent Company's share in joint ventures.

(b) Regulatory Matters:

MERC vide its order dated June 15, 2009 had determined the tariff for the distribution business for the financial year 2009-2010. However, considering the directives received from the Government of Maharashtra, MERC vide its order dated July 15, 2009 stayed the tariff order with respect to the certain consumer categories where there was an increase in tariff as compared to the previous year tariff. Accordingly, the Parent Company billed to the consumers as per the old tariff. Further, MERC vide its order dated September 8, 2009, based on the directives received from Government of Maharashtra, appointed Administrative Staff College of India (ASCI) to investigate whether the Parent Company has discharged its duties as envisaged in Electricity Act, 2003 in the most economical and efficient manner. After considering the contents of the report submitted by ASCI, MERC vide its order dated September 9, 2010 has vacated the interim order dated July 15, 2009 setting aside the stay on the tariff. Subsequent to vacation of the stay order, the Parent Company started billing to the consumers as per the above referred order and also filed its Annual Revenue Requirement (ARR) with MERC for financial year 2009-2010 and 2010-2011.

(c) In accordance with the MERC tariff regulation for determination of tariff, the income-tax paid is considered for tariff determination (truing up) for the financial years commencing from 2007-08. Accordingly, the Parent company has considered ₹ 132.78 Crore of deferred tax liability arising out of differences in rates of depreciation between MERC and income-tax as "Net tax to be recovered in future tariff determination".

In case of BRPL & BYPL ₹ 94.32 Crore and ₹ 85.23 Crore of deferred tax liability, respectively, arising out of differences in rates of depreciation between DERC and income-tax has been considered as "Net tax to be recovered in future tariff determination". The amount given above represents Parent Company's share in joint ventures.

18. The Scheme of Restructuring dated May 9, 2009, envisaging transfer of various operating divisions of the Parent Company, viz., Dahanu Thermal Power Station division, Goa and Samalkot Power Stations division, Power Transmission division, Power Distribution division, Toll Roads division and Real Estate division to its respective resulting six wholly owned subsidiaries was sanctioned by the Hon'ble Bombay High Court on July 24, 2009, subject to the Parent Company receiving the requisite approvals. In view of inter alia the considerable lapse of time of nearly 2 years and subsequent changes in the business environment, the proposal is no longer considered relevant and has been withdrawn on March 25, 2011 with the approval of the Hon'ble Bombay High Court. There is no impact on the profitability or business of the Group.

19. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

There are no Micro and Small enterprises to whom dues are outstanding for more than 45 days as at March 31, 2011 except in case of BRPL and BYPL, for which the details are as follows.

₹ Crore

	I	II	III	IV	V
Name of the Company	Principal amount with interest due thereon, at the end of each accounting year to be shown separately	Interest paid during the year for delayed payments under the Provisions of this Act	Interest due and payable on delayed payments made during the year other than interest payable under this Act.	Interest due and payable as at the end of the accounting year. (Note: Principal amount has been paid but beyond the due date but without the interest under this Act)	Interest remaining due until such date when the interest dues are actually paid to the small enterprise (even if paid in succeeding years)
BRPL	2.33	-	-	0.05	0.23
BYPL	0.22	-	-	-	-

The total dues to such parties as at March 31, 2011 are ₹ 2.61 Crore and ₹ 0.22 Crore for BRPL and BYPL respectively. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the respective companies.

20. Provision for Disputed matters / Contingencies (Parent Company and Share of Joint Ventures):

₹ Crore

Particulars	**Direct Taxes**	**Other Business (Refer note (a) below)**	**Share of JV's (Refer note (b) below)**	**Total**
Opening Balance	19.68	610.00	14.83	644.51
Add: Provision made / (reversed)	(19.68)	-	5.80	(13.88)
Closing Balance	**-**	**610.00**	**20.63**	**630.63**

(a) represents disputes / contingencies towards regulatory matters in respect of electricity business and other corporate matters. No further information is given as the matters are sub-judice and may jeopardize the interest of the Parent Company; and

(b) represents consumer claims logged of ₹ 1.72 Crore against BYPL and provision for retirement of fixed assets of ₹ 18.91 Crore in BRPL.

Schedules Annexed to and forming part of the Consolidated Financial Statements

21. Equity Share Warrants:

During the year, the Parent Company received an application from AAA Project Ventures Private Limited (AAAPVL) for conversion of 2,25,50,000 warrants into shares along with the payment of balance amount of ₹ 1,570.99 Crore. The Parent Company allotted 2,25,50,000 equity shares to AAAPVL against conversion of said warrants. The outstanding 7,50,000 warrants after the said conversion have been cancelled and the sum of ₹ 17.42 Crore paid on such warrants is forfeited in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. The said amount has been credited to Capital Reserve.

22. Buy-back of Equity Shares:

In accordance with the provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, the Parent Company made a Public announcement to buyback the equity shares of the Parent Company at a maximum price of ₹ 725 per equity share, up to an amount not exceeding 10 per cent of the paid-up equity share capital and free reserves (including securities premium) of the Parent Company, i.e. up to ₹ 1,000 Crore.

23. Disclosures pursuant to Accounting Standard (AS) 7 (Revised) "Construction Contracts" (Parent Company):

₹ Crore

Sr. No.	Particulars	2010-11	2009-10
1	Contract Revenue Recognised for the financial year	**3,389.23**	3,414.85
2	Aggregate amount of costs incurred and recognised profits (Less recognised losses) as at end of the financial year for all contracts in progress as at that date (including construction work in progress ₹ 297.46 Crore (Previous Year : ₹ 254.40 Crore))	**13,147.37**	9,873.46
3	Amount of customer advances outstanding for contracts in progress as at end of the financial year	**6,421.43**	2,574.84
4	Retention amount due from customers for contracts in progress as at end of the financial year	**1,087.92**	779.03
5	Gross amount due from customers for contract works as an asset	**297.46**	254.40

24. Scheme of Amalgamation of Reliance Infraprojects Limited (RInfL) with the Parent Company:

Pursuant to the approval of the Board vide resolution dated November 22, 2010 and the sanction of the Scheme of Amalgamation of RInfL with the Parent Company by the Hon'ble High Court of Judicature at Bombay on March 30, 2011, the assets and liabilities of the erstwhile RInfL, a wholly owned subsidiary of the Parent Company, were transferred to and vested in the Parent Company with effect from the appointed date viz. April 1, 2010 in accordance with the Scheme so sanctioned.

The amalgamation has been accounted for under the "Pooling of Interest Method" as defined in Accounting Standard (AS-14) "Accounting for Amalgamations" as prescribed under the Companies (Accounting Standards) Rules, 2006 and as per the terms of the Scheme of amalgamation. The accumulated balance in profit and loss account of ₹ 127.22 Crore as on April 1, 2010 of RInfL has been transferred to General Reserve of the Parent Company, as per the Scheme.

25. An associate of the Parent Company, Reliance Power Limited (RePL), has entered into the Composite Scheme of Arrangement (Scheme) with Reliance Natural Resources Limited (RNRL) and other wholly owned subsidiaries of RePL. Pursuant to the Scheme RePL has issued one equity share to the shareholders of RNRL for every four equity shares held by them. This has resulted in dilution of Parent Company's shareholding in RePL from 44.96% to 38.41%. The change in the share of equity in RePL, on account of dilution, has resulted in a loss of ₹ 357.71 Crore which has been adjusted in Capital Reserve.

26. Interest in Joint Venture Operations (Parent Company):

The Parent Company along with M/s. Geopetrol International Inc. and Reliance Natural Resources Limited * (the consortium) has been allotted 4 Coal bed Methane (CBM) blocks from Ministry of Petroleum and Natural Gas (MoPNG) covering an acreage of 3,266 square kilometers in the States of Madhya Pradesh, Andhra Pradesh and Rajasthan. The consortium has entered into a production sharing agreement with the Government of India for exploration and production of these four CBM blocks. The Parent Company is a non-operator and has 45 per cent share in each of the four blocks.

Also the Parent Company along with M/s. Geopetrol International Inc., Naftogaz India Private Limited and Reliance Natural Resources Limited * (the consortium) has been allotted oil block from Ministry of Petroleum and Natural Gas (MoPNG), in the State of Mizoram under the New Exploration Licensing Policy (NELP - VI) round, covering an acreage of 3,619 square kilometers and the consortium has signed an agreement with the Government of India for exploration and production of an Oil and Gas block. The Parent Company is a non-operator and has 70% share in the block.

Disclosure of the Parent Company's share in Joint Venture operations:

Name of the Field in the Joint Venture	Location (Onshore Blocks)	Participating Interest (%) As at March 31, 2011
SP-(North) - CBM - 2005 / III	Sohagpur, Madhya Pradesh	45 %
KG(E) - CBM – 2005 / III	Kothagudem, Andhra Pradesh	45 %
BS(4) - CBM - 2005 / III	Barmer, Rajasthan	45 %
BS(5) - CBM - 2005 / III	Barmer, Rajasthan	45 %
MZ-ONN-2004 / 2	Mizoram	70 %

Schedules Annexed to and forming part of the Consolidated Financial Statements

The above joint ventures are unincorporated joint ventures carrying out jointly controlled operations. Based on the un-audited statement of accounts of the consortium forwarded by the Operator , the Parent Company's share in respect of assets and liabilities as at March 31, 2011 and expenditure for the year ended on that date has been accounted as under:

₹ Crore

Item	**2010-11 (Un-audited)**	2009-10 (Audited)
Expenses	**6.03**	3.71
Fixed Assets including Capital work-in-progress	**-**	-
Other Assets	**4.39**	3.31
Current Liabilities	**1.44**	0.48
Contingent Liability	**-**	-

(* share of RNRL has since been demerged to 4 Subsidiary Companies of Reliance Power Limited).

27. Capital work-in progress includes expenditure incidental / attributable to construction of the project classified as expenditure pending allocation / capitalisation which will be apportioned to the fixed assets on the completion of the Project. Necessary details with respect to the same as per Part II of Schedule VI to the Companies Act, 1956 have been disclosed below:

Expenditure pending allocation / capitalisation:

₹ Crore

Particulars	**As at April 1, 2010**	**Incurred during the year**	**Capitalisation / Adjustment**	**As at March 31, 2011**
Advertisement Expenses	0.46	0.01	-	0.47
Interest and Finance Charges / Corporate Guarantee Charges	179.94	243.63	(76.37)	347.20
Depreciation	1.84	1.76	(1.17)	2.43
Right of way Charges	-	26.58	-	26.58
Electricity Expenses	1.97	3.28	(2.45)	2.80
Printing and Stationery	1.06	0.58	(0.33)	1.31
Legal and Professional Charges (net)	212.12	100.63	(86.11)	226.64
Rent, Rates and Taxes	52.77	29.86	(12.07)	70.56
Repairs and Maintenance	2.78	0.64	(0.13)	3.29
Employees' Cost	67.69	79.14	(23.76)	123.07
Insurance	13.67	9.81	(4.34)	19.14
Development Expenditure	34.67	29.81	(2.08)	62.40
Telephone Expenses	1.69	1.50	(0.90)	2.29
Travelling and Conveyance	11.57	9.54	(4.75)	16.36
Vehicle Hire Charges	0.94	1.48	-	2.42
Fringe Benefit Tax	0.67	-	(0.06)	0.61
Miscellaneous Expenses	10.60	10.62	(4.90)	16.32
	594.44	**548.87**	**(219.42)**	**923.89**
Less:				
Tender Fees Received	0.04	0.28	(0.01)	0.31
Dividend Income on Current Investments	10.34	9.59	(1.72)	18.21
Interest Income on Bank Term Deposits (net of tax)	0.49	0.28	(0.33)	0.44
Total	**583.57**	**538.72**	**(217.36)**	**904.93**

28. In terms of Section 212(8) of the Companies Act, 1956 read with General Circular No. 2 / 2011 dated February 8, 2011 issued by the Ministry of Corporate Affairs, the Parent Company has not attached the Financial Statements and Auditors' Reports of the individual subsidiaries. The same are available for inspection by the shareholders at the registered office. However, the information in aggregate on capital, reserves, total assets, total liabilities, details of investments, turnover, profit before taxation, provision for taxation, profit after taxation and proposed dividend for each subsidiary is as follows:

Schedules Annexed to and forming part of the Consolidated Financial Statements

₹ Crore

Sr. No.	Name of the Subsidiary	Share Capital @	Reserves and Surplus	Total Assets *	Total Liabilities #	Investment $ In Mutual Fund at cost (Quoted)	Investment $ In Shares at cost (Unquoted)	Turnover ##	Profit / (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend
1	BKPL	127.76	70.50	220.31	65.06	43.01		271.77	7.05	1.40	5.65	-
2	PKTCL	82.63	(1.58)	111.03	29.98	-	-	0.32	(0.35)	0.10	(0.45)	-
3	RInvL	508.76	201.43	109.77	1.05	-	535.00	43.42	43.40	8.75	34.65	-
4	RETL	20.65	51.43	92.15	65.56	45.49	-	1,092.72	29.33	9.35	19.98	-
5	RPTL	3.82	364.90	55.33	12.78	-	-	0.03	(2.57)	0.01	(2.59)	-
6	NGSPL	4.87	43.46	48.33	-		-	-	-	-	-	-
7	MMOPL	454.87	351.85	1,460.51	654.71	0.92	-	-	(0.21)	-	(0.21)	-
8	DAMEPL	0.01	(15.47)	2,244.62	2,482.39	222.31	-	7.01	(15.47)	-	(15.47)	-
9	CBDTPL	192.48	(3.88)	665.59	476.99	-	-	-	-	-	-	-
10	TRPL	0.01	-	0.01	-	-	-	-	-	-	-	-
11	REGL	0.05	(0.04)	42.90	42.94	-	-	-	(0.02)	-	(0.02)	-
12	REL	0.50	0.01	128.05	128.08	0.28	0.25	0.01	-	-	-	-
13	RPDL	0.05	(0.03)	0.02	-	-	-	-	(0.01)	-	(0.01)	-
14	DSTL	5.21	29.04	737.38	750.22	47.08	-	36.18	(1.77)	-	(1.77)	-
15	NKTL	4.48	19.69	593.94	607.84	38.06	-	18.11	(3.06)	-	(3.06)	-
16	SUTL	18.17	266.32	765.93	581.87	100.43	-	-	-	-	-	-
17	TDTL	10.74	161.67	506.82	342.50	8.09	-	-	-	-	-	-
18	TKTL	12.63	195.52	560.03	447.65	95.77	-	-	-	-	-	-
19	GFTL	1.70	166.79	509.64	443.41	102.25	-	-	-	-	-	-
20	RCPL	38.62	148.62	194.66	7.45	-	-	-	-	-	-	-
21	RCCPL	0.01	(0.07)	-	0.06	-	-	-	-	-	-	-
22	RCIPL	0.01	(0.01)	-	-	-	-	-	-	-	-	-
23	RCWPL	0.01	(0.01)	-	-	-	-	-	-	-	-	-
24	KMTL	0.50	4.41	481.75	487.29	10.45	-	0.01	-	-	-	-
25	PSTL	237.93	1.98	2,057.93	1,851.72	33.69	-	59.75	2.88	0.91	1.98	-
26	HKTL	0.20	1.71	439.49	447.45	9.87	-	0.01	-	-	-	-
27	DATL	8.00	71.85	1,371.48	1,319.07	-	-	0.01	(0.06)	-	(0.06)	-
28	RADPL	6.66	0.14	43.49	0.02	-	-	-	(0.04)	-	(0.04)	-
29	LAPL	1.41	3.51	7.50	2.58	-	-	0.08	(1.59)	-	(1.59)	-
30	BAPL	18.02	1.90	27.40	7.48	-	-	0.21	(0.50)	-	(0.50)	-
31	NAPL	4.75	12.90	24.55	6.90	-	-	2.18	(3.24)	-	(3.24)	-
32	YAPL	1.43	1.26	3.64	0.95	-	-	0.01	(0.23)	-	(0.23)	-
33	OAPL	7.06	0.31	10.14	2.77	-	-	0.08	(0.19)	-	(0.19)	-
34	WRTM	18.01	160.24	671.07	493.32	0.50	-	3.01	0.20	0.12	0.07	-
35	WRTG	14.26	127.23	417.97	276.58	0.10	-	-	-	-	-	-
36	RGSPL	0.05	(0.04)	19.43	19.42	-	-	0.02	(0.02)	-	(0.02)	-
37	RSOPL	14.75	(0.04)	17.90	3.19	-	-	-	(0.04)	-	(0.04)	-
38	UIWPL	0.35	0.81	1.16	-	-	-	-	-	-	-	-
39	NKTCL	0.27	1.93	21.79	19.60	-	-	-	-	-	-	-
40	TTCL	0.20	1.31	20.51	19.00	-	-	-	(0.01)	-	(0.01)	-
41	RConPL	0.01	-	0.01	-	-	-	-	-	-	-	-
42	RIEPL	54.36	(6.90)	48.30	0.84	-	-	0.98	(4.39)	(4.81)	0.42	-

@ including share application money ; * Fixed Assets + CWIP + Current Assets + Deferred Tax Asset ; # Debts + Current Liabilities + Deferred Tax Liability $ Other than Investment in Subsidiary ; ## includes other income.

29. Figures for the previous year have been regrouped / reclassified / rearranged wherever necessary to make them comparable to those for the current year. Figures in bracket indicate Previous Year's figures. '@'– represents figures less than ₹ 50,000 which have been shown at actuals in brackets with @.

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No.107783W

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Date : May 27, 2011

For and on behalf of the Board

Anil D Ambani — Chairman
S C Gupta — Director (Operations)
Lalit Jalan — Whole-time Director
Gen V P Malik
S L Rao
Dr Leena Srivastava
R R Rai
} Directors
Ramesh Shenoy — Company Secretary

Place : Mumbai
Date : May 27, 2011

ATTENDANCE SLIP

Reliance Infrastructure Limited

Registered Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710

Please fill the Attendance Slip and hand it over at the entrance of the meeting venue
Joint shareholders may obtain additional Attendance Slip on request

DP. Id*	
Client Id*	

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

Name and Address of the Shareholder

I/We hereby record my /our presence at the **82nd Annual General Meeting** of Reliance Infrastructure Limited held on Tuesday, September 27, 2011 at 4.00 p.m. or soon after the conclusion of the AGM of Reliance Power Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19 New Marine Lines, Mumbai 400 020.

Signature of the shareholder or proxy
*Applicable for investors holding share(s) in electronic form.

.... TEAR HERE ....

PROXY FORM

Reliance Infrastructure Limited

Registered Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710

DP. Id*	
Client Id*	

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

I/We..of
.... in the district of .... being a member/members of
Reliance Infrastructure Limited hereby appoint.. of
.... in the district of ....
or failing him/her .... of ....
in the district of .... as my/our proxy to vote for me/us and on my/our behalf at the 82nd Annual General Meeting of Reliance Infrastructure Limited held on Tuesday, September 27, 2011 at 4.00 p.m. or soon after the conclusion of the AGM of Reliance Power Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19 New Marine Lines, Mumbai 400 020 or at any adjournment thereof.

Signed this..day of.......................................2011.

* Applicable for investors holding share(s) in electronic form.

Affix ₹ 1 revenue stamp

Note (1) The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.

(2) Members holding shares under more than one folio may use photocopy of this Proxy Form for other folios. The Company shall provide additional forms on request.

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To

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Karvy Computershare Private Limited
(Unit: Reliance Infrastructure Limited)
Madhura Estate, Municipal No. 1-9/13/C
Plot No. 13 & 13 C, Madhapur Village
Hyderabad 500 081
Tel no. : + 91 40 4030 8000
Fax no.: + 91 40 2342 0859
Email : rinfra@karvy.com