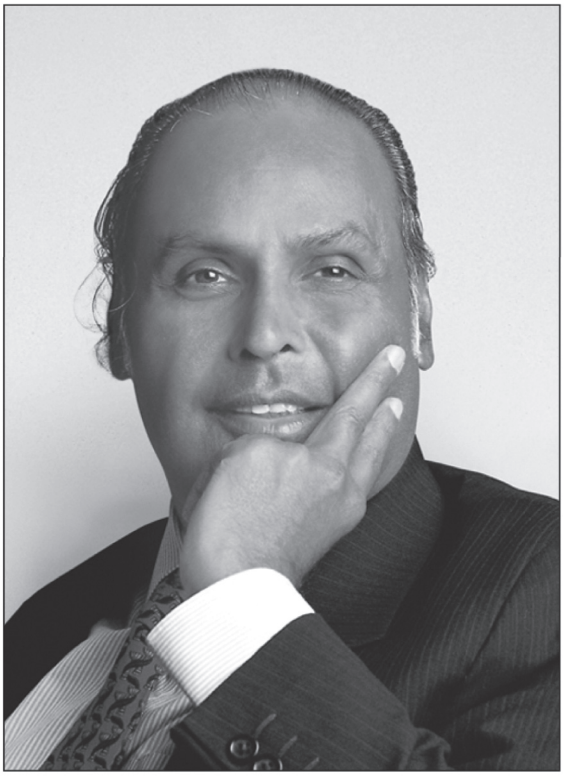
Reliance

Infrastructure

Annual Report
2013-14
(Abridged)



Dhirubhai H. Ambani

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

Reliance Group – Founder and Visionary

Profile

Reliance Infrastructure Limited (RInfra) is a constituent of the Reliance Group, one of the leading business houses in India.

RInfra, incorporated in 1929, is amongst the largest and fastest growing companies in the infrastructure sector.

RInfra is also the leading utility company having presence across the entire value chain of power businesses i.e. generation, transmission, distribution and trading of power.

RInfra along with its wholly owned subsidiary company owns and operates five power stations with aggregate generating capacity of 941 MW and distributes more than 27 billion units of electricity to over 6 million consumers in India's two premier cities, Mumbai and Delhi. RInfra subsidiary companies have commissioned three transmission projects by installing eight national grid lines, being the first set of lines commissioned in India by the private sector.

RInfra also provides Engineering, Procurement and Construction (EPC) services for developing power and road projects.

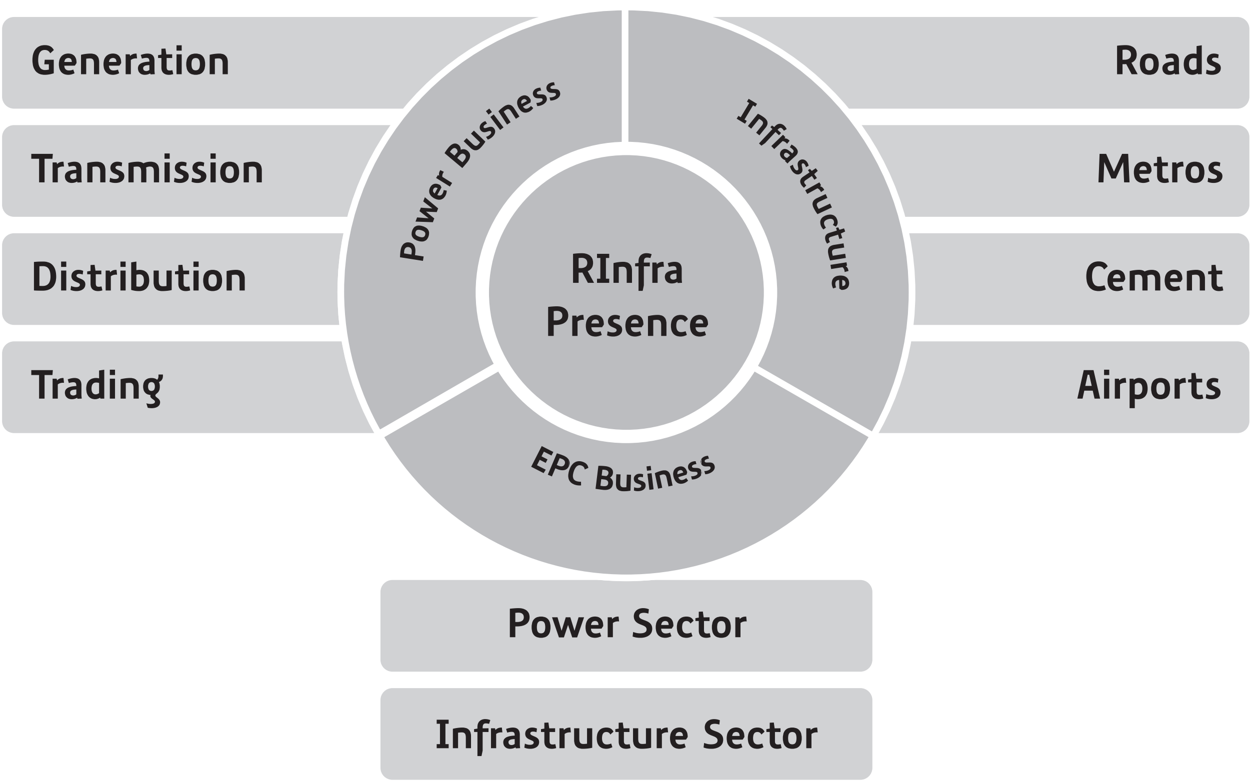
RInfra through its special purpose vehicles has executed a portfolio of infrastructure projects including a metro rail project in Mumbai; eleven road projects with total length of 1,000 kms and cement plants with aggregate capacity of 5.8 million tonnes.

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 environment-friendly paper.

Business Mix



Board of Directors

Shri Anil Dhirubhai Ambani – Chairman
Shri S Seth – Vice Chairman
Dr V K Chaturvedi
Shri R R Rai
Shri S S Kohli
Shri K Ravikumar

Chief Executive Officer

Shri M S Mehta

Company Secretary and Manager

Shri Ramesh Shenoy

Auditors

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

Registered Office

H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710, India
CIN : L99999MH1929PLC001530
Telephone : +91 22 3009 8181
Fax : +91 22 3009 8128
Email : rinfra.investor@relianceada.com
Website: www.rinfra.com

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, India
Website: www.karvy.com

Investor Helpdesk

Toll free no (India)	: 1800 4250 999
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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85th Annual General Meeting on Tuesday, September 30, 2014 at 2.00 P.M. or soon after conclusion of the AGM of Reliance Communications 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 2013-14.

I am glad to inform you that the Mumbai Metro connecting the Versova-Andheri-Ghatkopar corridor commenced its services from June 8, 2014. We are overwhelmed by the response of Mumbaikars, with over 20 million of them travelling or joy riding with their children in the first 7 weeks. The Metro travel has redefined the commuting experience in Mumbai, with world-class commuter-friendly amenities and facilities never before experienced by the passengers any where in the country. The Metro would reduce the travel time on the corridor from nearly two hours to twenty one minitues. It will also decongest the traffic on the corridor and reduce traffic pollution in the suburbs of Mumbai.

The successful implementation of the Metro project has reinforced our determination to pursue the various infrastructure projects on our path to nation building.

The Company has majorly completed the development of various infrastructure projects, being undertaken through various special purpose vehicles, in high growth areas, viz. roads, metro and airports besides setting up cement plants. The Company continues to be one of the leading utility companies in India having presence across the value chain of power businesses i.e. generation, transmission and distribution along with engineering, procurement and construction.

Performance review:

I wish to share with you the highlights of our financial and operational performance during the year 2013-14.

- Total income of ₹ 12,581 crore (US$ 2.1 billion).
- Net Profit of ₹ 1,588 crore (US$ 265 million).
- Cash Earnings Per Share of ₹ 71 (US$ 1.2)
- Earnings Per Share (EPS) of ₹ 60 (US$ 1.0)
- With a net worth of about ₹ 21,292 core (US$ 3.6 billion), Reliance Infrastructure ranks among the top performing Indian private sector companies in the country.
- Our group revenues stand at about ₹ 40,040 crore (US$ 6.7 billion), while our gross fixed assets amount to ₹ 43,600 crore (US$ 7.3 billion).

Power Generation, Transmission and Distribution:

Power Generation

The Company generates power from its power stations, being operated on its own or through a subsidiary company, in Maharashtra, Goa, Andhra Pradesh, Kerala and Karnataka with aggregate capacity of 941 MW. The Dahanu Thermal Power Station (DTPS) in Maharashtra has set the highest benchmarks among Indian and global power plants on various operational norms. The power station has the unique distinction of achieving more than 100 per cent Plant Load Factor (PLF) for nine years since inception. It has been continuously demonstrating excellent plant parameters such as lowest heat rate, auxiliary power consumption, and the highest PLF and plant availability, coupled with excellent environmental performance. This stellar performance has been widely recognized at various platforms in the form of national and international awards and recognitions.

Power Transmission

The Company is one of the largest private players in the power transmission sector and is currently implementing three inter-state transmission projects, namely, two projects of Western Region System Strengthening Scheme – one each in Maharashtra and Gujarat and the Parbati Koldam transmission project.

I am glad to inform you that Reliance Power Transmission Limited (RPTL), a wholly owned subsidiary of the Company, has commissioned two 400 kV double circuit transmission lines with cumulative length of about 570 km during 2013-14. With the completion of these two lines, the first project in Maharashtra stands fully commissioned. The second project under implementation in Gujarat comprising 500 km 400 kV double circuit lines is almost complete, except for the 8 km. stretch for which forest and wildlife clearance is awaited.

The Company has made significant progress in the execution of the third project i.e Parbati Koldam transmission project being implemented through a joint venture. This project involves construction of about 432 ckt km of 400 kV transmission lines in the States of Himachal Pradesh and Punjab. A major part of the project, i.e. 302 ckt km Koldam-Ludhiana line has been recently commissioned. Commissioning of this line will significantly improve the power flow to 13 north Indian state utilities. The entire project is expected to be commissioned in 2014-15.

The Mumbai Transmission Division continues to maintain the high standards of reliability of its system, achieving network availability of 99.76 per cent in 2013-14, much above the norm set by the Regulator. In order to provide reliable power supply for Mumbai and to meet the increasing demand for electricity, the Company has received the regulatory approval to strengthen its transmission network in Mumbai. The first phase of this project has been completed successfully, pursuant to which five GIS based EHV stations have been commissioned. The second phase of this project is being initiated, under which another gas insulated system based extra high voltage station and associated transmission links will be established. In addition, we have also received the regulatory approval for one bulk power injection scheme of high voltage direct current transmission link based on voltage source converter, to enable bulk power import to Mumbai from the State grid

Power Distribution

The Company with 85 year track record of serving its consumers, continues to operate its distribution network efficiently at 99.97

per cent reliability with aggregate system loss of around 9.4 per cent, one of the lowest across all the power utilities in India.

I am glad to inform you that the Company regained, during the year, almost 100 per cent of the high tension consumers who had shifted to the other supplier. In addition, the Company added 75,000 new consumers taking the total consumers to 29.1 lakhs being served through its network.

The Company, during the year, tied up with the United States based entity for implementing a pilot project of Automatic Demand Response (ADR) system in its licensed distribution area. Through this programme, the consumers bring efficiency in use of electricity thus contributing towards reducing carbon footprint and achieving reduced power consumption.

The Company, through its Young Energy Saver (YES) campaign, has been creating awareness for energy conservation and carbon footprint reduction in its Mumbai distribution area by educating school students. This initiative has resulted in participation of more than 1.5 lakh students from 200 schools in energy conservation activities. In an annual event "Run to Save" organized by the Company, the students with their parents, through their schools expressed commitment towards these activities.

I am also glad to inform you that the Company has been certified with the ISO 55001:2014 Asset Management Standards for the best practices in effectively managing the Distribution Network Assets in its Mumbai Distribution Business. The Company became the world's first power utility to achieve this prestigious Bureau Veritas certification. The Company has always pioneered to lead the application of best practices in its power distribution in India and the recognition reflects the quality standards being adopted in our system.

The Company, in keeping pace with the technology, is now accessible through three social media platforms, viz. Facebook, Twitter and YouTube. Our presence on social media is well received by our stakeholders who have placed us amongst the leading global utilities.

The EPC Business

The Engineering, Procurement and Construction (EPC) Division of the Company renders EPC turnkey services in the power and infrastructure sectors. Our EPC business accounted for 25 per cent of our total revenue for the year ended March 31, 2014. We have an order book of approximately ₹ 6,615 crore as at March 31, 2014 with almost 96 per cent of our current order book from the Reliance Group companies.

The Division is equipped with the requisite expertise and experience to undertake EPC projects and execute them successfully within the budgeted cost and time frame, thus ensuring customer satisfaction. The Group ensures that engineering is designed and executed with best systems and procedures across all the projects and at the same time ensure scalability for expansions and new projects in order to minimize the efforts and cost.

Infrastructure Projects

Road Projects

The Company is one of the largest developers of road and highway projects for the National Highways Authority of India as well as for a State Public Works Department under the build, operate and transfer scheme. Out of 11 projects worth ₹ 11,500 crore awarded to the Company, ten road projects are revenue operational. During the year, the special purpose vehicles of the Company commissioned three projects of aggregate length of 157 kms.

The Company, through various technology initiatives, ensures and assures a hassle-free, safe and smooth driving experience for regular traffic at all its toll road projects. The Company is pre-qualified for bidding projects having estimated project cost up to ₹ 10,600 crore. The Company would continue to participate in projects taking into consideration the attractiveness of such projects, particularly those projects with high traffic corridors with substantial size and scale and that meets the Company's risk-return policy parameters.

Cement Projects

The Company is setting up, through its subsidiary company, 2 plants of five million tonne each in Madhya Pradesh and Maharashtra. The Company currently has installed capacity of 5.8 million tonnes per annum (mtpa) at the cement plants at Maihar (Madhya Pradesh), Kundangunj (Uttar Pradesh) and Butibori (Maharashtra). The five mtpa cement plant in Madhya Pradesh started commercial production during the year. The project was implemented in a record time of 24 months. The Mukutban project in Maharashtra is expected to commence execution in the third quarter of 2014-15. The Company in a short span of a few months has been catering to key markets in Madhya Pradesh, Uttar Pradesh, Jharkhand, West Bengal and select cities in Maharashtra and plans to extend its presence in the central, eastern and northern markets in India. We perceive our foray into cement business as a natural extension to our power and infrastructure businesses. We continually explore opportunities in the cement sector and in line with this, have applied for / obtained various mining and prospecting licenses in various States.

Corporate Governance

Reliance Infrastructure has always maintained the highest 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

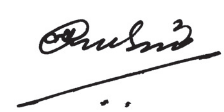
The Company continued to contribute actively to community welfare activities and took up several initiatives and measures related to education and healthcare.

Awards and Recognitions

During the year, the Company received numerous awards across businesses, namely, human resources, quality, environment and safety and for initiatives in corporate social responsibility. These awards will motivate and spur us further in our quest for ever greater excellence in operational and financial performance.

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

Highlights – at a glance (Standalone)

Year Ended 31st March	2014	2013	2012	2011	2010
Units Sold – (Million Units)	7,143	7,164	7,954	9,186	10,163
Maximum Demand MVA	1,687	1,676	1,664	1,671	1,516
High Tension Mains KMs	4,137	3,933	3,906	3,814	3,651
Low Tension Mains KMs	5,892	5,764	5,123	4,871	4,713
No. of Substations	5,981	5,881	5,818	5,596	5,384
No. of Consumers (in '000) Licensed Area – 400 sq.km	2,900	2,880	2,830	2,805	2,761
No. of Shareholders (in lakhs)	12.29	12.97	14.11	14.54	15.09
Financial Data (₹ in crore)					
Fixed Assets (Net)	6,509	7,349	7,754	6,844	4,079
Investments	17,552	13,301	12,785	12,584	10,020
Share Capital	263	263	263	267	245
Reserves and Surplus	21,030	19,973	18,387	17,400	14,366
Borrowings	14,841	11,451	9,189	3,969	4,115
Gross Revenue	12,581	15,405	18,615	10,210	10,908
Profit Before Tax	1,797	2,143	2,498	1,135	1,297
Profit After Tax	1,588	2,000	2,000	1,081	1,152
Dividends	197	195	194	191	174
Dividend Tax	34	33	31	31	10
Retained Earnings (including statutory reserves)	1,365	1,787	1,779	859	968
Rate of Dividend on Equity Shares	75%	74%	73%	72%	71%
Earnings Per Share of face value of ₹ 10 each	60	76	76	43	51

1 crore = 10 million

Notice

Notice is hereby given that the 85th Annual General Meeting of the members of **Reliance Infrastructure Limited** will be held on Tuesday, September 30, 2014 at 2.00 P.M. or soon after the conclusion of the Annual General Meeting of Reliance Communications 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:
   a) the audited financial statement of the Company for the financial year ended March 31, 2014 and the reports of the Board of Directors and Auditors thereon.
   b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2014 and the reports of the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Dr V K Chaturvedi (DIN:01802454) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT M/s. Haribhakti & Co. LLP, 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."

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
CIN : L99999MH1929PLC001530
Website: www.rinfra.com

August 14, 2014

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 the Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before commencement of the meeting. A Proxy form is sent herewith.**
2. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. However, a member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified true copy of their board resolution authorising their representatives to attend and vote on their behalf at the meeting.
4. Members / Proxies are requested to bring their duly filled attendance slip sent herewith along with their copy of the annual report to the meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the meeting to facilitate identification of membership at the meeting.
7. 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.
8. a. The Company's Register of Members and Transfer Books will remain closed from Saturday, September 20, 2014 to Tuesday, September 30, 2014 (both days inclusive) for the purpose of Annual General Meeting and for determining the names of members eligible for dividend, if declared, on equity shares for the year ended March 31, 2014.
   b. The dividend on equity shares as recommended by the Board of Directors, if declared at the meeting, will be paid after the Meeting.
   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. Members are, therefore, requested to encash dividend warrants within the initial validity period.
9. 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 are maintaining their demat accounts. The Company or its Registrar and Transfer Agent cannot change bank particulars or bank mandates for shares held in electronic form.

10. Members holding shares in physical form are requested to advise any change of address or bank mandates immediately to the Company / Registrar and Transfer Agent, Karvy Computershare Private Limited.

11. 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 year 2005-06, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 27, 2013 (date of last Annual General Meeting) on the website of the Company (www.rinfra.com), as also on the Ministry of Corporate Affairs website.

12. 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 account(s) maintained in India with complete name, branch, account type, account number and address of the bank, if not furnished earlier.

13. Re-appointment of Director:

    At the ensuing meeting, Dr. V K Chaturvedi, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment. The details pertaining to Dr. V K Chaturvedi pursuant to the requirements of Clause 49 of the listing agreement are furnished in the statement on Corporate Governance forming part of this Annual Report.

14. Members are advised to refer to the section titled "Investor Information" provided in this Annual Report.

15. 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.

16. The Statement containing the salient features of the balance sheet, the statement of profit and loss 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.

17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their 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 / Registrar and Transfer Agent.

18. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form SH 13 duly filled in to Karvy Computershare Private Limited, Madhura Estate, Municipal No. 1-9/13/C Plot No. 13 & 13C, Madhapur Village, Hyderabad 500 081, or on Tel: +91 40 4030 8000; Toll Free No. 1800 4250 999 / E-mail:rinfra@karvy.com. The prescribed form in this regard may also be obtained from Karvy Computershare Private Limited at the address mentioned above. Members holding shares in electronic form are requested to contact their DP directly for recording their nomination.

19. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Transfer Agent for consolidation into a single folio.

20. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses so that they can receive the Annual Report and other communication from the Company electronically.

21. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules made there under and Clause 35B of the Listing Agreement, the Company is offering e-voting facility to all Members of the Company through notice dated August 14, 2014. Karvy Computershare Private Limited ("Karvy"), our Registrar & Transfer Agent will be facilitating e-voting to enable the Members to cast their votes electronically. The Members can cast their votes online from September 24, 2014 at 10.00 A.M. to September 26, 2014 at 6:00 P.M. The members shall refer to the detailed procedure on e-voting given in the the e-voting Notice. The Board of Directors have appointed Shri Anil Lohia, Partner, M/s. Dayal & Lohia, Chartered Accountants as Scrutinizer to conduct the e-voting process in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman appointed by the Board after completion of the scrutiny and the results of e-voting will be announced on or after the AGM of the Company. The resolutions shall be taken as passed effectively on the date of declaration of the result. The result of the e-voting will be also posted on the website of the Company at www.rinfra.com

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
CIN : L99999MH1929PLC001530
Website : www.rinfra.com
August 14, 2014

Directors' Report

Dear Shareowners,

Your Directors present the 85th Annual Report and the audited accounts for the financial year ended March 31, 2014.

Financial Results

The standalone performance of the Company for the financial year ended March 31, 2014 is summarised below:

Particulars	**Financial Year ended March 31,2014**		Financial Year ended March 31,2013	
	₹ in Crore	**** US $ in Million**	₹ in Crore	** US $ in Million
Total income	**12,581**	**2,100**	15,405	2,838
Gross profit before depreciation	**2,139**	**357**	2,536	467
Depreciation	**342**	**57**	392	72
Profit before taxation	**1,797**	**300**	2,144	395
Tax expenses (Net)	**209**	**35**	144	27
(including deferred tax and tax for earlier years)				
Profit after taxation	**1,588**	**265**	2,000	368
Add : Balance of profit brought forward from previous year	**661**	**110**	619	114
Profit available for appropriations	**2,249**	**375**	2,619	482
Appropriations :				
Dividend on equity shares (including tax on dividend) (Net)	**223**	**37**	214	39
Transfer to Statutory Reserves	**14**	**2**	12	2
Transfer to General Reserve	**1,200**	**200**	1,600	295
Transfer to Debenture Redemption Reserve	**123**	**21**	132	24
Balance carried to Balance Sheet	**689**	**115**	661	122

(** ₹ 59.915 = US $ 1 Exchange rate as on March 31, 2014) (₹ 54.285 = US $ 1 Exchange rate as on March 31, 2013)

Financial Performance

During the year under review, your Company earned an income of ₹ 12,581 crore against ₹ 15,405 crore in the previous year. The Company earned profit after tax of ₹ 1,588 crore against ₹ 2,000 crore in the previous year. Shareholders' equity (Net worth) increased to ₹ 21,292 crore from ₹ 20,236 crore in the previous year.

Dividend

Your Directors have recommended a dividend of ₹ 7.50 (75 per cent) per equity share (Previous year ₹ 7.40 per equity share) aggregating to ₹ 197.24 crore (inclusive of dividend distribution tax) for the financial year 2013-14 which, if approved at the ensuing 85th Annual General Meeting (AGM), will be paid to (i) all those equity shareholders whose names appear in the Register of Members as on September 19, 2014, and (ii) to those members whose names appear as beneficial owners as on September 19, 2014, as furnished by the National Securities Depository Limited and Central Depository Services (India) Limited for the purpose.

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.

Business Operations

The Company is in the business of generation, transmission and distribution of electricity. The Company is the leading player in the country in the Engineering, Procurement and Construction (EPC) segment of the power and infrastructure sectors. The Company is also engaged in implementation, operation and maintenance of several projects through special purpose vehicles in various infrastructural areas.

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 together with interest as may be determined by the Hon'ble Supreme Court. The Company, after giving such an undertaking received ₹ 227 crore on March 12, 2007. The Company is yet to receive the final order from the Hon'ble Supreme Court.

Scheme of Amalgamation between WRTML and RCWPL

The Scheme of Amalgamation between two wholly owned subsidiaries of the Company, Reliance Cement Works Private Limited (RCWPL) with Western Region Transmission (Maharashtra) Private Limited (WRTMPL) has been sanctioned by the Hon'ble High Court of Bombay on April 25, 2014, with the Appointed Date April 1, 2013. The Scheme has become effective on WRTMPL filing the Order with the Registrar of Companies, Maharashtra on June 3, 2014, as required under section 394(3) of the Companies Act, 1956. As per the Scheme, the Company would receive 8 per cent non cumulative non convertible redeemable preference shares of ₹ 0.02 crore of WRTMPL in lieu of the equity investment of ₹ 0.02 crore in RCWPL held and disclosed under non current investments as at March 31, 2014.

Scheme of Amalgamation envisaging merger of Company's step down subsidiaries, Western Region Transmission (Gujarat) Private Limited and Western Region Transmission (Maharashtra) Private Limited with the Company.

The Scheme of Amalgamation envisaging merger of the Company's step down subsidiaries, Western Region Transmission (Gujarat) Private Limited and Western Region Transmission (Maharashtra) Private Limited with the Company, with effect from merger Appointed Date of April 1, 2013 ('Scheme'), was sanctioned by the Hon'ble High Court of Bombay vide Order dated July 15, 2014.The Scheme shall be effective subject to obtaining approval of the Project lenders of WRTGPL and WRTMPL.

Issue of Non-Convertible Debentures

During the year under review, the Company issued Secured Redeemable Non Convertible Debentures (SRNCDs) aggregating to ₹ 2,390 crore (Series 11A to Series 23B) on Private Placement basis to various financial institutions, banks, pension fund and insurance companies. The SRNCDs are listed on BSE Limited and National Stock Exchange of India Limited.

Passing of Resolutions through Postal Ballot

Pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, the Company has sent Postal Ballot Notice and Form dated August 8, 2014 to the Members of the Company seeking their consent to the following special businesses: viz.(i) appointment of Shri S S Kohli as an Independent Director, (ii) appointment of Shri K Ravikumar as an Independent Director, (iii) appointment of Shri V R Galkar as an independent director, (iv) appointment of Ms. Ryna Karani as an Independent Director (v) private placement of non-convertible debentures (vi) borrowing limits of the Company (vii) creation of charge/mortgage on assets of the Company, (viii) remuneration of the Cost Auditors for the financial year ending March 31, 2015, (ix) investments in securities of other bodies corporate and (x) issue of securities to the qualified institutional buyers. The Postal Ballot Results will be announced on September 20, 2014.

Management Discussion and Analysis Report

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 this Annual Report.

Subsidiaries

During the year under review, Noida Global SEZ Private Limited ceased to be subsidiary of the Company and Reliance Cement Works Private Limited, a subsidiary was merged with Western Region Transmission (Maharashtra) Private Limited, another subsidiary of the Company.

In accordance with the general circular issued by the Ministry of Corporate Affairs (MCA), Government of India (GoI), Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not attached with the Balance Sheet of the Company. The Company shall make available the 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 shareholder 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 (Accounting Standards Rules) and the Listing Agreement, Consolidated Financial Statements presented herein by the Company include financial results of subsidiary companies, which forms part of this Annual Report.

Directors

In terms of the provisions of the Companies Act, 1956, Dr V K Chaturvedi, Director of the Company retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting (AGM).

In terms of the provisions of Sections 149 and 152 of the Companies Act, 2013, the Company through the postal ballot notice issued on August 8, 2014, proposes to appoint Shri V R Galkar as Independent Director to hold office for a term commencing from the date of the said resolution coming into effect and ending on February 15, 2019. It is also proposed to appoint Ms. Ryna Karani as Independent Director to hold office for a term of five consecutive years from the date of coming into effect of the resolution through the said postal ballot. It is also proposed to appoint Shri S. S. Kohli and Shri K. Ravikumar as Independent Directors for a consecutive term of five years each through the said postal ballot

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

A brief resume of the Directors being appointed at the ensuing AGM, nature of expertise in specific functional areas and names of the companies in which they hold directorship and / or membership / chairmanships of Committees of the respective Boards, shareholding and relationship between directors inter se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is given in the section on Corporate Governance Report forming part of this Annual 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, 2014, the applicable Accounting Standards had been followed along with proper explanations relating to material departures;

ii. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the profit of the Company for the year ended on that date;

ii. 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, 2014, on a 'going concern' basis.

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 Boards 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. These Financial Statements form a part of the Annual Report.

Auditors and Auditors' Report

M/s. Haribhakti & Co. LLP, 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. LLP, 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 applicable provision of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141(3) of the Companies Act, 2013.

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

The Company has appointed M/s. V. J. Talati & Co., Cost Accountants for conducting cost audit for the generation, transmission and distribution of electricity businesses and engineering, procurement and construction (EPC) business of the Company for the financial year ending March 31, 2015. The Cost Audit Reports are duly filed within the prescribed period.

Particulars of Employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of 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 "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 this Annual Report. A certificate from the Auditors of the Company, M/s. Haribhakti & Co. LLP, 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.

Business Responsibility Reporting

The Securities Exchange Board of India vide its Circular CIR/CFD/DIL/8/2012 dated August 13, 2012, has mandated the top 100 listed entities, based on market capitalisation on BSE Limited and National Stock Exchange of India Limited as at March 31, 2012, to include Business Responsibility Report ("BRR") as part of the Annual Report. In view of FAQ's dated May 10, 2013 issued by SEBI, the BRR has been uploaded on the website of the Company www.rinfra.com. Any shareholder interested in obtaining physical copy of BRR may write to the Company Secretary at the registered office of the Company.

Acknowledgments

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, debenture holders, debenture trustees, bankers, 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 towards the continued growth of the Company.

For and on behalf of the Board of Directors

Mumbai
August 14, 2014

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

1. Distribution Division

a. Energy Conservation measures taken at Distribution Division and Offices

i. Young Energy Saver (YES) Programme Initiative –

a. Spread the perspective of energy conservation through the Mumbai children.

b. This initiative reached a milestone of more than one lakh supporters on Facebook.

c. A Guinness Record was also set for 308 Young Student Kids dressed up as trees, the largest ever at one of the gatherings organized with the theme "Save Energy to Save Environment"

ii. Application of Nano molecular Thermo conductive – Permafrost in AC units of 80 TR capacity with 20% savings in energy consumption.

iii. Installation of motion sensors and occupancy sensors at the Divisional offices

iv. Installation of Smart End Use Management System (Automation in Air Condition) in AC units of 120 TR capacity at the company offices with savings of 15.5% in energy consumption.

v. Awareness through seminars and e-communication for employees and consumers on various aspects of energy conservation opportunities covering -

a. Use of Bureau Energy Efficiency (BEE) star labeled energy efficient appliances – Fans, Refrigerators and Split Air conditioners.

b. Energy efficient building construction

c. Use of renewable energy sources

d. Promotion of energy efficient appliances made available to employees at highly discounted price for increased awareness and to encourage energy conservation practices.

vi. Installation of Capacitor Units at New Receiving Stations and Substations Level for reactive power compensation

b. Additional Investment and Proposals being Implemented

i. Installation of 30 KWP rooftop solar PV panels at company offices

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

iii. Installation of LED FTL and LED ceiling fixtures in company offices.

c. Impact of measures outlined at (a) and (b) above for reduction of Energy Consumption

i. Reduction in energy consumption

ii. Demand reduction during peak period

iii. Increased energy conservation awareness among employees and customers.

2. Power Stations

Dahanu Power Station

a. Energy Conservation measures taken at Power Stations and Offices

i. Reduction in LDO consumption by improvisation of operation process during unit hot / warm / cold start ups.

ii. Innovative logic for Air-Fuel ratio to control coal flow through the mills. This has enhanced control on coal mill level / combustion. This is developed in-house by DTPS engineers.

iii. Mechanism (Energy deviation report) has been developed to monitor and control energy efficiency and consumption of power plant equipments and buildings

iv. Replacement of conventional lamps with LED in street lights and buildings in phased manner.

v. Refurbishment of flue gas ducts to reduce fan loading.

vi. Energy and protection audits were conducted through external agency. Corrective actions have been initiated for the audit findings.

b. Additional Investment and Proposals being Implemented

i. Refurbishment of turbine HP module to improve efficiency.

ii. Replacement of conventional metallic blades with FRP blades

iii. Replacement of V belts into Flat belt for ventilation and dust extraction system fans

iv. Operation in Sliding Pressure LOOP during Partial loading of Turbine.

c. Impact of measures outlined at (a) and (b) above for reduction of Energy Consumption

i. Improvement in plant Heat Rate

ii. Reduction in auxiliary power consumption

iii. Improvement in cycle efficiency

iv. Improvement in system reliability

v. Increased energy conservation awareness among employees and customers

Samalkot Power Station

a. Energy Conservation measures taken at Power Stations and Offices

   i. Optimizing the lighting fixtures in ECB.

   ii. Replacement of Balance HPSV fitting by CFL lamps in working area in DM/PT Plant.

   iii. Replacement of Balance 280W high pressure sodium vapour street lights with 80 W compact fluorescent lamps

   iv. Development of heat rate deviation analysis on a daily basis and monitoring of the same

b. Impact of measures outlined at (a) and (b) above for reduction of Energy Consumption

   i. Improvement in plant Heat Rate

   ii. Improvement in station Availability

   iii. Reduction in auxiliary power consumption

   iv. Improvement in cycle efficiency

   v. Improvement in system reliability

   vi. Increased energy conservation awareness among employees and customers

   vii. Power Station saved 6.943 MUs of energy in 2013-14

Goa Power Station

a. Energy Conservation measures taken at Power Stations and Offices

   i. Goa Power Station was converted from Liquid fuel (Naphtha) to Natural Gas (RLNG)

b. Additional Investment and Proposals being Implemented

   i. Feasibility study of Optimization of TK fans running.

B. Technology Absorption

Efforts made in Technology Absorption as per 'Form B' is given below

Form 'B'

Research and Development (R & D)

1. Distribution Division

Areas in which Research and Development / New Technology Deployment was carried out

i. Introduction of Tree Retardant (TR) - XLPE insulated power cables for voltage levels 33kv and 11kv.

ii. Introduction of 33kv gas insulated switchboard instead of conventional switchboards.

iii. Introduction of vehicle tracking system used for company purpose.

iv. Implementation of World Class, Fuse Strip Low Voltage Pillars at 50 Locations

Benefits derived

i. HT cable life enhancement by 10 years resulting in higher satisfaction to customer reliability.

ii. Reduction in the foot print of 33kv switchboard and virtually maintenance free as well.

iii. Optimum uses of vehicles resulted in lot of cost saving.

iv. Low Voltage Pillars' - Enhanced Looks, Highly Safe and Virtually Maintenance Free

Future plan of action

(A) Field Innovations –

i. Change in winding material and type for dry type transformer from copper winding to Aluminum foil type winding.

ii. Introduction of advanced LT jointing kits with shear bolt technology

iii. Retrofitting of existing pillars with safe and advanced fuse strips

iv. Commissioning of MIDEL 7131 (Synthetic Ester fluid) retro-filled DTs

v. Integrated RMU+FRTU product introduction considering cost optimization and better reliability for customer

vi. Transformer health index solution in order to use it optimally.

vii. Introduction of Dry Type Power Transformer at Receiving Stations

(B) Technology Innovations –

i. SCADA upgradation – integration with GIS.

ii. IEC 61850 complaint relays and SCADA integration along with Switchgear

iii. Fault Location Isolation and Supply Restoration (FLISR) philosophy proposed to be implemented for simple network grids at FRTU end itself for faster Supply restoration using peer-to-peer communication among DMS field devices.

(C) Customer Level Innovations –

i. Automatic Demand Response Pilot for 1 MW – Peak Load Management

ii. Pilot Smart Meter Deployment

2. Transmission Division

Areas in which Research and Development / New Technology Deployment was carried out

i. Automation in operation of Extra High Voltage (EHV) stations by integrating Synchronous Digital Hierarchy (SDH) and SCADA.

ii. On line monitoring and safeguarding of EHV cable system using DTS

iii. Radiography equipment for condition monitoring of Gas Insulated Switchgears

iv. Laser based switchgear foundation level measurement kit to ensure correct level of critical equipments during their erection.

v. Cable Testing Van for HV testing of EHV cables and pin-pointing of fault location of underground cables to ensure early restoration of the system in case of faults.

vi. High voltage Test Kit for testing all EHV GIS systems

vii. Latest Network Analysis software used for performing load flow studies/ system studies.

Benefits derived

i. Integrating Synchronous Digital Hierarchy (SDH) and SCADA has enabled implementing Line Differential Protection, which is essential for cable system unit type fault detection as compared to Distance Protection. Also, it has comparatively less Trip Transfer Time.

ii. Online detection and continuous monitoring of temperature profile of 220kV underground cable sheath, which gives advance intimation of cable fault, studying which precautionary measure can be taken.

iii. Radiography equipment for condition monitoring of equipments is a non-destructive testing method for checking mechanical deformities within GIS equipments. The testing procedure can be performed with the GIS equipments in charged conditions. This test process gives advance warning and early detection of abnormalities in the GIS equipments understanding which major breakdown of GIS equipments can be avoided.

iv. For having its GIS modules connected accurately at same level across 30m for all the GIS bays installed at a GIS station is necessary. This kit helps accurate measurement of foundation level which is not possible by applying/ using conventional method of foundation level measurement techniques (water bubble level).

v. 220kV cable HV tests for insulation testing can be performed using this cable testing van. Also, 220kV underground cable fault can be detected accurately.

vi. It has enhanced the testing capability for EHV Systems (GIS) for 220kV and can also be utilized for testing 400kV Systems. RInfra- Mumbai Transmission is amongst the very few utilities to have this testing equipment. It is readily available during contingency conditions.

vii. Latest Network Analysis software are used for carrying out the load flow studies, network simulations, impact analysis of outages on the network etc.

Future plan of action

i. Ultra High Frequency Partial Discharge measurement for condition monitoring of GIS equipments.

ii. Integrated simulator for SCADA, SDH and protection system for training and ensuring correct functioning of software before making them live.

iii. A System Study Group and Technical Teams being formalized to carry out various network/ system simulations/studies and take up R & D activities in association with premium technical institutes.

iv. DC Earth fault monitoring kit for continuous monitoring of fault in DC System.

v. Online Tan- kit for HV Bushing of Power Transformers.

vi. PID (Punctured Insulator Detector) Kit capable of detecting fault in polymer insulator.

3. Expenditure Incurred on R&D

		₹ in lakh
a.	Capital	1,622.37
b.	Recurring	5.87
	Total	1,628.24
	Total R & D Expenditure as a per cent of Total Turnover	0.13

Technology, absorption, adaptation and innovation

1. Power Stations

Dahanu Power Station

Efforts in brief, made towards Technology Absorption, Adaptation and Innovation

i. Installation of new design liners in coal mill to improve availability.

ii. In-house development of filtration machine to improve oil cleanliness for mill

iii. Implementation of LEGATRIX system for regular and systematic tracking of regulatory and legal compliance.

iv. In house development of Safety valve testing kit for all LP line safety valves.

v. Provision of Dome valve seal pressure low alarms at Dry Ash control room to protect diaphragm from rupturing.

vi. Remaining Life Assessment study of civil structures and equipments. Based on findings corrective actions have been initiated.

vii. Soft training modules developed to provide online training to employees.

Benefits derived as a result of the above efforts

i. Increase in plant availability and reliability

ii. Prompt compliance of statutory and regulatory norms

iii. Knowledge upgradation of all employees

Samalkot Power Station

Efforts in brief, made towards Technology Absorption, Adaptation and Innovation

i. In-house boroscopic inspection for 4 Nos. GE 9FA GT's at Samalkot Power Station

ii. Implementation of SAP for Gate pass system

iii. Implementation of SAP for Daily Generation Reports

Benefits derived as a result of the above efforts

i. Increase in plant availability and reliability

ii. Reliability improvements

Goa Power Station

Efforts in brief, made towards Technology Absorption, Adaptation and Innovation

i. Installation and Commissioning of CAAMS – Continuous Ambient Air Monitoring System.

ii. Installation of surveillance system in the plant.

Benefits derived as a result of the above efforts

i. Increase in plant availability and reliability

2. Transmission Division

Efforts in brief, made towards Technology Absorption, Adaptation and Innovation

i. N2FF implementation for old transformers at all AIS stations

ii. Water Treatment plant at all AIS station (R/O Treatment Plant)

Benefits derived as a result of the above efforts

i. N2FF system prevents Power Transformers from internal damages during fire conditions. All Power Transformers at new EHV Station have N2FF implemented; looking its benefits it is envisaged to utilize the technology for our conventional Power Transformers.

ii. Water treatment implementation at AIS based EHV Station will benefit purifying water, wherein water made available can be R/O purified and can be consumed.

Information Regarding Imported Technology

I. Mumbai Power Distribution

Technology imported	**Year of import**	**Status**
Automatic Demand Response (ADR) Project with US based M/s Innovari. This will enable 2-Way verifiable Demand Side Management with real time visibility and control on the customer's energy usage.	2013-14	Under Implementation
Green and Fire Safe, Pilot Initiative for use of Synthetic Ester Oil for Distribution Transformer	2013-14	Under Implementation

II. Power Transmission

Technology imported	**Year of import**	**Status**
Distributed Temperature Sensing for Cables	2013-14	Absorbed
Laser	2013-14	Absorbed
Cable Fault Detecting Van	2013-14	Absorbed
PD measurement kit	2013-14	Absorbed
PID kit for Polymer Insulator	2013-14	Absorbed
On-line Tan-delta equipment	2014-15	Under process
Wide Area Monitoring System (WAMS)	2014-15	Under process

C. 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 plans:

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 : ₹ 0.31 crore
(Previous year ₹ 34,624)

ii. Total Foreign Exchange outgo
(Previous year ₹ 323 crore) : ₹ 270 crore

For and on behalf of the Board of Directors

Mumbai
August 14, 2014

Anil Dhirubhai Ambani
Chairman

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 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. The management of Reliance Infrastructure Limited ("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 profit 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 associates.

Economic Outlook

Macroeconomic Overview- Indian Economic Environment

India's economic growth was marginally higher at 4.7 per cent in 2013-14 as compared to 4.5 per cent in 2012-13. The slowdown in growth was primarily due to weakness in industrial activity aggravated by domestic supply bottlenecks, slowdown in the services sector reflecting weak external demand, high interest rates and low level of capital investments due to drop in overall demand. There was sharp growth witnessed in agriculture sector which has grown by 4.7 per cent in 2013-14 against 1.4 per cent in 2012-13 mainly on account of better monsoons in the second half of 2013. Industry sector, after growing by a tepid 1.0 per cent in 2012-13, decelerated further to 0.4 per cent in 2013-14 mainly due to policy delays in the power sector with reference to fuel shortages, continuing contraction in the output of capital goods and consumer durables investments. The industrial slowdown and weak recovery in advanced economies caused growth in services to remain at 7 per cent. Trade, hotels, transport and communication services, which together account for more than a quarter of Gross Domestic Product, (GDP) was at 3.0 per cent in 2013-14 as industry weakened and consumption dried up. Growth in the large financial services industry was at healthy 12.9 per cent.

With the strengthening and stabilizing of the rupee and marked narrowing of the current account deficit in the second half of the year, global investors moved back into bonds. Policies that have improved reserves and substantially strengthened the external position are reflected in exchange rate developments. The Indian rupee depreciated by about 20 per cent against the US dollar from May 2013 to its low at the end of August 2013, but subsequently appreciated by about 10 per cent in March 2014. Despite difficulties, markets in India were more positive in 2013-14 than the averages achieved by emerging markets either in Asia or globally.

Inflation and Monetary Context

Sustainable inflation containment is taking monetary policy priority over promoting economic growth. Monetary policy was tightened in January 2014 despite an easing in inflation at 2013 end. The policy repo rate was increased by 25 basis points to 8.0 percent in order to set the economy firmly on a disinflationary path, taking cumulative rate hikes to 75 bps since September 2013. The Reserve Bank of India (RBI) aims to guide consumer price inflation to below 8 per cent by January 2015 and gradually to 4 per cent over a three year horizon as part of its process to move toward an inflation-targeting monetary policy framework.

Fiscal and Current Account Balance

India's public finances remain under pressure due to economic underperformance and pressure on the nation's fuel and food subsidy bills. The Central Government budget deficit target for the fiscal year 2013-14 is 4.6 per cent of GDP. Imbalance in the external accounts was one of the primary concerns for investors and regulators alike during the year. Current Account Deficit (CAD) to GDP ratio is expected to be 2 per cent in FY 14. Although, non-oil and non-gold imports have moderated in the last few months and decline in the global prices of gold and oil provided temporary relief, structural impediments still remain. The Government of India (GOI) has already taken a range of initiatives to attract capital flows into the country to finance the large CAD, including liberalization of Foreign Direct Investment (FDI) limit in various sectors, policy reforms to attract inflows from foreign investors, relaxation of Foreign Institutional Investors (FII) debt limit, sharp cut in withholding tax to 5 per cent from 20 per cent on investments in domestic debt, etc.

Overall Review

Reliance Infrastructure Limited is India's leading private sector infrastructure company, with aggregate group revenues of about ₹ 40,040 crore (US$ 6.7 billion) and gross fixed assets of ₹ 43,600 crore (US$7.3 billion). Reliance Infrastructure is ranked amongst India's leading private companies on all major financial parameters, including assets, sales, profits and market capitalization. The highlights of the performance of the Company during 2013-14 are furnished hereunder:

- Total Income of ₹ 12,581 crore (US$ 2.1 billion)
- Net Profit before exceptional items of ₹ 1,588 crore (US$ 265 million)

- Cash Earnings per Share before exceptional items of ₹ 71 (US$ 1.2) for the year
- Earnings per Share (EPS) before exceptional items of ₹ 60 (US$1.0)

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) and Contracts Division. The EPC and Contracts Division (the EPC Division) order book position stood at ₹ 6,615 crore (US$ 1.1 billion) as on March 31, 2014.

Fiscal Review

Reliance Infrastructure's total income for the year ended March 31, 2014 was ₹ 12,581 crore (US$ 2.1 billion) as compared to ₹ 15,405 crore (US$ 2.8 billion) in the previous financial year.

The total income includes earnings from sale of electrical energy of ₹ 6,669 crore as compared to ₹ 6,343 crore recorded last year. The sale of electrical energy includes income of ₹ 123 crore (US$ 21 million) and ₹ 323 crore (US$ 54 million) from the Samalkot Power Station and the Goa Power Station, respectively.

The income of the EPC business was ₹ 4,687 crore (US$ 781 million), as compared to ₹ 7,979 crore in the previous year.

During the year, interest expenditure increased to ₹ 996 crore (US$ 166 million) as compared to ₹ 879 crore in the previous year. During the year 2012-13, the Company, in order to reflect the true value of its prime assets, revalued the free hold land, buildings and plant and machinery of the power stations located at Samalkot and Goa and windfarm at Chitradurga with effect from April 1, 2012 by ₹ 496 crore (US$ 83 million). On account of such revaluation, the depreciation on such revalued assets was higher by ₹ 29 crore (US$ 5 million) and the same was adjusted by withdrawing equivalent amount from the revaluation reserve, which was credited to the Statement of 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, from commencement of commercial operation.

The corporate tax liability for the year was ₹ 209 crore (US$ 35 million) as compared to ₹ 144 crore in the previous year.

Cash profit before exceptional items for the year was ₹ 1,858 crore (US$ 310 million) as compared to ₹ 2,078 crore in the previous year.

Net profit before exceptional items for the year was ₹ 1,588 crore (US$ 265 million) as compared to ₹ 1,581 crore in the previous year.

At its meeting held on May 19, 2014, the Board recommended payment of dividend of ₹ 7.50 per share, aggregating to a payout of ₹ 197 crore (US$ 33 million) (excluding dividend distribution tax) for the year ended March 31, 2014.

The capital expenditure during the year was ₹ 423 crore (US$ 71 million), incurred primarily on modernizing and strengthening of the transmission and distribution network.

Total gross fixed assets increased during the year to ₹ 11,602 crore (US$ 1.94 billion).

With a networth of about ₹ 21,292 crore (US$ 3.6 billion), Reliance Infrastructure ranks among the top performing Indian private sector companies in the country.

Resources and Liquidity

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

The Company's gross debt as at the end of the financial year stood at ₹ 14,842 crore (US$ 2.5 billion). The average final maturity of the Company's long-term debt is about 3.4 years. The average annual interest cost is about 10.88 per cent.

The Company funds its long-term and project related financing requirements from a combination of internal accruals 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 on going basis to reduce overall cost of debt and diversify liability mix.

Infrastructure Industry Structure and Development

The rapid growth of the Indian economy in recent years has placed increasing stress on physical infrastructure i.e. electricity, railways, roads, ports, irrigation, water supply and sanitation, all of which already suffer from deficit in terms of capacities as well as efficiencies. The pattern of inclusive growth averaging at 9 per cent per year as conceived under the 12th Plan (2012-17) can be achieved only if this infrastructure deficit is overcome and adequate investment takes place to support higher growth and improved quality of life for both urban and rural communities.

Based on projections provided in the Mid-Term Appraisal of the 12th Plan, in order to attain a 9 per cent real GDP growth rate, infrastructure investment should be on an average of almost 10 per cent of GDP during the 12th Plan. Therefore, the Government of India (the Government) has set a massive target for doubling investment in infrastructure from ₹ 21 trillion in 11th Plan to ₹ 56 trillion during the 12th Plan, out of which 50 per cent is expected from the private sector.

Roads

India has the second largest road network in the world aggregating 4.7 million kms of road which constitutes 77 per cent passenger traffic and 62 per cent freight traffic in the country. However, road sector in India has been in the grip of slowdown in the last two years due to execution delays arising out of delay in obtaining environmental and regulatory clearances and land acquisition. This has resulted in project cost escalations and highly leveraged balance sheet of developers. The inordinate delay by National Highways Authority of India Limited (NHAI) in resolving the impediments to project execution has further aggravated the situation. In 2013-14, there has been muted traffic growth across the country due to overall slowdown in the macro-economy and only 1,646 kms of road was awarded mostly on EPC basis mainly due to land acquisition issues. However NHAI is now better placed especially with respect to land acquisition problems and is planning to award 5,600 kms of road projects worth ₹ 450 billion in FY2014-15 especially in the state of Gujarat, Madhya Pradesh, Rajasthan and Uttar Pradesh. The Government has proposed to setup a regulatory authority to address financial stress, construction risks and contract management in the sector and has envisaged total investment of ₹ 9,200 billion in the 12th Plan out of which 33 per cent is expected to be financed by the private sector.

Rail Transport

India has the world's fourth largest rail network and the second largest network under single management. The Government has planned total investment of ₹ 5,200 billion in the 12th Plan as against ₹ 2,320 billion in 11th Plan excluding Metro rails, out of which ₹ 1000 billion (i.e 20 per cent) is expected to be financed by the private sector and balance funding through internal generation of funds. According to the working sector group report for 12th Plan, the internal requirement of funds will be met through 12 per cent Compounded Annual Growth Rate (CAGR) in passenger receipts and 9.9 per cent increase in freight receipts. The Government has also laid special emphasis on development of Mass Rapid Transit System (MRTS) like Metro Rails and Mono Rails and has planned that any city with population of more than 2 million to have a metro/mono rail. The Government has identified 16 new cities like Ahmedabad, Chandigarh, Hyderabad, Gurgaon, Jaipur, Kochi, Patna, etc. with metro rail network of more than 1,500 kms in next 10 years. The total investment in the metro rail sector is envisaged to be ₹ 1,250 billion in 12th Plan against ₹ 420 billion in 11th Plan, with significant investment of about 42 per cent coming from the private sector.

Cement

India is the second largest cement producer in the world with nearly 364 million tones of installed cement production capacity. Cement is a cyclical commodity with a high correlation with GDP. The per capita consumption in India is very low i.e. 192 kg against world average of 365 kg and this sector has grown at CAGR of 8 per cent in the last decade. The housing sector is the biggest demand driver of cement, followed by infrastructure sector, commercial construction and industrial construction. The sector is mainly dominated by private players with nearly 98 per cent under the private sector. Cement, being a bulk commodity, is a freight intensive industry and transporting it over long distances can prove to be uneconomical. This has resulted in cement being largely a regional play with the industry divided into five main regions viz. north, south, west, east and the central region. The Southern region of India has the highest installed capacity, accounting for about one-third of the country's total installed cement capacity. Given the high potential for growth, quite a few foreign transnational companies have ventured into the Indian markets. While companies like Lafarge, Heidelberg and Italicementi have already made a couple of acquisitions, Holcim has increased its stake in domestic companies, Ambuja Cements and ACC, to over 50 per cent to gain controlling interest.

Power

India has perennially remained a power deficit country. Huge potential exists for power generation, transmission and distribution companies as the country's per capita electricity consumption of 917 kwh is much lower than the world average of 2,933 kwh.

However, the power sector has remained under pressure due to issues like, fuel (coal and gas availability), fuel cost escalations due to import of coal and gas, poor financial health of State Electricity Boards (SEBs), land and environmental issues, etc. which have adversely affected the performance and financial position of the companies in the private sector.

However recognizing the impact, the Government and regulatory agencies have taken many steps to resolve the issues hampering the growth of the sector. These steps include financial restructuring of many SEBs to improve their financial health, cost pass through allowed for some power plants for increased fuel cost, regular electricity tariff hikes allowed by electricity regulatory commissions to meet the escalating power purchase cost for discoms, etc. which are likely to revive the momentum and improve the capial expenditure cycle of utility players in the sector. Given the power shortages and increasing demand for electricity, the total investment in the sector is expected to increase to ₹ 15,000 billion in 12th Plan from ₹ 8,045 billion in 11th Plan, out of which 48 per cent is expected from the private sector.

Generation

India has the fifth largest generating capacity in the world with total installed capacity of 243 GW as on March 31, 2014, of which the contribution of the State Government is 38 per cent, the Central Government 28 per cent and the private sector contribution 34 per cent. To tackle the threat of power deficit and maintain country's high economic growth, the Government has undertaken massive power generation capacity addition plans and expects to add 88 GW of generation capacity in the 12th Plan, of which more than 50 per cent is expected from the private sector. The estimated fund requirement for generation, including renewable is estimated to be ₹ 6,400 billion during 12th Plan.

Transmission

Massive capacity addition in generation sector will be of little use without robust transmission and distribution network in the country. India has historically underinvested in the transmission and distribution sector substantially falling short, vis-a-vis corresponding growth in generation sector. To make the transmission network more robust and supplement the addition of generation capacity, GOI has planned ₹ 1,800 billion investments in 12th Plan and ₹ 2,000 billion investments in 13th Plan, respectively. In order to successfully achieve the planned targets, the Governments, both at the Centre and States, need to attach top priority to resolve the right of way issues coming in the way of speedy execution of projects.

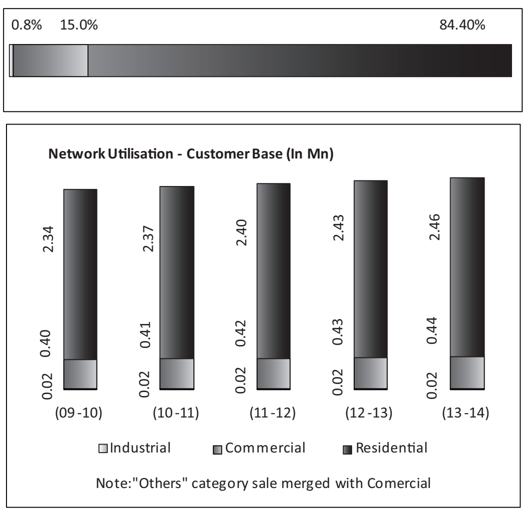
Distribution

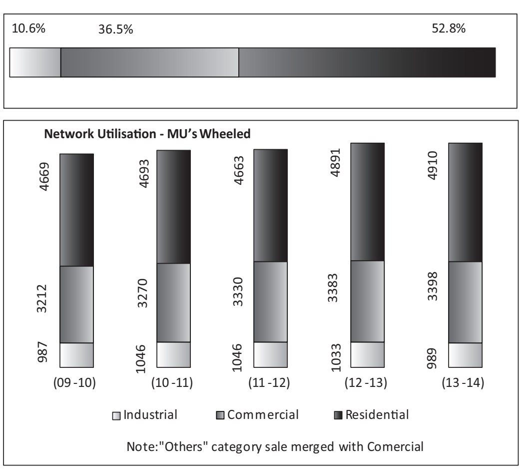
Power distribution is the final and the most crucial link in the electricity supply chain and unfortunately, the weakest link in the power sector with negligible participation from the private sector (7 per cent). Over the past almost 2 to 3 years, investments by SEBs have been particularly very low due to poor financial situation, increasing gap between revenue and costs for political reasons, rising Aggregate Technical and Commercial (AT&C) losses and other inefficiencies. The Government has taken stringent measures to bring down the losses. The total accumulated losses by the SEBs was ₹ 2.4 trillion till 2011-12. The Government is contemplating several measures including debt restructuring package for SEBs financed through short term loans from banks and financial institutions (₹ 1.9 trillion) and State Government loans (₹ 0.5 trillion). SEBs are also focusing on lowering Transmission and Distribution (T&D) losses through a mix of network upgradation and appointing private parties as franchises to undertake distribution operations. The Government plans to increase the spending in the distribution segment under the 12th plan to the tune of ₹ 3,300 billion.

Reliance Energy – Energy Distribution Division

Mumbai Distribution Business

"Reliance Energy", the Energy Distribution Division of the Company, has been in the field of electricity distribution for over 84 years and has achieved the distinction of consistently operating its distribution network at 99.98 per cent reliability.





Customers

The number of customers using the Company's network at the end of the year 2013-14 was 29.1 lakh as against 28.3 lakh in the previous year.

Revenue

The sales revenue of the Company for the year was ₹ 5,341 crore (previous year ₹ 5169 crore) and wheeling revenue, from open access customers, was ₹ 296 crore (previous year ₹ 259 crore) based on the tariff determined by Hon'ble Maharashtra Electricity Regulatory Commission (MERC). In addition, the Company has levied Cross Subsidy Surcharge on all open access subsidising customers and has earned revenue of ₹ 289 crore (previous year ₹ 99 crore) from these consumers.

System Demand

The coincident peak demand of distribution system in 2013-14 was 1,697 MW as against 1,676 MW in 2012-13.

Network Augmentation

In order to meet the rising demand for power, network augmentation is undertaken on a continuous basis. During the year under review, High Tension (HT) cable network increased from 3,993 kms to 4,137 kms with addition of 144 kms and total Low Tension (LT) cable network increased from 5,764 kms to 5,892 kms with addition of 128 kms.

During the year under review, the installed capacity of Power Transformers increased by 20 MVA to 3,042 MVA. Installed capacity of Distribution Transformers increased by 63 MVA to 4,613 MVA. The Company added 107 new substations and had 5,988 sub-stations at the end of the year.

The Company has undertaken the upgradation of its existing automation systems, viz. Supervisory Control and Data Acquisition (SCADA) and Distribution Management System (DMS). With this upgradation, the Company has become the first utility in India to have the most advanced SCADA technology. Apart from the automation benefits for better supply reliability, the system will also deliver a seamless integrated platform with Geographical Information System (GIS) for providing the customers with enhanced and superior service standards. The Company has installed latest technology Sheet Moulding Compound LT Pillar with Fuse strip in Low Voltage at 50 locations for enhanced safety in operations.

Meter Modernization

The Company has installed all electronic state-of-the-art meters in consumer premises.

Billing

The Company has an informative electricity bill with higher visibility of key contents for quick reference and also provides a mode of communication for carrying customer education tips, personalized messages, past consumption trends, etc.

The Company 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 bills. Customers who are willing to receive only an electronic version of the bill can opt for the "Paperless Billing" option. Key bill details are also made available as an SMS alert on mobile phone.

Value Added Services

Customers can avail of a variety of web based and mobile based value added services. A personalized web based My Account offers a variety of features like Personalized mail box, View and pay bill, pay security deposit, download and print bill for past 6 months, view payment and consumption history in a tabular and graphical representation, Choose your Bill Language, Scheduled Meter Reading Dates and other relevant dates, Register for SMS and E-mail alerts, Provide feedback and much more.

Additionally, Reliance Energy is now available on 3 social media platforms viz. Facebook, Twitter and YouTube. Further, a comprehensive document, providing information regarding various aspects of the customer's energy account, called the "Energy Infoguide" has been launched.

Payment

The Customers have access to an array of bill payment options such as collection centres, collecting banks, drop boxes, easy bill outlets, payment using ITZ cash card, electronic clearing service (ECS), Voluntary deposit scheme (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.

Customers can also pay via mobile phone application supported through these channels, which is available on all types of platforms like Android, Blackberry, etc. Additionally, customers can pay their monthly energy bills by logging on our Wireless Application Protocol (WAP) based site http://m.rinfra.com. The Company has extended the facility of WAP based bill payments via credit cards as well as bank accounts. The Company has also introduced mobile wallet payments and Immediate Payment Service (IMPS) person-to-merchant payment option for the customers.

Call Centre

The customers have access to our 24-hour Toll Free (1800 200 3030) service which is a single window multi- lingual customer service. In addition to handling complaints 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. Customers can also provide feedback on call experience via SMS post calling the toll-free number. The option to pay bills using cards/bank accounts via IVR is also available.

Customer Care Centres

The Company 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.

Regulatory Initiatives, Developments and Issues

Business Plan and Multi-Year Tariff Petitions for 2012-13 to 2015-16

The MERC approved the Company's Multi-Year Business Plans vide its order dated November 23, 2012. Thereafter, as required by Regulations, the Company had filed its Multi-Year Annual Revenue Requirement (ARR) and Tariff Petitions for the period 2012-13 to 2015-16 with MERC, which has been approved by MERC by its order dated August 22, 2013. MERC has determined the new tariff schedule for the financial years 2013-14, 2014-15 and 2015-16. The new tariff schedule is now applicable from September 1, 2013 onwards.

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

Hon'ble MERC passed an Interim order dated October 15, 2009 permitting the consumers in RInfra area of supply to changeover supply between The Tata Power Company Limited (TPC) and RInfra through Open Access on each other's network. Pursuant to the said order, about 4 lakh consumers have been receiving supply of electricity from TPC using the RInfra network till March 31, 2014. Hon'ble MERC has approved recovery of cross-subsidy surcharge (CSS) from such consumers and has also determined the cross-subsidy surcharge to be levied to such change-over consumers for the MYT period of FY12-13 to FY15-16 through its Order dated August 22, 2013. During the year, the Company collected ₹ 289 crore on account of CSS. 6,266 number of consumers with total annual consumption of 1,280 MU have migrated back to RInfra from TPC during the year. TPC and a few consumers had filed appeal before Hon'ble Appellate Tribunal for Electricity (ATE) challenging levy of CSS on changeover consumers. The said appeals were dismissed by Hon'ble ATE. TPC and others have filed appeal before Hon'ble Supreme Court against the Hon'ble ATE judgment. The matter is yet to be heard.

The Company had filed a petition seeking intervention of MERC against selective taking over of the consumers by TPC. In its order dated August 22, 2012 MERC upheld the Company's contention that TPC was cherry picking subsidised consumers and therefore, stayed the migration of consumers except residential consumers in the consumption category of 0-300 units for a period of one year from the date of issue of the said order. Subsequently, MERC had initiated a suo moto proceeding to review the status of implementation of the said order. Vide its order dated October 30, 2013, MERC directed the Company and TPC to consider 7.92 lakh (0 – 300 units) residential consumers of the Company in specified 9 clusters as direct consumers of TPC and start billing the same at TPC tariff from November 1, 2013 onwards. The process of formal transfer of consumer records from the Company to TPC was to be completed by March 31, 2014. Aggrieved by the said directive of MERC, the Company approached ATE and the appeal has been admitted. ATE has directed to keep implementation of the said MERC directives pending till final disposal of appeal.

Regulatory Assets recovery

In its order dated July 29, 2011, MERC had given its in-principle approval of recovery of regulatory asset from consumers changed over to TPC, in addition to the Company's own consumers. Vide its Order dated August 22, 2013, MERC has approved five years recovery plan (2013-14 to 2017-18) for cumulative regulatory assets up to 2011-12 along with carrying cost from the year of accrual up to year of recovery. MERC has specified a separate Regulatory Asset Charge (RAC) to be levied on own and TPC change-over consumers for recovery of regulatory assets. TPC and a few consumers have filed appeal before ATE against levy of RAC. The appeal is being heard by ATE.

Renewable Purchase Obligations

MERC has issued Renewable Purchase Obligation,its compliance and Renewable Energy Certificate framework Regulations. The said regulations stipulate separate Renewable Purchase Obligation (RPO) for non-solar and solar sources for the period from 2010-11 to 2015-16 at tariff determined by the MERC.

For meeting non-solar RPO, the Company has contracted wind generation, biomass power and small hydro power. The Government of Maharashtra exempts sugar cane purchase tax to generators supplying electricity to Maharashtra State Electricity Distribution Company Limited (MSEDCL) only. Thus, bagasse based cogeneration generators prefer to supply power to MSEDCL and therefore, the Company is unable to source power from bagasse based cogeneration to meet its RPO. The Company is exploring all possible options to procure renewable energy for meeting its RPO obligation. Shortfall in meeting RPO is being met by procurement of Renewable Energy Certificates (RECs). For meeting its Solar RPO targets, the Company has contracted to procure 40 MW solar photo voltaic power. Vide its order dated March 6, 2014, MERC has acknowledged that the Company has successfully fulfilled its cumulative RPO targets for 2010-11 to 2012-13 within the specified time frame. Further, for 2013-14 also, the Company has met its solar and non-solar RPO targets through long-term power purchase agreements and through purchase of Renewable Energy Certificates. The Company is confident of fulfilling the RPO targets for remaining years of the control period as well.

Standby Charges

TPC filed a civil appeal before the Hon'ble Supreme Court of India against the Company claiming that the Company should pay the standby charges to them at the same rate per KVA as TPC paid to erstwhile Maharashtra State Electricity Board (MSEB). The Company contended that a 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 paid to MSEB. The Company received ₹ 227 crore, being 50 per cent of the amount directed by the ATE as refund to the Company and for balance ₹ 227 crore, TPC gave a bank guarantee to the Hon'ble Supreme Court pending disposal of the appeal. The matter is still pending before the Hon'ble 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 the Company with interest at 24 per cent per annum. Pursuant to this order, TPC raised a claim together with interest for ₹ 324 crore. The Company filed an appeal before the ATE, which held that additional energy charges were payable but remanded the issue of Take or Pay to Hon'ble MERC for re-determination. The Company filed an appeal with the Supreme Court against the said ATE judgment, while TPC has also filed an appeal in respect of Take or Pay. TPC in the hearing before the Hon'ble Supreme Court claimed that they were asked to pay 50 per cent of the amount in the Standby charges matter and thus similar order should be passed against the Company to deposit the amount. As directed by the Hon'ble Supreme Court, the Company paid ₹ 25 crore to TPC and provided Bank Guarantee of ₹ 9 crore to the Hon'ble Supreme Court. The matter was admitted and awaits final hearing before the Hon'ble Supreme Court.

Medium Term and Long Term Power Procurement

For the period 2011-12 to 2013-14, the Company procured power from Vidarbha Industries Power Private Limited (VIPL) (134 MW), Abhijit MADC Nagpur Private Limited (55 MW) and Wardha Power Company Ltd (260 MW) at tariffs determined through competitive bidding process. In order to meet its long-term power requirements, the Company entered into an agreement with VIPL for purchase of power from its 600 MW (2x300 MW) power plant at Butibori, from April 1, 2014 onwards for a period of 25 years. The plant is coal based and is located near Nagpur, Maharashtra. MERC has approved the PPA and the provisional tariff for 2014-15 and 2015-16. VIPL has approached MERC for determination of the final tarrif for its 600 MW Butibori Project.

Quality

With an objective to build a sustainable quality culture, the Company has consolidated its quality movement further and has increased the participation of employees in this movement. The Company has trained 75 black belts for undertaking complex six sigma projects for process improvement. Over 1,100 employees are engaged in over 50 quality projects, using methodologies such as 5 'S' small group activities and six-sigma.

Out of 26 quality projects in which the Company participated during the Mumbai convention, the Company bagged 21 Gold, 4 Silver and 1 Bronze trophies. The Company also received a special award for the 'Best presentation of QC' award, 'Best case study" award and many other awards in Model competition and Essay competition during the Mumbai Chapter convention of the Quality Circle Forum of India (QCFI), held in September 2013. Seven projects were nominated for the National Convention at Kolkata in December 2013 and 5 of them bagged the top honours i.e. 'Par-Excellence' trophies and 2 'Excellent Trophies'. One team participated in International Convention for Quality Concepts held at Taipei in October 2013 and won top honours.

The greatest achievement of the year was that we became the first company in the world to get certified for AMS 55001:2014. i.e. Asset Management System. Scope for this certification was 'Assets in 33/22/11kV electrical distribution system in Mumbai Distribution licensed area. The salient features of ISO 55001:2014 are:

- It is a framework for effective asset management.
- It can be described as definitive Asset Management Standard against which utilities can benchmark their Asset Management Practices.
- The compliance to the asset management system would surely mean less maintenance costs for the Company.

Demand Side Management:

Value Added Services to consumers for Energy Conservation

The objective of Energy Conservation and Energy Efficiency (EC and 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 as also to achieve reduction in environmental damage by Green House Gas

(GHG) emission. The ultimate goal is to make every citizen of Mumbai a part of this programme and make this programme a Citizens' Movement.

Some of the programmes launched were:

1. **5 Star Ceiling Fans Programme Phase – II:** The Company has launched Phase–II of 5 Star Ceiling Fan programme for replacing inefficient Ceiling fans with 5 Star ceiling fans. Under this programme, 6,402 Ceiling Fans of 5 star rating have been replaced which resulted in annual saving of 0. 7 million units.
2. **5 Star Split Air Conditioner (AC) Programme:** The Company has launched a programme for its commercial consumers for replacing the old window ACs with energy efficient 5 star labelled split ACs.
3. **AC Automation programme for Commercial and Industrial Consumers:** The Company has launched a programme for its commercial and industrial consumers on automation in air conditioning for chiller plant, ductable split and cassette and package air-conditioners. The target for this programme is automation of 2,500 tonnes of refrigeration (TR) which will result in annual saving of 1.3 million units. Under this programme, 2 commercial consumers have participated each with installed capacity of 450 TR.
4. **Star Refrigerator Programme for Residential Consumers:** The Company has launched a programme for its residential consumers for replacing the old inefficient refrigerator with energy efficient 5 star labelled refrigerator. Under this programme, 3,550 refrigerators have been replaced with an estimated 0.57 million unit savings.
5. **Energy Audit Scheme for Commercial / Industrial Consumers:** Under this scheme, the commercial consumers have been offered walkthrough energy audit to make them aware of energy conservation opportunities and potential for saving. These audits are conducted free of cost by the Company's in-house team of certified energy managers and energy auditors. In 2013-14, the Company carried out audit for 57commercial / industrial consumers with annual potential benefit to consumers through energy saving of over 4.52 million units.

Urja Samvardhan Upakram

The Company launched Urja Samvardhan Upakram i.e. energy conservation awareness drive which is not limited to the Company's licensed supply area. Indeed, through this campaign, the endeavour is to reach out to every citizen of Mumbai and make him a partner in this campaign. In 2013-14, 65 workshops were conducted by the Company in various academic institutions, offices, banks, hospitals, industrial estates, housing societies, slum areas, etc. This much acclaimed initiative has reached to more than 6,646 consumers educating them on "Why to conserve and How to conserve Energy".

Let's Turn Around Campaign

For effective implementation of Environmental Management System (EMS), the Company launched an organization-wide environmental awareness campaign, viz. "Let's turn around". The campaign objective is to sensitise employees and other stakeholders on environment and environmental issues; encourage them to play their role and to put their act together to turn around what went wrong in the environment. Over 20 environmental management programmes with the primary objective being resource conservation and pollution prevention, and many other sustainability initiatives are being driven under the same umbrella campaign and aims to reduce the organization's carbon foot print, year on year.

Automation and Information Technology

The focus to shift from IT best practices to "Next" practices that include process automation and business analytics for proactive equipment monitoring and maintenance has now taken shape. Several systems including GIS based Outage Management System (OMS) are live and running and benefits to the operations teams are immense.

In our external business foray through the Restricted Accelerated Power Development and Reforms Programme (R-APDRP), the Company has been awarded a ₹ 114.44 crore IT Implementation Agency (ITIA) contract for Chhattisgarh State Electricity Board. The Company's IT and SCADA consultancy services for various state utilities like Bihar, Chhatisgarh, Haryana, Karnataka and Maharashtra are on full steam.

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 registered an aggregate total income of ₹ 11,306 crore against ₹ 9,818 crore in the previous year, an increase of nearly 15 per cent.

The aggregate power purchase cost increased from ₹ 9,733 crore to ₹ 10,573 crore (an increase of 9 per cent) due to higher bulk supply tariff (BST). Other operating expenses have either declined, remained constant or have increased marginally. This was achieved through tight control and monitoring of all operating expenses and processes.

The aggregate capital expenditure incurred during the year amounted to ₹ 482 crore for upgradation, strengthening and modernization of the distribution system. The aggregate net block including current work in progress stood at ₹ 4,928 crore.

The number of customers using BSES network in 2014 grew by 7 per cent to 34 lakhs from 32 lakhs in the previous year.

Key functional initiatives of BRPL and BYPL

1. **External Interface**
   - BRPL has entered into operational Phase of the management contract with Ethiopian Electric Utility which commenced on August 24, 2013.
     - o Over 150 man months deployed during the 2013-14.
     - o 20 per cent advance as well as payment of first quarter received.
   - BRPL has signed an agreement with NAHCO Energy and Power Limited (a subsidiary of Nigerian Aviation Holding Company Plc. - NAHCO Aviance, Nigeria) for Nigerian Discom License.
   - BRPL has entered into an agreement with Benin Electricity Distribution Company (BEDC), Nigeria for base line estimation of AT&C losses of its Discom. BEDC is one of 11 Discoms of Nigeria which has been privatized by Bureau of Public Enterprises, Nigeria.

- BRPL has signed a 3 year consultancy assignment contract with Uttar Haryana Bijli Vitran Nigam Limited (UHBVNL) for support in 9 modules which covers all major facets of the Distribution Business. Over 40 man months have been deployed since commencement of the contract in June 2013.

2. Customer Care

- BSES customer care and DSS executives were trained by the leading trainers like Frankfinn Institute for improved customer relations.
- 100 per cent compliance across all consumers (Consumer Grievance Redressal Forum, Consumer Dispute Redressal Forum, Ombudsman, and Delhi Electricity Regulatory Commission).
- Discoms have introduced various Customer Centric initiatives:
  - o **E-Courtesy :** A system generated e-mail is sent to the consumer on his registered E-mail id alongwith the details of documents required to process his/her request, in case he/she makes a query at the Customer Service Centres/ Call Centre.
  - **o** **Mobile WAP Site :** BSES consumers can avail several benefits on their mobile phone through the website:www.bsesdelhi.com.
  - o **Payment Confirmation through E-Mail:** BYPL consumers whose email id is registered, get payment confirmation through email for future reference.
  - o **Dishonoured cheque information through E-Mail:** If customer cheque gets dishonoured due to any reason and the entry has been posted in SAP-ISU, an auto E-mail is sent to the registered consumer E-mail id informing him/her about the dishonoured cheque details.
- **Single window concept** introduced at all BSES Customer Care Centres for all commercial and O&M complaints
  - o Upgraded website and web-based Bill
  - o Unified complaint number and queue management system
  - o Preferential treatment to senior citizens and customer feedback surveys
  - o Customer Education: Door step services, anti power theft drive, meters, earth leakage circuit breakers, compact fluorescent lamps, light emitting diode (LED) promotion, earth leakage, and energy calculator
- **Renewable Energy Fairs** were organised in collaboration with Energy Efficiency and Renewable Energy Management Centre (EE & REM), Delhi, with an object to create awareness amongst RWA's about energy efficiency measures and use of renewable energy products.

3. Human Resources and Performance Management

- Performance orientation among GPA employees through on-line ACR process implementation
- Increased employee engagement through welfare activities like sports events, women's week, Painting, birthday and marriage gifts, employee health checkup, career counseling of employee wards, etc.
- Continuous training initiative on consumer service improvement 'Sampoorn Bijli Abhiyaan' via employee engagement linked to recognition involving business and O&M divisions covering 2,518 employees
- Continuous skill development through training and development – more than 7,000 mandays of training and quality circles implementation and awards representations
  - o 7 teams won Gold in Delhi chapter convention
  - o 2 teams won Par-excellence and 5 won excellence at national level

4. Peak Demand on the network

The Peak Demand on the network, as given below, was successfully met by the Discoms and there were correspondingly lesser instances of distribution network failures.

(In MW)

BRPL			BYPL		
2012-13	2013-14	Growth	2012-13	2013-14	Growth
2,338	2,235	(-) 4.4 per cent	1,461	1,487	1.7 per cent

5. Key Regulatory Developments during 2013-14

- Tariff hike of 5 per cent approved vide Tariff Order dated July 31, 2013
- PPAC for Q3-2013-14 approved vide Order dated January 31, 2014 (BRPL – 6 per cent , BYPL – 8 per cent)
- BYPL PPA for CGS/SGS reassigned from existing 27.24 per cent to 25.4 per cent vide DERC order dated February 27, 2014.
- BRPL PPA for CGS/SGS reassigned from existing 43.58 per cent to 43.92 per cent vide DERC order dated February 27, 2014.
- ATE Judgment dated November 14, 2013 regarding timely amortization of regulatory assets, rationale of PPA mechanism and non implementation of pending ATE.

Generation Business

Reliance Infrastructure with its subsidiary owns and operates five power stations with aggregate generating capacity of 941 MW of power 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 operates the 2 x 250 MW power plant and continues to maintain its numero uno position among the power stations in the country. Till 2012-13, the power station was operating with a PLF of greater than 100 per cent consecutively for seven years and overall for nine years. In 2013-14, the Plant Load factor was 93.82 per cent. The reduction in PLF was on account of low demand in western grid, following generation backing down of 276.647 MUs, as per State Load Dispatch Centre (SLDC) instructions. Had there been no backing down, DTPS PLF would have been 100.13 per cent.. The station has also been maintaining greater than 94 per cent plant availability consecutively for the past eleven years.

In 2013-14, DTPS coal testing laboratory got accredited for ISO 17025:2005 - Laboratory Management system by National Accreditation Board of Laboratories (NABL). DTPS was re-certified for Integrated Management System (comprising Quality ISO 9001:2008, Environment 14001:2004 and OHSAS 18001:2007) and Energy Management system ISO 50001:2011. In addition, the power station is certified for Information Security Management System ISO 27001:2005 and Social Accountability SA 8000:2008.

The Samalkot Power Station operates the 220 MW combined cycle power plant at Samalkot in Andhra Pradesh. The station is certified with Integrated Management System (IMS) covering ISO 9001, ISO 14001, OHSAS 18001, ISO 27001 and SA8000 standards.

The Goa Power Station operates 48 MW combined cycle power plant in Goa. The power station is certified by DNV for ISO 14001:2004, ISO 9001:2008, ISO 27001:2005 and OHSAS 18001:2007 under the Integrated Management System. The Goa Power Station has successfully converted from liquid fuel to dual fuel operation. The Station has Installed and commissioned CAAMS – Continuous Ambient Air Monitoring System. The Surveillance system is also established in the Goa Power Station.

The Wind Farm Project operates 36 windmills with an aggregate generation capacity of 9.39 MW at Chitradurga in Karnataka. Its performance is constantly monitored through the Supervisory Control and Data Acquisition System (SCADA) at the wind farm.

Key Operational Parameters:

Generation stations	Capacity (MW)	Units Generated (Million Units)	Plant Load Factor (per cent)	Plant Availability (per cent)
Dahanu*	500	4,109*	93.82	95.87
Samalkot	220	492	25.53	97.90
Goa	48	241	57.4	91.00
Kochi	165	352.2	24.4	98.73
Wind Farm, Karnataka	9	22	27.10	98.25
Total	942	5,216		

*Backing down of 276.647 MUs as per SLDC instruction

Transmission Business

Western Region System Strengthening Scheme II (WRSSS–II)

Reliance Power Transmission Limited (RPTL), a subsidiary of the Company, is implementing two projects secured through International competitive bidding with an approximate project cost of ₹ 1,700 crore on build, own and operate (BOO) basis. These involve construction, maintenance and operation of nine transmission lines of 3,064 circuit kms length (six lines with line length of 2,090 circuit kms being executed by Western Region Transmission (Maharashtra) Private Limited and three lines with line length of 974 circuit kms by Western Region Transmission (Gujarat) Private Limited.

RPTL has successfully completed all the six transmission lines associated with the Western Region Transmission (Maharashtra) Private Limited. RPTL commissioned three lines viz Pune – Parli, Pune – Aurangabad and Lonikhand-Kalwa circuit II in Maharashtra. I 2013-14. These lines will enable power flow from eastern region to energy starved westen region. In Gujarat, two lines Limbdi – Vadavi and Vadavi – Kansari are commissioned with an aggregate length of 488 circuit kms. These lines are being operated successfully with availability being maintained at more than 99 per cent in all cases. Construction of the third line in Gujarat i.e. Rajgarh – Karamsad is completed except for the forest stretch. Forest clearance has been received for this stretch but wildlife clearance is awaited.

Revenue to the tune of ₹ 130 crore has been realized in the year 2013-14. These projects are backed by a sound payment security mechanism now introduced by the Central Electricity Regulatory Commission (CERC) in the sector for all inter-state transmission projects under the Point of Connection charges (PoC) mechanism.

Parbati Koldam Transmission Corporation Limited

This project is under implementation through the above joint venture with Power Grid Corporation of India Limited (PGCIL) under Build, Own and Operate (BOO) structure and cost plus tariff model with an estimated project cost of ₹ 1,100 crore. The project consists of construction, maintenance and operation of 400 kV Transmission lines from 800 MW Parbati-II Hydro Electric Project (HEP) (being constructed by National Hydro Power Corporation Limited) to 800 MW Koldam HEP (being constructed by NTPC Limited) in Himachal Pradesh. It is entrusted with 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 of 457 circuit kms. The power evacuated from these stations shall benefit the 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 these beneficiaries. After issue of transmission license by CERC, statutory approvals under section 164 of the Electricity Act, 2003 and aviation clearances from the Ministry of Defence and both Stage-I and Stage-II forest clearances have also been received for all the transmission lines. A major part of the project, i.e. 302 circuit kms Koldam-Ludhiana line has been recently commissioned along with a 3.5 km priority section. Commissioning of this line will significantly improve the power flow to 13 north Indian state utilities.This project will be fully commissioned in 2014-15.

Mumbai Transmission

The Mumbai Transmission Division is operating with eight 220 kV Extra High Voltage (EHV) substations having total 3,000 MVA transmission capacity with around 540 circuit kms. of 220 kV lines. Five out of eight 220 kV EHV substations are new technology vertically designed, multi-storied and compact GIS

(Gas Insulated Switchgear) based EHV sub-stations. Transmission network is connected at nine points with the state grid adding further strength to the Mumbai power system.

The Mumbai Transmission Division always keeps its high standards of maintaining its network availability of 99.76 per cent registered for 2013-14. The system availability maintained by the Division is above the norms set by the regulator and as a result, the business is operating consistently in incentive zone. This was possible only due to adoption of best practices and tireless efforts of the dedicated teams at the Transmission Group.

MERC by its order (Case no. 56 of 2013) has approved tariff of ₹ 417.51 crore allowing recovery of all past dues in 2013-14. MERC vide MYT tariff order (Case no.141 of 2012) has approved tariff of ₹ 318.23 crore and ₹ 399.75 crore for 2014-15 and 2015-16, respectively.

A total capital expenditure of ₹ 45 crore was incurred during 2013-14 for Mumbai system strengthening projects with ₹ 42 crore being capitalized. A capital expenditure of ₹ 956 crore has been incurred towards the Mumbai system strengthening projects with ₹ 940 crore capitalized till 2013-14.

Implementing innovative technical solutions to counter various issues have been the constant endeavour at RInfra transmission, leading to which, RInfra transmission has established System Study Team and Research and Development (R & D) team to carry out system simulation/ studies, load flow analysis with the help of the latest network analysis software and in association with premium technical institutions. Some of the areas of R & D activities are Live line monitoring of EHV cable, proactively identifying any digging activity near EHV cables, noise reduction methods for power transformers, etc.

RInfra Mumbai Transmission has made its remarkable appearance on quality fronts. There were eight SGA teams which presented their quality initiative projects at the National Chapter for Quality Circle.

(NCQC) organized by Quality Circle Forum at national level, claiming one "Par Excellence Award", six "Excellence Award" and one "Distinguished Award". RInfra also showed its presence at the International Convention of Quality Circle (ICQC) 2013 grabbing Excellent Award which is the top most award amongst other criteria.

RInfra Mumbai Transmission has been active on various technical fora and presented many technical papers at various national and international fora. "Urban 220 kV Cable Transmission: Paradigm Perspective" was presented at Conseil international Des Grands Rseaux Electriques (the International Council on Large Electric Systems) (CIGRE) India 2014, which is further selected for International forum of CIGRE.

North Karanpura Transmission Project

The North Karanpura Transmission Project is on build, own, operate and maintain (BOOM) basis and is being implemented by the project SPV, viz North Karanpura Transmission Company Limited (NKTCL). It involves construction of three 765 kV transmission lines of length of about 800 km and two 400 kV transmission lines of length of about 240 km. These lines would connect Lucknow, Bareilly, Meerut, Agra, Gurgaon, Sipat and Seoni. The project also involves construction of one 400/220 kV GIS substation at Gurgaon.

Whereas the survey and design activities of the project had already been completed, there was huge delay in receipt of enabling clearances to start construction - namely, authorization under section 164 of the Electricity Act, 2003. The project company filed a petition with the Appellate Tribunal of Electricity (ATE) against the CERC order wherein it sought various relief measures in terms of tariff escalation and time extension for project completion. ATE, in its judgment on December 2, 2013 upheld the Force Majeure claim filed by NKTCL. ATE order has been challenged in the Supreme Court by Gujarat Urja Vikas Nigam Limited (GUVNL) and Maharashtra State Electricity Transmission Company Limited (MSETCL).

Talcher II Augmentation Project

This project is on build, own, operate and maintain (BOOM) basis and is being implemented by the project SPV Talcher II Transmission Company Limited (TTCL). The project comprises of three 400 kV Double circuit transmission lines of 670 kms. These lines would connect Talcher, Rourkela, Behrampur and Gazuwaka. One substation of 400/220 kV at Behrampur is also in the scope of execution of the project.

Whereas the survey and design activities of the project had already been completed, there was huge delay in receipt of enabling clearances to start construction - namely, authorization under section 164 of the Electricity Act, 2003. The project company filed a petition with the Appellate Tribunal of Electricity (ATE) against the CERC order wherein it sought various relief measures in terms of tariff escalation and time extension for project completion. ATE, in its judgment on December 2, 2013 upheld the Force Majeure claim filed by TTCL. ATE order has been challenged by Tamilnadu Transmission Corporation Limited in the Supreme Court.

Power Trading Business

Power trading in the country as a whole is passing through a difficult phase. Many states are imposing restrictions on open access, some on sale of power by generators and some on purchase by the consumers. The problem has been further aggravated by the financial condition of state utilities who are failing to release timely payment.

Despite operating with caution, Reliance Energy Trading Limited (RETL), a subsidiary of the Company, continues to be amongst the top five traders in the country. RETL traded 5,190 MUs in 2013-14 against 5,333 MUs in 2012-13.

In view of the prevailing market conditions, the Company has decided to take a cautious approach and go soft at this stage and until the revival of the market.

The EPC and Contracts Business

The EPC and Contracts Division of RInfra is a leading service provider of integrated design, engineering, procurement and project management services for undertaking turnkey contracts including coal-based thermal projects, gas-power projects, transmission lines, infrastructure projects, viz. road projects.

The Division is equipped with the requisite expertise and experience to undertake the EPC projects within the budgeted cost and time frame, ensuring customer satisfaction in terms of quality and workmanship. The Division has constructed various greenfield projects in small, medium, large and mega categories in the last two decades.

The Division continued to perform well in the year 2013-14 and sales and the order book position as on March 31, 2014 were ₹ 4,687 crore and ₹ 6,615 crore, respectively.

The following major projects are currently under execution by the EPC Group.

Power Projects

6 x 660 MW Sasan Ultra Mega Power Project (UMPP), Madhya Pradesh

Sasan UMPP is one of the largest domestic coal based power plants executed by the EPC Division of the Company.

Key project highlights are:

- Over 93.5 per cent overall project progress achieved.
- Successfully achieved commercial operation of its first unit (Unit No.3) and second Unit (Unit No. 2).
- Third unit (Unit No.4) successfully synchronized with grid and achieved full load.
- Fourth Unit (Unit No.1) turbine box up completed, boiler light up preparation is in advanced stage.
- Hydro Test of fifth Unit (Unit No. 5) successfully completed.
- Sixth Unit (Unit No. 6) boiler pressure parts erection is in full swing.
- Work is in full swing in the boiler, turbine and generator (BTG) areas.
- Both switchyards viz. 400 kV and 765 kV are commissioned and connected to the grid.
- Chimney commissioned for three units. chimney flue can erection work completed for five units and in progress for sixth unit.
- Water system commissioned for the first three units.
- Coal handling plant commissioned for four units and the over land conveyor for coal transportation from mine commissioned in June 2013.
- 132 kV transmission line for over land conveyor commissioned.
- 33 kV transmission line to raw water intake pump house commissioned.
- Ash handling plant commissioned for three units and work is in progress for other units.

Sasan Mine (Moher and Moher-Amlori extension) Infrastructure for SUMPP

The Government had allocated Moher and Moher–Amroli extension coal mines in the Singrauli coal fields to Sasan Power Limited, the project company developing the Sasan Ultra Mega Power Project. Coal production from the mines have commenced in September 2012.

Key project highlights are:

- Coal handling plant (4,500 tonnes per hour) phase 1 has been commissioned and is delivering the required coal to the power plant.
- Two draglines having bucket capacity of 61.5 cubic meter which is twice the size of the largest dragline ever to be used in India is under advanced stage of erection.
- 132 KV / 33 KV substation along with 33 KV ring main system commissioned to extend the power supply to the mining equipments.
- Workshop facility for equipment maintenance has been made available.

2 x 300 MW Butibori Power Project in Maharashtra

Key project highlights are:

- Commercial operation of unit No. 1 and unit No. 2 started
- Railway siding : track laying of 22 kms out of 23 kms completed.
- Water conveyor system for Unit - 2 : Water intake pump house and pipeline (17 kms) completed and commissioned.

2 x 600 MW Raghunathpur Thermal Power Station in West Bengal

The project was awarded to the Company by Damodar Valley Corporation (DVC) for 2 x 600 MW Thermal Power Plant at Raghunathpur in West Bengal.

Key project highlights are:

- 91.20 per cent overall project progress achieved as on March 31, 2014.
- Unit No. 1 (600 MW) synchronized
- Boiler drainable hydro test of Unit No.2 completed.
- Unit No. 2 critical piping: Main steam and CRH line hydro test completed
- Unit No. 2 LP turbine trial box-up completed
- Unit No. 2 Electrical system: Station transformer, HT and LT switchgear have been energized.
- Ash dyke formation work in progress.

2 X 600 MW Rajiv Gandhi Thermal Power Project, Hisar, Haryana

The project is a turnkey project awarded by Haryana Power Generation Corporation Limited (HPGCL) for generating power in Haryana. Both units have been completed and is under commercial operation by HPGCL. and provisional takeover of Unit No.1 obtained from HPGCL

2 X 300 MW Deenbandhu Chhotu Ram Thermal Power Project (DCRTPP), Yamunanagar, Haryana

The project is a turnkey project awarded by Haryana Power Generation Corporation Limited (HPGCL) for generating power in Haryana and final take over of both units obtained from HPGCL

2 x 250 MW Parichha Thermal Power Project –II (Unit 5 and 6) (Balance of Plant Package)

The project of the Balance of Plant package was awarded to the Company by Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL) for the 2 X 250 MW Parichha Thermal Power Plant Extension-II. Commercial Operation Date (COD) of Units No. 5 and 6 have been achieved.

EPC contract of Road Projects

The EPC Group is also executing contracts for development of various toll roads awarded to the SPVs of the Company. During the year 2013-14, the EPC Group achieved significant progress on these projects.

The Jaipur-Reengus toll road has toll operations started in first quarter of 2013-14. Four of the toll projects which are under construction viz. Pune-Satara toll road, Hosur- Krishnagiri toll road, Kandla-Mundra toll road and Delhi – Agra toll road have also made satisfactory progress of 42 per cent, 74 per cent and 55 per cent and 5 per cent of the project work respectively.

EPC contract of Transmission Project

The EPC group has almost completed the execution of Western Region System Strengthening Scheme II (WRSSS-II) awarded to two SPVs of the Company viz. Western Region Transmission (Maharashtra) Private Limited and Western Region Transmission (Gujarat) Private Limited, achieving 96 per cent and 98 per cent overall progress, respectively.

Infrastructure Projects

Roads Projects

The Company is amongst the largest developers of road and highway projects for the National Highways Authority of India (NHAI) under the build, operate, transfer (BOT) scheme. The Company has 11 road projects worth ₹ 11,500 crore in its portfolio, of which ten projects have started generating revenues and the remaining one project would start generating revenue shortly.

Three road projects i.e Jaipur Reengus (JR), third toll plaza at Salem Ulundurpet (SU) and Trichy Karur (TK) became revenue operational in 2013-14. During the year under review, the Company submitted Request for Qualification (RFQ) for eight projects worth ₹ 23,620 crore. Post qualifications, the Company shall bid only if the project meets the Company's risk-return policy parameters.

Salient features of our existing projects include:

1. **NK Toll Road** Limited was set up with the objective to design, build and operate NH 7 for 43 kms connecting Namakkal and Karur in Tamil Nadu. Toll is being collected on this road for over past four years. Namakkal is known for vehicle body building and poultry industry, whereas Karur is one of the leading town for the textile industry. NH 7 is one of the busiest sections of the north south corridor of South India. The project stretch crosses the river Cauvery through a major bridge. It is a part of the golden quadrilateral of national highways.

2. **DS Toll Road** Limited was set up with the objective to design, build and operate NH 7 for 53 km long 4 lane National Highway (NH 7) road connecting Dindigul and Samayanallore near Madurai in Tamil Nadu. Toll is being collected on this road for over past four years. The project has considerable industrial traffic due to its proximity to Madurai industrial hub and textile industries in Coimbatore and Tirupur. Besides, the project stretch facilitates transportation of Tuticorin-port based traffic, primarily comprising iron ore, textiles and wooden logs. Traffic is also driven by sand quarries around the stretch. The road provides connectivity to pilgrim and tourist traffic visiting Meenakshi temple of Madurai, Palani temple and Kodaikanal hill resort.

3. **TD Toll Road** Private Limited was set up with the objective to design, build and operate 87 km long 4 lane National Highway (NH45) road connecting Tiruchy and Dindigul in Tamil Nadu. Toll is being collected on this road for over the past two years.The project stretch facilitates religious tourism to Srirangam (a Vaishnavite temple in Tiruchy), the famous Sabrimala Temple in Kerala and the Palani Temple. Tourist traffic from Tiruchy/South East Tamil Nadu going to Kodaikanal also uses this project road. There is also substantial Chennai-bound traffic using the highway. Agricultural produce grown at Tiruchy and nearby areas are brought to Dindigul for wholesale trading. A flourishing handloom industry in the vicinity of Dindigul adds to the industrial traffic on this stretch. Moreover, Dindigul is a hub for locks, steel safes, textile and coffee.

4. **TK Toll Road** Private Limited provides connectivity from Tiruchy to Karur in Tamil Nadu vide a 63 km long 4 lane National Highway (NH 67) road. The project commenced commercial operations in February 2014. The Project road is parallel to river Cauvery which is also known as the sand bank of India. The river belt near Karur plaza is a supply centre for sand to Coimbatore, Salem and Madurai. The major traffic at Tiruchy plaza is agricultural produce which is supplied to Tiruchy, Chennai, Dindigul and Madurai. The presence of Tiruchy temple contributes to high tourist traffic.

5. **SU Toll Road** Private Limited was set up with the objective to design, build and operate 136 km long 4 lane National Highway (NH 68) road from Salem to Ulundurpet in Tamil Nadu. This was the first project of more than 100 kms to be awarded by NHAI on build, operate and transfer basis. Tolling on this road commenced from July 2012.The project corridor connects two important National Highways, NH 7 and NH 45. The project stretch carries freight traffic predominantly between Coimbatore/ Salem and Chennai/ Cuddalore port. Salem has established itself as one of the major textile centres in Tamil Nadu. Salem steel plant, a unit of Steel Authority of India Limited (SAIL), produces cold rolled stainless steel and hot rolled stainless /carbon steel. The stretch also facilitates tourist traffic primarily to Pondicherry in east and to Palakkad and Thrissur in Kerala to the west.

6. **HK Toll Road** Private Limited was set up with the objective to design, build and operate 60 km long six lane National Highway (NH7) road between Hosur and Krishnagiri in Tamil Nadu. Toll is being collected on this road for over the past two years. This project is a part of the golden quadrilateral, connecting Bengaluru to Chennai and other southern parts of India. There is substantial commercial traffic on the stretch, contributed by industries/factories, especially of automobiles and granite, located in Hosur and Krishnagiri. Traffic is also driven by the famous tourist spots of Krishnagiri dams, Hogenakkal falls and the fort of Tipu Sultan.

7. **PS Toll Road** Private Limited was set up with the objective to design, build and operate 140 km long six lane National Highway (NH4) road between Pune and Satara in Maharashtra. The project is a part of the golden quadrilateral which connects Mumbai and Bengaluru. Toll is being collected on this road for over the past three years. Construction work is in full swing.This project is along the main corridor connecting Mumbai and Pune to southern

parts of Maharashtra and southern states of India. The stretch attracts tourist traffic of Mahabaleshwar, Panchgani, Balaji temple and Pandharpur temple. Commercial traffic is driven by industrial area in Shirwal and is expected to receive further boost by the proposed SEZ in Shirwal. The stretch has a lot of agro processing clusters.

8. **GF Toll Road** Private Limited was set up with the objective to design, build and operate 66 km long four lane road connecting Gurgaon and Faridabad for the Haryana Public Works Department. The project scope involves construction and tolling of 4 lane corridor between Gurgaon-Faridabad of 33.10 kms and improvement/reconstruction of Ballabgarh-Sohna road of 33.98 kms. Tolling on this road commenced from June 2012. Presence of crusher zone along this route provides a lot of 3 axle and multi axle vehicle traffic. The project stretch also serves as partial ring road to Delhi connecting two important commercial and residential settlements in Gurgaon and Faridabad. This stretch has reduced travel time from Faridabad, one of the fastest growing cities of India, to the Delhi international airport, thereby providing huge relief to office commuters between Gurgaon and Delhi. Separate electronic toll collection lanes have also been provided reducing thereby waiting time for commuters at the toll plazas.

9. **JR Toll Road** Private Limited was set up with the objective to design, build and operate 52 km long four/ six lane National Highway (NH11) road connecting Reengus in northern part of Rajasthan to its capital city, Jaipur. The project has commenced commercial operations in July 2013.This stretch is the main highway connecting the State capital Jaipur with regions like Chomu, Sikar, Bikaner and Fatehpur. The presence of Chomu and Vishwakarma industrial areas, known for agricultural equipment and other industries, contribute significant traffic growth potential along the corridor. The stretch provides main access to the famous pilgrimage spots like Khatu Shyamji temple and Salasar Balaji temple which attract a large number of devotees throughout the year.

10. **DA Toll Road** Private Limited was set up with the objective to design, build and operate 180 km long six laning National Highway (NH 2) road between Delhi and Agra in the state of Uttar Pradesh. Tolling on this road commenced in October 2012. Construction work is in full swing.This project is along the main corridor connecting Delhi with other parts of India. The road stretch – part of the golden quadrilateral - passes through the Faridabad industrial hub, pilgrim locations of Mathura, Vrindavan and Govardhan Parbat and ends at the tourist location of Agra, which is home to the well-known Taj Mahal. There is considerable industrial traffic due to the presence of a large oil refinery in Mathura, Faridabad-Ballabgarh-Palwal industrial complex and wide-scale export garments from Faridabad. Moreover, Agra has many manufacturing plants and wholesale markets with leather, apparel, automobile, jewellery and handicraft industries.

11. **KM Toll Road** Private Limited was set up with the objective to design, build and operate 71 km four/ six lane National Highway (NH8A) road between Kandla and Mundra ports in Gujarat. The project is in construction stage.This project shall provide connectivity to two major ports of India, thus attracting substantial cargo traffic and also caters to the traffic generated by various industries in the project influence area. The traffic prospects of the project are driven by the expansion plans of Mundra port due to capacity constraints. Mundra Port contributes to around 50 per cent of Gujarat's container trade.Existence of Mundra SEZ (the largest SEZ in India), steel plants, timber industry and other industries in the vicinity would also contribute to significant traffic on this stretch.

Information Technology in the Road Business

Successful implementation and launch of electronic toll collection lanes on the Gurgaon Faridabad toll road has considerably reduced customer wait time at toll plaza and provides better customer services.

With standardized IT practices and processes, the Company has successfully passed the recertification audit for ISO 27001, conducted by global firm, British Standards Institute (BSI), at its Pune-Satara and Hosur-Krishnagiri Toll Roads.

An in-house project management tool, called Simplify, has been developed for centralized monitoring and control of project progress. This tool is useful for any firm in managing linear infrastructure projects.

Various technology initiatives are implemented for catering to specific needs of toll operations such as privilege cards for operational control, mobile hand held terminal integrated with toll management system for reducing wait time at toll booths, centralized video surveillance for compliance monitoring, etc.

Achievement

- Kandla Mundra toll road project is the first toll road project in India to receive funding from deutsche investitions-und Entwicklungsgesellschaft mBH, germany (DEG), a German development finance institution.
- All eleven toll road project sites are ISO 9001:2008 certified.

Metro Railways

1. **Mumbai Metro One Private Limited**

The Mumbai Metro Line 1 of the Versova-Andheri-Ghatkopar (VAG) corridor was awarded by the Mumbai Metropolitan Region Development Authority (MMRDA) through a global competitive bidding process on public-private-partnership (PPP) framework to the consortium led by the Company. A special purpose vehicle, Mumbai Metro One Private Limited (MMOPL) was incorporated for implementation of the project.

Reducing the vehicular traffic substantially, the project would provide the first east-west connectivity in the suburban Mumbai for an estimated six lakh commuters per day with marginally higher fares compared to the fares charged by local buses of Brihanmumbai Electric Supply and Transport (BEST) Undertaking. In Comparision to local train, Metro train is fully air conditioned, runs at an interval of 4 minutes during peak hours and provides world class commuting facilities. The biggest advantage of the system is the reduction in travelling time from 120 minutes to about 20 minutes along with improved travelling experience.

The project commenced commercial operations on June 8, 2014 with a promotional fare of ₹ 10 for the first one month only. MMOPL would operate and maintain the line for the remaining concession period of 30 years.

Going by the reports, the Metro was a welcome relief to the commuters on this corridor and has also lessened the strain on road traffic along this route.

The project is now governed under the provisions of the Central Metro Acts. Accordingly, the Government vide its gazette notification No 3445(E) has added the metro alignment of Mumbai Metro Line 1 (Versova-Andheri-Ghatkopar Corrdior) in the schedule of the Metro Railways (Construction of Works) Act, 1978.

In line with the provisions of the Central Metro Acts, the fare shall be fixed as per the provisions of the Central Metro Act which is applicable to the project. Accordingly, as per the provisions of the Act, Mumbai Metro One Private Limited (MMOPL) in the capacity as the Metro Railway Administration (MRA) shall fix the fare for the project. Mumbai Metro fare shall be fixed as per the prevalent practice to ensure sustainability of operation and comparable with other existing modes of transport after considering the facilities that metro provides.

On a petition by the MMRDA on the revised tariff proposed by MMOPL, the Bombay High Court dismissed the plea and stated that MMOPL, has the right to decide the fare for the initial opening until Fare Fixation Committee (FFC) decides applicable tariff.

2. Delhi Airport Metro Express Private Limited

The Reliance Metro Airport Express Line project of Delhi Airport Metro Express Private Limited (DAMEPL) had been developed, financed, constructed, operated and envisaged to be maintained by the consortium for concession period of 30 years, through a special purpose vehicle viz. DAMEPL. The Reliance Metro Airport Express Line is the first PPP project to be operational in Indian metro rail space.

The Reliance Metro Airport Express Line became operational in February 2011 and the average daily ridership reached to peak of 20,000 in a very short span. The line was under successful operations for almost 16 months.

However, the line operations had to be suspended from July 8, 2012, for a period of about eight months, on account of defects observed in civil structures constructed by Delhi Metro Rail Corporation (DMRC).

The Company terminated the Concession Agreement and the project was handed over to DMRC due to non-viability of operations. Currently, the Metro line is being operated by DMRC with effect from July 1,2013.

The termination of Concession Agreement has been referred to arbitration proceedings and the same is in advanced stage of completion.The Company is confident of recovering the outstanding dues under dispute from DMRC.

3. Mumbai Metro Transport Private Limited

The 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 the Company led consortium in 2009. A special purpose vehicle namely, Mumbai Metro Transport Private Limited (MMTPL) was incorporated to carry out design, financing, construction, operation and maintenance of the project.

Two depots are proposed for maintenance of the train rakes at Charkop and Mankhurd. The land earmarked for these depots substantially falls within the Coastal Regulation Zone (CRZ). The permission to locate the depots on the CRZ land has been granted by the Ministry of Environment and Forests (MoEF) with conditions imposed which make the depot unviable / impracticable. Besides, the Government of Maharashtra (GoM) has been unable to obtain a relaxation from the MoEF. Consequently, GoM has failed to fulfil its Conditions Precedent as required under the Concession Agreement. MMTPL has been highlighting its concerns in the matter and seeking expeditious resolution of the matter at all levels of the State Government.

Various other issues are pending with the GoM impacting the project, due to which the Company is unable to start the civil works.

Airport Projects

RInfra with its subsidiary company, Reliance Airport Developers Private Limited (RADPL) was awarded lease rights for 95 years to develop and operate five brownfield airports in Maharashtra at Nanded, Latur, Baramati, Yavatmal and Osmanabad in November 2009 by the Maharashtra Industrial Development Corporation (MIDC).

Project Progress

All five airports are fully operational, handling charter aircraft movements and have potential for further traffic growth due to increased economic and industrial activities.

Aerodrome License in the public use category by the Directorate General of Civil Aviation (DGCA) has been renewed for Nanded Airport and the airport is capable of handling scheduled flight operations, up to aircraft type Airbus 320/Boeing 737.

Airport business has adopted aggressive business development strategies. Outdoor and indoor advertising opportunities and setting up of airport restaurants are underway at the airports. Aviation training academies are being operated from two airport locations; Baramati and Osmanabad. Apart from these, innovative non-aeronautical revenue streams at these airports such as automobile testing, film /TV commercials shooting, aero sports events, skydiving activities, air-shows, etc. are also being undertaken.

Cement Projects

Reliance Cement Company Private Limited is currently operating 3 cement plants – Maihar (Dist: Satna, Madhya Pradesh), Kundanganj (Dist: Raebareilly, Uttar Pradesh) and Butibori (Dist: Nagpur, Maharashtra) with combined installed cement manufacturing capacity of 5.8 million tons per annum (MTPA). Another 5 MTPA equivalent cement manufacturing facility is being developed at Mukutban (Dist: Yavatmal, Maharashtra).

During this year, the Company has started production from its two plants at Maihar and Kundanganj.

5 MTPA equivalent integrated cement manufacturing facility at Maihar is put to operation 5 months ahead of targeted schedule while setting new benchmarks for capex efficiency – nearly 25 percent lower than the comparable recent transaction values.

The Company in a short span of a few months has built a strong distribution network of channel partners in Uttar Pradesh, Madhya Pradesh, Bihar, Jharkhand and West Bengal and aspires to be one of the leading players in India. The Company has also applied for various mining leases/prospecting licenses in the states of Madhya Pradesh, Karnataka, Uttarakhand, Uttar Pradesh, Maharashtra, Chhattisgarh and Rajasthan.

Reliance Cement aspires to be the NextGen Cement Company, and counted amongst the top five cement companies in India. All the processes of the Company, for manufacturing, sales and distribution, customer service and administration are designed to be fully automated and compatible to the expectations of the NextGen consumers.

All plants are designed with the new age technology – automatic process control with gamma scanners and robotic laboratory are integral part of the manufacturing setup. Further more, the entire manufacturing process from raw material mining to dispatch of cement to end customer is designed to require no human intervention.

Some of the unique features of Reliance Cement are – Use of UPSD Technology (Uniform Particle size Distribution Technology) for unmatched bonding strength, manufacturing with robotic quality control, faster setting time and unique tamper proof / weather proof packaging. Additionally, unmatched technical support for the customer during the entire cycle of house building is expected to create a niche segment where supply of a high quality product is augmented with reliable customer support.

Reliance Cement is strategically targeting the high margin Individual House Builder (IHB) in the potential high growth markets of Uttar Pradesh, Bihar, Jharkhand and West Bengal while positioning itself as a premium cement brand.

Real Estate

During the year under review, the Company obtained the environment clearance for the Hyderabad business district and Trade tower project.

APIIC finally appointed an independent consultant after undue delay and their report along with recommendations was placed in the APIIC Board. The Board is also favourably considering our additional request to extend the concessions for the corresponding period of delay. Your Company is hopeful that the process would be completed shortly and the amendment agreements are duly signed during the year, so as to put the project on implementation mode.

Major Associate Company - Reliance Power Limited

Reliance Power Limited (RPower), an associate company in which the Company holds 42.21 per cent equity stake, has India's largest portfolio of private power generation and resources under development.

The portfolio of RPower comprises of multiple sources of power generation – coal, gas, hydro, wind and solar energy. The Company is also developing coal mines in India and in Indonesia with combined resources of 4 billion tonnes, and thereby intends to become one of the largest integrated power and coal companies in the world.

RPower currently has an operational capacity of 4,525 MW comprising of 4,440 MW of thermal capacity and 85 MW of renewable energy based projects. The operational thermal capacities include 2,640 MW of the 3,960 MW Sasan Ultra Mega Power Project (UMPP) in Madhya Pradesh – the largest integrated power plant and coal mining project in the world. Coal for the project is being mined from the nearby Moher and Moher - Amlohri captive mines. RPower also owns and operates the 1,200 MW Rosa Power plant in Uttar Pradesh and the 600 MW Butibori power plant in Maharashtra. In the renewable energy space, RPower operates a 40 MW photovoltaic solar plant in Rajasthan and a 45 MW wind farm in Maharashtra. It is also in advanced stage of construction of a 100 MW solar thermal plant in Rajasthan.

Further, more than 20,000 MW of coal-based power projects are in various stages of implementation and development. The power projects are planned across geographic locations with diverse fuel type, fuel source and off-take arrangements. As a strategic consideration, the projects are either located near available fuel supply source or load centre, to derive benefit from access to competitive fuel and/or access to power deficit markets. The Company intends to sell a major part of the power generated by these projects under long-term power purchase agreements (PPAs) to state-owned and private distribution companies.

Risks and Concerns

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 and Contracts Division are derived from the domestic market. The Company has made significant investments in various new businesses in the infrastructure sector in the country.

These sectors 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 these sectors. 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, there exist systems to island its power stations from the grid in such eventualities.

The consumer tariffs are regulated by State Electricity Regulatory Commission. 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.

Management Discussion and Analysis

Pursuant to the Electricity Act 2003, there is a 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 equipments 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. The Company is currently developing highways for NHAI, Public Works Department of a State Government and other authorities, transmission system, metro rail, airport and cement projects. The past experience of the Company in implementing projects without significant time 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. The Company undertakes liability management 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.

Risk Management Framework

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 an ongoing basis by respective Business Heads and Functional heads across the organization in coordination with Management Audit and Risk Assessment Department (MA&RA). The risk review and assessment is carried out by the Risk Management Committee (RMC) on a quarterly basis after deliberating on significant risks faced by the Company. Based on the deliberations at RMC meetings, note on risk profile is drawn up and presented to the Audit Committee every quarter and a risk assessment and minimization procedure is presented to the Board of Directors annually.

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 stores and maintains on a regular basis, all the relevant data and information as a back up to avoid any possible risk of losing important business data.

Professional internal audit firms review the systems and processes of the Company in coordination with MA&RA .and this is helpful in providing independent and professional opinion on the internal control systems.

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

Environment, Health and Safety

Dahanu Thermal Power Station (DTPS)

During the year under review, both external and internal audits were conducted on a regular basis. Mock drills were conducted periodically to ensure emergency and disaster management preparedness. Regular safety committee meetings were conducted to identify safety measures to be adopted to continually improve the safe working conditions.

All emission parameters were well below the 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.

Sr. No.	Parameters	M P C B* Limits/Norms	2011-12	2012-13	2013-14
1.	Stack				
	Total Particulate Matter (TPM) mg/Nm3	150	43.9	44.6	46.1
	Sulphur Dioxide (SO2) TPD	8.04	4.1	3.9	4.1
	NOx (ppm at 15 per cent excess oxygen v/v)	150	71.8	69.0	69.4
2.	Ambient Air Outside Plant Premises				
	Particulate Matter < 10 μg/M3	100	#	30.8	36.2
	Particulate Matter < 2.5 μg/M3	60	#	13.9	18.1
	Sulphur Dioxide (SO2) μg/M3	30	4.0	3.3	4.2
	Oxides of Nitrogen (NOx) μg/M3	30	12.7	13.4	13.6

* Maharashtra Pollution Control Board

Particulate Matter < 10 μg/M3 and < 2.5 μg/M3 were measured from 2012-13, as per new regulations

Samalkot Power Station

The average levels of emission recorded at the power station during the year 2013-14 were much below the limits stipulated by the Andhra Pradesh Pollution Control Board (APPCB). The station is 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 92 months in a row is one of the major milestones of the power station which is achieved by using "Reduce, Recycle and Reuse" concepts.

Goa Power Station

The Station has taken up several initiatives towards conservation of resources and improving environmental performance. An area of about 1.6 hectares is covered under forestation in and around the plant premises maintaining the tree density.

The Goa Power Station has 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 from neighbouring industries were invited as observers. The Goa Power Station has undertaken several measures and improvement actions for strengthening its safety mechanism.

Emission Parameters at Goa Power Station

Sr. No.	Parameters	Limits	2011-12	2012-13	2013-14
1.	Nitrogen Oxide (Stack)	188 mg/Nm3	39.87	39.37	24.36
2.	Sulphur Dioxide (SO2) in ambient air	50 mg/Nm3	27.59	27.28	11.38

Kochi Power Station

The Kochi power station of BSES Kerala Power Limited recorded zero loss of time due to accidents during the year. Internal and external mock drills were conducted on regular intervals to test and enhance the emergency preparedness.

The EPC Division

The Environment, Health and Safety (EHS) team has been driving various initiatives like EHS audit management, contractor EHS management and training to various employees on project sites under ISO 140001 and ISO 18001.

For building a strong safety culture, daily safety messages on email and messaging on cell phones have helped in improving the awareness and seriousness about safety in day to day work. The Company has trained executives in the areas of electrical safety, working at height safety, safe material handling and safe entry in confined space. The Company has, in association with the National Safety Council taken measures to seek advice and introduce the best practices in the areas of health and safety.

Energy Conservation

Dahanu Thermal Power Station

The Dahanu Thermal Power Station (DTPS) continues to obtain economical heat rate even after 18 years of operation. In 2013-14, the Dahanu Power Station obtained a heat rate of 2,322 kcal/kWh as against 2,360 kcal/kWh norm specified by MERC. The economical heat rate was obtained as a result of various energy conservation and corrective measures that the power station has initiated during the year under review. The significant measures are summarized below:

- Reduction in Light Diesel Oil (LDO) consumption by improvisation of operation process during unit hot / warm/ cold start ups
- Innovative logic for air-fuel ratio to control coal flow through the mills. This has enhanced control on coal mill level / combustion. This is developed in-house by DTPS engineers
- Installation of Timer for air conditioners at three AAQM Stations
- Replacement of conventional lamps with LED in street lights and buildings in phased manner
- Overhauling of Intermediate Pressure (IP) and Low Pressure (LP) turbine in Unit No. 1 for sustained performance
- Mechanism (Energy deviation report) has been developed to monitor and control energy efficiency and consumption of power plant equipments and buildings
- Refurbishment of flue gas ducts to reduce fan loading
- Energy and protection audits were conducted through external agency. Corrective actions have been initiated for the audit findings

Samalkot Power Station

The Samalkot Power Station achieved auxiliary power consumption of 4.89 per cent in part load operation down from 6.01 per cent of the budgeted consumption due to best practices adopted and implementation of various energy conservation measures. The station has a scheduled programme for monitoring equipment performance.

- Optimizing the lighting fixtures in Electrical Control Boards (ECB)
- Replacement of balance high pressure sodium vapour (HPSV) fitting by Cathode Fluroscent lamps (CFL) lamps in working area in Demineralised plant/pretreatment plant (DM/PT)

- Replacement of Balance 280 W high pressure sodium vapour street lights with 80 W compact fluorescent lamps
- Development of heat rate deviation analysis on a daily basis and monitoring of the same

Renewable energy project implementation:

Replacement of LPG cooking system by solar steam cooking system for plant canteen.

As a result of implementation of various energy conservation measures, the station could save 6.943 million units in the financial year 2013-14. Periodic internal audit of equipment and systems is conducted as per schedule and appropriate actions are initiated to correct the deviations with respect to the design performance. The plant operational strategies have been suitably modified for achieving higher efficiencies.

Goa Power Station

The Goa power station achieved auxiliary power consumption of 2.98 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 LED based lighting for plant areas, replacement of cooling tower (CT) fills and conversion of plant from fuel-naphtha to natural gas. Other costs saving measures taken are in-house repair, fabrication and modification works of blower casings pump base frames and foundations works and machining and rebuilding of damaged shaft of pumps.

Kochi Power Station

The Kochi Power Station carried out the following energy conservation projects in 2013-14.

- Replacing existing lighting luminars by LED energy efficient luminars for street lights and DM plant.
- Purchase of new energy efficient screw compressor and drier.

The EPC Business

The EPC Division of the Company is certified for ISO 50001:2011 in March 2013. The EPC division has taken the following initiatives in the areas of energy conservation:

- Saving in power consumption due to in-house technological innovations and awareness.
- Optimization in utilization of equipment results in continued improvements in reliability due to improved preventive maintenance within production area.

Human Resources

Human Resource (HR) at RInfra has emerged as a strategic enabler and growth driver of businesses. This is attributed to the alignment of HR with business needs, challenges and environmental factors. HR is committed to upholding corporate ethics, social accountability, value based employee engagement, performance excellence and total employee satisfaction with an ambience of transparency, meritocracy and ownership.

Talent Acquisition

Based on the job description, role, level of expertise, skills and experience, talent is sourced from different channels like campus, industry, employee referrals. A standardized recruitment process enables rigorous screening of talent for matching the role with the skills of the prospective candidates. Developing internal talent for growth opportunities is an integral part of career planning.

Talent Development

This year, nearly 1,050 training programmes were conducted for more than 24,000 man-days from various businesses of RInfra across all locations. Out of various training centres, Reliance Energy Management Institute (REMI) and Versova Technical Training Centre (VTTC) are the foremost learning centres of the Company.

The classroom learning has been supplemented by self-learning video modules and on-line assessments. Additionally, certification programmes in electricity regulation, power distribution systems were conducted for Mumbai distribution business employees, sessions on Indirect taxation were conducted for the employees of works contracts division of Central Procurement Group (CPG).

RInfra has contributed substantially to capacity building in the power distribution sector by conducting several training programmes for Maharashtra State Electricity Distribution Company Limited, Brihanmumbai Electric Supply and Transport Undertaking (BEST), Punjab State Power Corporation Limited, Bangalore Electricity Supply Company Limited, Chhatisgarh State Power Distribution Company Limited, Jammu Kashmir Power Development Department and Madhya Pradesh Madhya Kshetra Vij Vitaran Company Limited.

The structured training and leadership development processes at the Company are ensuring continuous growth of talent pool for key leadership roles for a sustainable successful organization.

Performance Management

RInfra has institutionalized a highly transparent and merit based performance management system to evaluate, acknowledge and appreciate the employee's performance. The Company's compensation structure and reward and recognition policy has been benchmarked to industry standards. Special retention plans are in place to retain highly competitive key talent. A comprehensive non-monetary reward and recognition policy recognizes and rewards significant contributions by individuals and teams.

Employee Relations and Welfare

The Company has institutionalized robust policies and processes to ensure health, safety and welfare of its employees. The Company has undertaken various safety measures like job safety assessment and adopted safe construction methodologies with strict adherence to safety norms at project sites and provided extensive hands-on training on safety. Medical camps, sports and cultural activities were organized for the employees and their families throughout the year. The Company has established proactive and harmonious industrial relations with all employee bodies.

The manpower strength as on March 31, 2014 was 8,036 employees.

Corporate Social Responsibility

In our endeavour to continually contribute and remain committed to the society, the Company has taken numerous initiatives/ measures related to education to children from weaker sections of society, health care, promotion and protection of environment and other corporate social responsibilities in the neighbourhood of power stations and business units. Some of the key initiatives are;

Dahanu Power Station

Education

- Education kits to Zilla Parishad primary schools – 6,930 students from 70 schools around the power station were given the educational kits.
- Best Teacher's Award: Since 1995, 93 teachers have been honored with the Best Teacher's award in recognition of their contribution in the education field.
- Dahanu Power Station Merit scholarship was awarded to engineering and medical students from the economically weaker sections of the society.
- Note books were distributed at concessional rates in association with a non-governmental organization at Dahanu.
- The power station shares knowledge on technical innovations, modern equipment and technical upgradation with school / college students and visitors on a regular basis.
- Distribution of water filters and furniture at Anganwadi
- Automobile training imparted to local unemployed tribal youths to enhance employment opportunities

Healthcare

- Mobile medical unit provides curative and preventive treatment to the tribal people. More than eight Gram Panchayats were covered. A total of 7,817 patients were checked and treated.

Environment

- Environment and energy awareness programmes organized in local schools.
- Plantation of 10 lakh mangrove trees on Savta and Dandi creek in 2013-14.
- Plantation of unique variety of Guava plants
- Plantation of more than 2,000 Rose plants of 25 varieties
- Display of environmental parameters to stakeholders.
- More than 90 per cent of the ash was utilized.

Safety

- Activity based Hazard identification and Risk Assessment (HIRA) for all routine/non-routine activities.
- Improvisation of existing Permit to Work system in SAP with the incorporation of HIRA and its control measures with due diligence.
- Areas are identified wherein no hot work such as welding, gas cutting, etc. is allowed in any condition
- Rigorous safety training is provided to new entrants before issuing gate pass.
- Fitness of tools and tackles is checked through a government approved agency
- Health check-up of more than 800 contract workers and permanent employees
- Mandatory tool box talk prior to start of work

Goa Power Station

- Organized health awareness programmes by external specialist / physicians.
- Promoted better educational facilities by sponsoring educational aids in the surrounding schools.
- Encouraged health and sports through sponsorship for various sports events, facilities and sports kits distribution.
- Promoted art and culture through sponsorship for various events in Goa.

Kochi Power Station

- Drinking Water distribution to the residents of Eloor Municipality
- Study materials for school children from Below the Poverty line (BPL) families of Ward No.16 of Eloor Municipality.
- Contribution towards local football and kabadi clubs.
- Raincoats to Eloor Police.
- Financial assistance provided to restore/preserve old land survey documents at Eloor Village office.
- Comprehensive educational improvement programme-Akshaya – Unarvu.
- Payment towards rent for Anganawadi in Ward No. 10.
- Financial assistance for kidney transplant for three persons.
- Flood relief activities for the 8 relief camps for three days -supply of food items.
- Wheel chair, walker and air bed for sick and disabled through a voluntary organization at Eloor.
- Energy conservation painting competition for children of nearby schools.
- Blood donation camp commemorating the birth and death

anniversaries of Shri Dhirubhai Ambani (on 6th July and 28th December 2013).

- Children's Day celebrations for Ward No. 16 Eloor Municipality.
- Resource room for differently abled children - Kuttikatukkara School.
- Kerala Federation for the Blind - Louis Braille Day and Blind Welfare Fortnight Celebrations.
- Financial Assistance for medical camp organized by S.P. Pillai Memorial Pain and Palliative Care Unit.

Mumbai Distribution Business

- **Young Energy Saver (YES)**

  YES is an initiative by the Company to sensitise 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, YES conducted the energy conservation workshops at 26 additional schools covering 22,500 children. The 'Run to Save' Runathon was also conducted successfully where 1,000 kids along with their parents ran for the cause of energy conservation. YES entered the Guinness Book of World Records in the category – "Largest gathering of people dressed as trees" Total schools covered in last five years of YES activity is 195 and total number of kids is more than 1.5 lakhs.

- **Project Dignity**

  The Company has provided support to the Brihanmumbai Municipal Corporation (BMC) in its endeavour to upgrade crematoria in Mumbai under the "Project Dignity". In the first phase, four crematoria in Mumbai i.e. Daulat Nagar (Borivali East), Marve (Malad West), Teachers Colony (Bandra East) and Bail Bazar (Kurla) were upgraded. In the second phase, the Company upgraded additional four crematoria at Chunnabatti, Deonar, Borivali West and Dhanukarwadi. In the third phase, the Company has upgraded additional six crematoria, namely, Wadala, Malad (West), Vikhroli, Khar Danda, Versova and Deonar Pada crematoria. In total, the Company has upgraded 14 crematoria under the Project Dignity initiative.

Delhi Distribution Business

BSES Yamuna Power Limited

- BSES Yamuna Power Limited (BYPL) installed 1,257 solar panels for generation of 345 KW solar power from rooftop installations at 9 locations. In addition, promoted solar power usage through REAP (Renewable Energy Assisted Pumps) – over 147 installations set up in the city. (140 in schools and 7 in public parks).
- BYPL tied up with manufacturer Ecolite for discounted CFL/LED promotion in its area.
- BYPL together with Delhi Police conducted 10 day Self Defense training programme for women at various grid locations, schools and colleges in its distribution area. Already over 600 women have been imparted training.
- Produced two short films - Zaheera ka Sapna (Safety matters) and Khurana Gharana (energy conservation) in collaboration with Asian Centre for Organisation Research and Development (ACORD). Besides, promoting it through YouTube, it has been screened in 140 schools in East and Central Delhi to effectively convey the message to both students and teachers. Over 200 CDs were also distributed amongst schools and Resident Welfare Associations.
- Organized Renewable Energy Fairs with EE&REM, Government of Delhi at 5 BYPL locations.
- Radio Programme sponsorship to spread awareness on power conservation and safety issues. 12 weeks programme in 2013 on AIR FM Gold – What's up Delhi (Programme aired twice a week) with all India reach of listeners.

BSES Rajdhani Power Limited

- BRPL' 'Energy Program' for school children: under the innovative initiative, messages related to energy conservation, electrical safety and menace of power theft are disseminated among the students of partner schools. Already around 15,000 students across 17 schools in South and West Delhi have participated in this initiative.
- Popularizing LEDs : A new initiative towards the energy conservation gives consumers an opportunity to buy high-quality LED bulbs at extremely affordable prices
- 'My Cool Idea': BSES has rolled-out "My Cool Idea", a campaign that engages its customers, - eliciting 'cool' ideas and suggestions to reduce power consumption and encourage energy conservation. These ideas are being uploaded on the BSES' website.
- Radio campaign: BRPL consumer awareness campaign on FM Radio was aired between July and October 2013. Specially created radio jingles on issues, including those dealing with energy conservation and safety were aired on Radio Mirchi (98.3), BIG FM (92.7), Fever (104), RED (93.5) and Radio City (91.1).12 weeks programme in 2013 on AIR FM Gold – What's up Delhi (Programme aired twice a week) with all India reach of listeners.
- Nukkad Nataks: BRPL engaged a professional troupe of trained actors from economically weaker sections of our society. They staged Nukkad Nataks in high power theft localities in BRPL licensed area and educated people about the menace of power theft and energy

conservation. Between July and October 2013, 100 street plays were staged.

- Blood Donation: BRPL in association with the Indian Red Cross Society (IRCS), has been organizing blood donation camps, twice a year, for the last several years. Employees have been coming forward with great enthusiasm to donate blood. In the recent blood donation drives conducted in 2013-14, over 200 BRPL employees donated blood.
- The Reclothe Campaign: BRPL has been running a clothes and utilities collection campaign "Reclothe". The objective of this clothes collection campaign - 'Reclothe' is helping and touching the lives of the poorest of our stakeholders and contribute in our own small way in their progress. The campaign has an extended objective of collecting books for children under 15 years from the under-privileged communities. Ensuring that the collected clothes, books and other materials can be shared with the intended recipients, BRPL has partnered with Goonj Foundation - a reputed NGO working for the under-privileged – to whom the items are being donated.

Awards and Recognitions

RInfra has been continually striving for excellence in all the areas of business in which it operates and the untiring efforts of our employees have been recognized and appreciated with numerous awards in various business segments as highlighted below:

Dahanu Power Station

- Srishti Good Green Governance Award for 2012
- Power Line Award – Runner up in the category of 'Best Performing Thermal Power Station'
- 8th State Level Energy Conservation Awards by Maharashtra Energy Development Agency
- 14th National Award for Excellence in Energy Management 2013 by Confederation of Indian Industry (CII)
- National Award for Meritorious performance in Power Sector - "Silver Shield for Performance in Thermal Power Station - 2011" – by the Ministry of Power
- National Award for Meritorious performance in Power Sector - "Bronze Shield for Performance in Thermal Power Station - 2012"– by the Ministry of Power
- National Award for Meritorious performance in Power Sector - "Silver Shield for Environment Management Award Scheme for Coal based Thermal Power Stations - 2012"– by the Ministry of Power
- DTPS was featured as the best performing power plant in the country in the magazine "Power and Energy Solutions"

Samalkot Power Station

- Greentech Environment Excellence Award 2013 in Gold category.
- Greentech Safety Excellence Award 2013 in Gold category.
- Received the appreciation Certificate for the best safety practices from National Safety Council, Mumbai.

Goa Power Station

- Honoured with "12th Annual Greentech Safety Award 2013" in Gold category in Power – Gas based sector from Greentech Foundation.

Delhi Discoms – BSES Rajdhani Power Limited (BRPL)

- Greentech Safety Award 2013 in the Gold Category.
- Two Achievement Awards for supervisors category by the Construction Industry Development Council
- IUKAN Best Practice Award from the Indian Utility Knowledge and Networking (IUKAN) for Operations Maintenance and Asset Management
- Two Par Excellence Awards and three Excellence Awards for Quality concepts by Quality Circle Forum of India
- Demand Side Management Award by the Indian Chamber of Commerce
- Most Innovative Discom Award by the Indian Chamber of Commerce
- Most Profitable Private Discom Award by the publication, Power Today
- Special Award for Service Excellence in Power Distribution by Prime Time Research Limited
- Runner up Award for Most Improved Power Distribution Company by the Independent Power Producers Association of India (IPPAI)
- Times Business Award for Business Excellence
- Quality Circle Forum of India has given seven Gold Awards and one Silver Award
- Quality concepts for NCR
- Winners (BRPL and BYPL) of the Think Media National CSR Awards for Best Practices 2014

Delhi Discoms – BSES Yamuna Power Limited (BYPL)

- International Safety Award 2014 - British Safety Council, UK
- Achievement Award for supervisor category by the Construction Industry Development Council
- Asian Oil and Gas Award for Best Safety Practices
- Greentech Environmental Award by Greentech Foundation
- Demand Side Management Award by the Indian Chamber of Commerce

Management Discussion and Analysis

- Most Improved Power Distribution Company (DISCOM) by Independent Power Producers Association of India (IPPAI)
- Company of the Year – utility by Stevie – International Business Award, USA
- Health, Safety and Environmental Award by Stevie – International Business Award,
- Edison Award – Finalist by USA Edison Electric Institute, USA
- Safety Innovation Award by Institute of Engineers, India

Mumbai Transmission

- Golden Peacock Award 2013 for "Occupational Health and Safety (OHSAS)"
- "Arogya World India Award" in Gold category

Roads

- Won accolades for "Outstanding Contribution in Roads and Highways (EPC category) during the 4th EPC World Awards 2013 conducted by the EPC World Media Group.
- Hosur Krishnagiri Toll Road Project has been awarded Safety Awards 2013 (Construction Sector) ''Suraksha Puraskar'' by the National Safety Council of India (NSCI).
- Kandla Mundra Toll Road Project has been awarded the International Safety Award by British Safety Council – UK.

Human Resources

- Golden Peacock HR Excellence Award 2013
- Received ''Asian Learning and Development Leadership Award 2013'' in categories 'Best-in-Class Technologies', 'Best Learning Programme', 'Best Services' and 'Best Practices In Training'.
- Received "Asia's Training and Development Excellence Award 2013" in the category of "Best Customer Services Program"

The EPC Division

- Project Management Institute (PMI) has awarded runner-up "Project of the Year" in large category
- Greentech Foundation conferred 'Safety Award' in Gold category in Thermal Power construction for various initiatives on safety.

Auditors' Certificate on Corporate Governance

To the Members of Reliance Infrastructure Limited

We have examined the compliance of the conditions of Corporate Governance by Reliance Infrastructure Limited ('the Company') for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement 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 compliance 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 Agreement.

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. LLP	**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 : August 14, 2014	Date : August 14, 2014
Place : Mumbai	Place : Mumbai

Our Corporate Governance Philosophy

Reliance Infrastructure follows 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 prescribe a set of systems and processes guided by the core principles of transparency, disclosure, accountability, compliances, ethical conduct and the commitment to promote the interests of all stakeholders. The policies and the code are reviewed periodically to ensure their continuing relevance, effectiveness and responsiveness to the needs of our stakeholders.

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 policies 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 the '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, insider information, financial records and accounting integrity, external communication, work ethics, personal conduct, policy on prevention of sexual harassment, health, safety, environment and quality.

D. Separation of the Board's supervisory role from 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 separated the role of Chairman and Chief Executive Officer (CEO).

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 the means of a properly defined framework.

J. Boardroom practices

a. 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.

b. 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 functions of various Board committees, etc.

c. Board committees

The Board has constituted Audit Committee, Nomination and Remuneration Committee and Shareholders/Investors Grievance Committee. The Board rotates the Chairmen of these Committees.

Pursuant to the provisions of Section 135 of the Companies Act, 2013, (the "Act") read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board has constituted Corporate Social Responsibility Committee.

The Board has also constituted the Environment, Health and Safety Committee and Employees Stock Option Compensation Committee.

Pursuant to implementation of Section 178 of the Act, the Board has renamed the Shareholders/Investors Grievance Committee as Stakeholders Relationship Committee.

d. Selection of independent directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment as Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons. The Board considers the Committee's recommendation and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

e. Tenure of independent directors

Tenure of independent directors on the Board of the Company shall not exceed the time period as per the provisions of the Act, the Listing Agreement entered into with the Stock Exchanges, and the Company's Board Charter, as amended from time to time.

f. Independent directors' interaction with stakeholders

Member(s) of the Stakeholders Relationship Committee interact with stakeholders on their suggestions and queries, if any, which are forwarded to the Company Secretary.

g. Lead Independent Director

Recognising the need for a representative and spokesperson for the independent directors, the Board had appointed Shri R.R Rai as the Lead Independent Director for 2012-13 and 2013-14. For the years 2014-15 and 2015-16, the Board has designated Shri S. S. Kohli, an independent director, as the Lead Independent Director in line with the policy of rotating the office of lead independent director.

h. Training of Board Members

The Board members are periodically given formal orientation and training with respect to the Company's vision, strategic direction and 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 themselves 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.

i. Meeting of independent directors with operating teams

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 consideration of the Board, flow of information to directors, management progression and succession and others 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.

j. Commitment of directors

The meeting dates for the entire financial year are finalised 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.

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

The Company has introduced several trend setting governance practices to improve stakeholders' satisfaction. Some of the major ones among them are:

1. Customers

Details of bills are made available to customers as E-bills, web bills and as SMS bill alerts. Bills are also made available on IVR and in customer's choice of language. Bill can be paid using over 2,000 payment avenues, which include net banking, credit/debit card payment, ECS/VDS and many more. For complaints and queries, the customer has the option of approaching the Company's modern, redesigned Customer Care Centers or call the state-of-the-art 24x7, multi-lingual (4 languages), toll-free Call Centre or write to our e-mail desk: Energy.Helpdesk@relianceada.com. Reliance Energy also has an official presence on social media platforms that include Facebook, Twitter & YouTube. The Company's customer redressal mechanism includes 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.

2. Employees

In our relentless pursuit of driving operational excellence and our resolve to make Reliance Infrastructure a "Great Place to Work", the focus is on evolving efficient and agile organisation structures, relentlessly driving capability, leadership and culture building and acquiring, developing and retaining high quality talent. The Company reviews and revises the 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 automated.

The Company has a dedicated 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, goal setting with relevant Key Performance Indicators (KPIs), potential assessment module, performance evaluation system, feedback mechanism, reward and recognition policy, grievance redressal system, exit interviews, training and development module, etc.

The Company regularly conducts an employee engagement survey through an independent external organisation aimed at identifing the areas of strengths as well as those which need improvement. The results of this survey are communicated to all employees and appropriate action is initiated to enhance employee satisfaction based on their feedback. As a means of providing accelerated career growth to high performing talent, the Company has a pilot programme of assessment centres, wherein employees who have a proven track record are put through a rigorous assessment programme for higher role.

The Company has institutionalised a leadership development process, linked to Reliance DNA and leadership competencies, which identifies high potential talent on a periodic basis and provides various interventions to help them take on larger responsibilities and roles.

3. Shareholders

The Company recognises 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.

4. Lenders

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

5. Society

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

l. 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 for ensuring compliance with the applicable statutory requirements and is the interface between the management and the regulatory authorities for governance matters. All the directors of the Company have access to the advice and services of the Company Secretary.

m. Independent Statutory Auditors

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

1. M/s Haribhakti & Co. LLP, Chartered Accountants.
2. M/s Pathak H D & Associates, Chartered Accountants.

n. 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 is not applicable to the Company. The Company's corporate governance practices substantially conform to these code and rules.

o. 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 here under our report on compliance with the governance conditions specified in Clause 49 of the Listing Agreement.

I. Board of Directors

1. Board Composition - Board strength and representation

As on March 31, 2014, the Board comprised of six members. The composition and category of directors on the Board of the Company were as under:

Category	Names of directors and DIN
Promoter, Non–executive and Non–independent director	Shri Anil D Ambani, Chairman (DIN: 00004878)
Non-executive and Non-independent directors	Shri S Seth, Vice Chairman (DIN: 00004631)
Independent directors	Dr V K Chaturvedi (DIN: 01802454)
	Shri R R Rai (DIN: 01625853)
	Shri S S Kohli (DIN: 00169907)
	Shri K Ravikumar (DIN: 00119753)

Notes:

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

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

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

d. Under the extant provisions of Clause 49 of the Listing Agreement, Shri R R Rai who represents the Life Insurance Corporation of India on the Board is an independent director. However,he has ceased to be an independent director under the provisions of the Companies Act, 2013 with effect from April 1, 2014 and will also cease to be so in terms of the revised Clause 49 of the Listing Agreement which will become effective from October 1, 2014.

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.

The Company has appointed Shri Ramesh Shenoy, Company Secretary (FCS - 2479) as the Manager of the Company in terms of provisions of Sections 198,269 and 387 and all other applicable provisions, if any, read with Schedule XIII to the Companies Act, 1956 for a period of two years from April 21, 2012 to October 31, 2014.

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 Chief Executive Officer and the supervision of the Board led by the Chairman. A minimum of four meetings of the Board of Directors are held 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:

a. review, monitor and approve major financial and business strategies and corporate actions;

b. assess critical risks facing the Company – review options for their mitigation;

c. provide counsel on the selection, evaluation, development and compensation of senior management;

d. ensure that processes are in place for maintaining the integrity of;
   i. the Company
   ii. the financial statements
   iii. compliance with applicable laws
   iv. relationship with all the stakeholders; and

e. delegation of appropriate authority to the senior executives of the Company for effective management of operations of the Company.

3. Board meetings

The Board held five meetings during the financial year 2013-14 on May 14, 2013, July 30, 2013, October 9, 2013, November 11, 2013 and February 6, 2014. The maximum time gap between any two meetings was 86 days and the minimum gap was 32 days.

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

4. Standards issued by ICSI

Pursuant to the provisions of Section 118 (10) of the Act, compliance with secretarial standards relating to General and Board Meetings specified by the Institute of Company Secretaries of India (ICSI) as approved by the Central Government has become mandatory. However, the approved versions of the above standards are yet to be released.

Notwithstanding the above, the Company has been adhering voluntarily to the standards issued by the ICSI 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 the Board's Report.

5. Attendance of directors

Attendance of directors at the Board meetings held during the financial year 2013-14 and at the last Annual General Meeting (AGM) held on August 27, 2013, along with the details of directorships (calculated as per the provisions of Sections 275 and 278 of the Companies Act, 1956), Committee Chairmanship and Committee memberships held by the directors as on March 31, 2014 are furnished hereunder:

Names of Directors	Meetings held during the year	Meetings attended	Attendance at the last AGM	Number of directorship (including RInfra)	Board, Committee(s)[a] (including RInfra)	
					Membership [b]	Chairmanship
Shri Anil D Ambani	5	4	Present	6	1	None
Shri S Seth	5	5	Present	3	1	1
Shri R R Rai	5	5	Present	3	4	2
Shri S S Kohli	5	5	Present	9	8	3
Dr V K Chaturvedi	5	5	Present	2	3	None
Shri K Ravikumar	5	5	Present	1	2	1

Notes:

a. None of the directors holds directorships in more than 20 companies of which directorship in public companies does not exceed 10 in line with the provisions of Section 165 of the Act.

b. None of the directors holds membership of more than 10 committees of the Board and chairmanship of more than 5 committees of the Board across the companies with which they are associated as directors.

c. The number of directorship includes only the directorship in public companies.

d. The information provided above pertains to the following committees in accordance with the provisions of Clause 49 of the Listing Agreement: (i) Audit Committee, and (ii) Stakeholders Relationship Committee.

e. Membership of Committees includes chairmanship, if any.

6. Details of directors

The abbreviated resumes of all directors are furnished hereunder:

Shri Anil D. Ambani

Shri Anil D. Ambani, aged 55 years, is the Chairman of the Company, Reliance Capital Limited, Reliance Communications Limited and Reliance Power Limited. He is also on the board of directors 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. He is a member of the Stakeholders Relationship Committee of Reliance Communications Limited.

With a master's degree from the Wharton School of the University of Pennsylvania, Mr. Ambani is credited with having spearheaded the Reliance Group's first forays into the overseas capital markets with international public offerings of global depository receipts, convertibles and bonds.

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, U.S.A.
- Executive Board, Indian School of Business (ISB), Hyderabad.

The Prime Minister of India nominated Shri Ambani as the Co-Chair from the Indian side of the India-China CEO Forum in 2011.

As on March 31, 2014, Shri Anil D Ambani held 1,39,437 equity shares in the Company.

Shri S Seth

Shri S Seth, 59, is a Fellow Chartered Accountant and a law graduate. He has vast experience in general management. Shri Seth was appointed to the Board on November 24, 2000. Currently, he is the Vice Chairman on the Board of the Company.

Shri S Seth is also on the Board of Reliance Telecom Limited, Reliance Anil Dhirubhai Ambani Group Limited and Reliance Power Limited. He is the Chairman of Audit Committee of Reliance Telecom Limited.

As on March 31, 2014, Shri S Seth did not hold any shares of the Company.

Shri R R Rai

Shri R R Rai, 64, 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 the Ministry of Urban Development), New Delhi. He served the Corporation in various important positions, viz. Marketing Manager, Sr. Divisional Manager, Regional Manager in-charge of Public Relations and Publicity and later on in-charge of Personnel and Industrial Relations, Principal, Zonal Training Centre, Gurgaon and 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 largest zone of the Corporation. He also headed two training centres, 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 closely interacted 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 also attended the Life Insurance Executive Seminar held in Tokyo and Taipei by Nippon Life Insurance and Cathay Life Insurance.

As on March 31, 2014, Shri R R Rai did not hold any shares of the Company.

Shri S S Kohli

Shri S S Kohli, 69, was the Chairman and Managing Director of India Infrastructure Finance Company Limited (IIFCL), a wholly owned company of the Government of India, engaged in promotion and development of infrastructure till April 2010. Under his leadership, IIFCL commenced its operations and carved a niche for itself in financing infrastructure projects. The support of IIFCL helped in speedier achievement of financial closure of infrastructure projects in sectors like highways, airports, seaports, power, etc. IIFCL was conferred with the "Most Admired Infrastructure Financier 2010" by KPMG-Infrastructure Today. Shri Kohli has long experience as a banker, spanning over 40 years having held positions of Chairman and Managing Director of Punjab and Sind Bank, Small Industries Development Bank of India (SIDBI) and Punjab National Bank (PNB). PNB is one of the largest public sector banks in India. During his chairmanship of PNB, he undertook total transformation of the Bank.

Under his leadership, PNB became a techno-savvy Bank by implementing core banking solution and introducing various technology-based products and services. Resultantly, PNB became the Number One Bank among the nationalized Banks in terms of assets, asset quality, technology, profit after tax and return on assets. PNB also emerged as one of the India's Most Trusted Brands and the PNB Group floated three public offerings of capital during his tenure which were highly successful.

Shri Kohli held the chairmanship of Indian Banks' Association, a forum for promoting the interest of banks for two terms and was member of several committees associated with financial sector policies. The committees he chaired dealt with a variety of issues relating to small/medium enterprise financing, wilful default in loans, human resources development in the banking industry and reconstruction of distressed small industries, etc.

A recipient of several awards including the "Enterprise Transformation Award for Technology" by the Wharton-Infosys Limited, the " Bank of the Year Award" by the Banker's Magazine of the Financial Times, London for the year 2000, and also ranked 22nd in the list of India's Best CEOs ranking over the period 1995 to 2011, by the Harvard Business Review. He now holds directorship in various institutions in India.

He is also a director on the Boards of IDFC Limited, PTC India Financial Services Limited, IL&FS Financial Services Limited, ACB (India) Limited, SICOM Limited, BSES Rajdhani Power Limited, BSES Yamuna Power Limited and Essar Steel India Limited.

He is Chairman of the Audit Committee and member of the Shareholders/Investors Grievance Committee of the Company,

As on March 31, 2014, Shri Kohli did not hold any shares of the Company.

Dr V K Chaturvedi

Dr V K Chaturvedi, 71, is the former Chairman and Managing Director of Nuclear Power Corporation of India Limited. He has also been a member of the Atomic Energy Commission, Government of India and Chairman, World Association of Nuclear Operators (WANO), Tokyo Centre and also was a Governor in the International WANO Board, London for two years. Dr Chaturvedi is a gold medalist in mechanical engineering from Vikram University and later he did his post-graduation in nuclear engineering from Bhabha Atomic Research Centre training school, Mumbai. He has over 46 years of experience in design, construction, commissioning and operation of nuclear power plants. He was conferred the 'Padma Shri' in the year 2001, one of India's highest civilian awards. He is also a recipient of a number of other prizes and awards. He is a director on the Board of Reliance Power Limited. He is currently a member of the Shareholders/Investors Grievance Committee of the Company and also a member of the Audit Committee and Shareholders / Investors' Grievance Committee of Reliance Power Limited.

As on March 31, 2014, Dr V K Chaturvedi did not hold any shares of the Company.

Shri K Ravikumar

Shri K Ravikumar, 65, joined the Board of the Company on August 14, 2012 as an independent director.

Shri Ravikumar is the former Chairman and Managing Director (CMD) of Bharat Heavy Electricals Limited (BHEL), the USD 7 billion organization that ranks among the leading companies of the world engaged in the field of power plant equipment. As CMD, he was responsible for maximizing market-share and establishing BHEL as a total solution provider in the power sector. The Company was ranked 9th in terms of market capitalization in India during his tenure at BHEL. He had handled a variety of assignments during his long career spanning over 36 years. His areas of expertise are design and engineering, construction and project management of thermal, hydro, nuclear, gas based power plants and marketing of power projects.

Shri Ravikumar had the unique distinction of having booked USD 25 billion order for BHEL. His vision was to transform BHEL into a world class engineering enterprise. Towards this, he has been pursuing a growth strategy based on the twin plans of building both capacity and capability and this has resulted in an increase in BHEL's manufacturing capacity from 10,000 MW to 20,000 MW per annum. He also introduced new technologies in the field of coal and gas based power plants for the first time in the country, such as supercritical thermal sets of 660 MW and above rating, advance class gas turbines large size CFBC boilers and large size nuclear sets. BHEL has the distinction of having installed over 1,00,000 MW of power plant equipment worldwide.

Shri Ravikumar had also forged a number of strategic tie-ups for BHEL with leading Indian utilities and corporate like NTPC Limited, Tamilnadu State Electricity Board, Nuclear Power Corporation of India Limited, Spel Conductors Limited, Heavy Engineering Corporation Limited to leverage equipment sales and develop alternate sources for equipment needed for the country. He had guided BHEL's technology strategy to maintain the technology edge in the marketplace with a judicious mix of internal development of technologies with selective external co-operation. He had focused on meeting the customer expectation and has strengthened BHEL's image as a total solution provider.

He possesses M.Tech Degree from the Indian Institute of Technology. Chennai besides Post-Graduate Diploma in Business Administration. He was conferred Alumini Awards from the Indian Institute of Technology, Chennai and the National Institute of Information Technology, Trichy and is at present the Chairman of BOG National Institute of Information Technology, Mizoram.

He has published a number of research papers in the fields of power and electronics.

He is the Chairman of the Shareholders/Investors Grievance Committee and a member of the Audit Committee of the Company.

As on March 31, 2014, Shri K Ravikumar did not hold any shares of the Company.

7. Insurance coverage

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

II. Audit Committee

In terms of Clause 49 of the Listing Agreement as well as Section 177 of the Companies Act, 2013, the Board has constituted the Audit Committee of the Board of Directors. Audit Committee consists of Shri S S Kohli, Independent Director as Chairman and two members viz. Shri K Ravikumar, Independent Director and Shri R R Rai who is Independent Director under the extant provisions of the Listing Agreement entered into with stock exchanges and represents the Life Insurance Corporation of India on the Board is an independent director. Shri Rai ceased to be independent director under the provisions of the Companies Act, 2013 with effect from April 1, 2014 and ceases to be independent director under the revised provisions of the Listing Agreement effective from October 1, 2014.

All members of the Committee possess financial / accounting exposure.

The Audit Committee, inter alia, advises the management on the areas where systems, processes, measures for controlling and monitoring revenue assurance, internal audit and risk management can be improved.

The minutes of the meetings of the Audit Committee are placed before the Board.

Pursuant to the Companies Act, 2013, the Board has approved the terms of reference of the Audit Committee as under:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial information is correct, sufficient and credible;
2. Recommending the appointment, reappointment, terms of appointment and replacement/removal of the statutory auditors and fixation of audit fee;
3. Approval of payment to statutory auditors for any other services rendered;
4. Reviewing and monitoring the statutory auditor's independence and effectiveness of audit process;
5. Approving transactions with related parties including making modifications subsequently;
6. Scrutinizing inter-corporate loans and investments;
7. Evaluating undertakings or assets of the Company, wherever it is necessary;
8. 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 in the Annual Report of the Board;
    b. any changes in accounting policies and practices and reasons thereof;
    c. major accounting entries based on exercise of judgment by the management;
    d. the auditors' report including the qualifications in draft audit report;
    e. significant adjustments made in the financial statements arising out of audit findings;
    f. compliance with listing and other legal requirements concerning financial statements;
    g. disclosure of related party transactions; and
    h. qualifications in the draft audit report.
9. Reviewing with the management, the performance of the statutory and internal auditors, the adequacy of internal financial control systems and risk management systems;

10. 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;
11. Discussing with the internal auditors on any significant findings and follow up thereon;
12. 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;
13. Discussing with the statutory auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
14. Looking into the reasons for substantial defaults in the payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and creditors;
15. Reviewing the financial statements of subsidiaries, in particular their investments;
16. Overseeing the vigil mechanism;
17. Approving the appointment of the Chief Financial Officer after assessing his qualification, experience, and background etc.;
18. Reviewing the following information:
    - (i) the management's discussion and analysis of financial condition and results of operations;
    - (ii) internal audit reports relating to internal control weaknesses;
    - (iii) management letters/letters of internal control weaknesses issued by the statutory auditors;
    - (iv) statement of significant related party transactions; and
    - (v) the appointment, removal and terms of remuneration of the "Chief Internal Auditor."
19. Carrying out all other functions as is mentioned in the terms of reference of the Audit Committee.

    The Audit Committee is also authorised to:
    1. To investigate any activity within its terms of reference;
    2. To seek any information from any employee;
    3. To obtain outside legal and professional advice;
    4. To secure attendance of outsiders with relevant expertise, if it considers necessary;
    5. To call for comments from the auditors about internal control systems and the scope of audit, including the observations of the auditors;
    6. To review financial statements before submission to the Board; and
    7. To discuss any related issues with the internal and statutory auditors and the management of the Company.

Attendance at the meetings of the Audit Committee held during 2013-14

Meetings of the Audit Committee were held on May 14 2013, July 30, 2013, August 27, 2013, November 11, 2013 and February 6, 2014.

The maximum gap between any two meetings was 86 days and the minimum gap was 27 days.

Members	Meetings held during the tenure	Meetings attended
Shri S S Kohli	5	5
Shri R R Rai	5	5
Shri K Ravikumar	5	5

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company. The Audit Committee has considered various agenda items in compliance with its terms of reference at periodic intervals.

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

The Committee meetings were attended by the representatives of the statutory auditors, internal auditors and senior executives of the Company as appropriate on invitation.

During the year under review, the Committee discussed with the statutory auditors of the Company 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 the prevailing laws and regulations. The Committee discussed the Company's audited financial statements, the rationality of significant judgments and clarity of disclosures in the financial statements. Based on the review and discussions conducted with the management and the auditors, the Committee believes that the Company's financial statements are fairly presented in conformity with the 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. While 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 as well as the statutory auditors.

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

1. The audited annual financial statements of the Company for the year ended March 31, 2014, 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, 2014 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, 2014 be accepted by the Board as a true and fair statement of the financial status.
4. The audited abridged consolidated financial statements of the Company and its subsidiaries for the year ended March 31, 2014 be accepted by the Board as a true and fair statement of the financial status.

The Company has appointed Cost Auditors pursuant to Section 233B of the Companies Act,1956. Further, the Cost Auditors attend the audit committee meeting wherein cost audit reports are being discussed and placed.

III. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board is constituted to formulate from time to time (a) process for selection and appointment of new directors and the Manager and succession plans and (b) recommend to the Board from time to time, a compensation structure for directors and the Manager. Presently, the Company has no executive director.

Pursuant to Section 178 of the Companies Act, 2013, it is mandatory to set up a "Nomination and Remuneration Committee" with expanded scope. The reconstituted Nomination and Remuneration Committee comprises of three directors, viz; Shri K. Ravikumar, Chairman, Shri R. R. Rai and Shri S. S. Kohli as members.

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

Remuneration paid to directors during the year ended March 31, 2014

Amount in ₹ lakh

Sr. No.	Name	Designation	Sitting Fees	Salary and Perquisites	Commission	Total
1	Shri Anil D Ambani	Chairman	0.80	Nil	550.00	550.80
2	Shri S Seth	Vice Chairman	1.20	Nil	8.00	9.20
3	Shri R R Rai *	Director	3.20	Nil	8.00	11.20
4	Shri S S Kohli	Director	3.20	Nil	8.00	11.20
5	Dr V K Chaturvedi	Director	2.20	Nil	8.00	10.20
6	Shri K Ravikumar	Director	3.20	Nil	6.00.	9.20
	Total		13.80		588.00	601.80

* The commission amount of ₹ 8 lakh due to Shri R R Rai was paid to Life Insurance Corporation of India (LIC) as advised by Shri R R Rai.

Notes:

a. There were no other pecuniary relationships or transactions of non-executive directors vis-à-vis the Company.

b. The Company has so far not issued any stock options to its directors.

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

d. Remuneration by way of commission to the non executive directors was paid for the financial year 2012-13.

Managerial Remuneration policy

The Nomination and Remuneration Committee determines and recommends to the Board, the compensation of directors and the Manager for approval of the Board. The key components of the Company's Remuneration Policy are:

a. compensation will be a major driver of performance.

b. compensation will be competitive and benchmarked with a select group of companies from the utility sector.

c. compensation will be transparent, fair and simple to administer.

d. compensation will be fully legal and tax compliant.

The Members at the 81st AGM held on December 22, 2010, had approved payment of commission to non-executive directors who were not in the whole time employment, upto the limits laid down under the provisions of Section 309(4) of the Companies Act, 1956, computed in the manner specified in the Act. The Ministry of Corporate Affairs vide its Circular No. 4/2011 dated March 4, 2011 has decided that a company can pay commission upto 3 per cent of its net profit to the Non- Whole Time Director(s) without approval of the Central Government, if it does not have a Managing Director or Whole Time Director(s). In view of above Circular, the Company can pay Commission upto 3 per cent of net profit to the Non Whole Time Directors of the Company.

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. Stakeholders Relationship Committee

In accordance with the requirements of Clause 49 in the Listing Agreement, the Company has constituted a Committee named "Shareholders/ Investors Grievance Committee", which is responsible for attending the grievances of the shareholders. As per the provisions of Section 178 of the Companies Act, 2013, every listed Company has to constitute a Committee to be named "Stakeholders Relationship Committee", if the number of shareholders, debenture holders, deposit holders and other security holders in the Company exceeds one thousand. In view of above requirement which has become effective from April 1, 2014, the Board renamed the Committee as the "Stakeholders Relationship Committee" to resolve the grievances of all the stakeholders of the Company and to perform all other functions related thereto as per the Act.

The Committee has four members consisting of Shri K Ravikumar as Chairman, Shri R R Rai, Dr V K Chaturvedi and Shri S S Kohli as Members.

Attendance at the meeting of the Stakeholders Relationship Committee held during 2013-14

During the year, the Stakeholders Relationship Committee held its meetings on May 14, 2013, July 30, 2013, November 11, 2013 and February 6, 2014 and the maximum gap between any two meetings was 106 days and the minimum gap was 75 days.

Members	Meetings held during the tenure of directors	Meetings attended
Shri S S Kohli	4	4
Dr V K Chaturvedi	4	4
Shri R R Rai	4	4
Shri K Ravikumar	4	4

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

V. Compliance Officer

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

VI. Environment, Health and Safety Committee

As on March 31, 2014, the Environment, Health and Safety Committee of the Board comprised of Shri R R Rai, Shri S S Kohli, Dr V K Chaturvedi and Shri K Ravikumar. Shri R R Rai is the Chairman of the Committee.

The Committee reviews and oversees the Company's policies, programme and practices that affect or could affect the Company's employees, customers, shareholders, and neighbouring communities. The Committee held its meeting on February 6, 2014, wherein all members attended the meeting. Shri Ramesh Shenoy, Company Secretary and Manager acts as the Secretary to the Committee.

VII. Employees Stock Option Scheme (ESOS) Compensation Committee

The ESOS Compensation Committee of the Board comprises of Shri K Ravikumar as the Chairman, with Shri R R Rai, Shri S S Kohli and Dr V K Chaturvedi being the other members. Shri Ramesh Shenoy, Company Secretary and Manager acts as the Secretary to the Committee.

No meetings of the Committee were held during the year.

VIII. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee was constituted by the Board on July 18, 2014 considering the requirements of the Act, relating to the constitution of a Corporate Social Responsibility Committee. The Committee consists of Shri S S Kohli, as Chairman, Shri K Ravikumar and Shri R R Rai as members. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'corporate social responsibility policy',

IX. General Body Meetings:

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

Financial Year	Date and Time	Whether Special Resolution passed
2012-13	August 27, 2013 at 4.00 p.m.	Yes Issue of Securities to the Qualified Institutional Buyers
2011-12	September 4, 2012 4.00 p.m.	Yes Issue of Securities to the Qualified Institutional Buyers
2010-11	September 27, 2011 4.00 p.m.	Yes • Issue of Securities to the Qualified Institutional Buyers • Raising of resources through issue of Securities in the international markets

The above Annual General Meetings were held at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020.

X. Postal Ballot

The Company had not conducted any Postal Ballot during the financial year 2013-14. None of the businesses proposed to be transacted in the ensuing Annual General Meeting requires passing of a special resolution through postal ballot.

Certain items of business including items mandatorily required to be passed through postal ballot under Section 110 of the Act and the Rules made thereunder are proposed to be passed through postal ballot for which separate notice has been sent to the members.

XI. 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 Marathi daily 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 on 'Investor Relations'. It contains comprehensive database of information of interest to our investors including the financial results and Annual Reports of the Company, information on dividend declared by the Company, any price sensitive information disclosed to the regulatory authorities from time to time, business activities and the services rendered/facilities extended by the Company to our investors, in a user friendly manner. The basic information about the Company as called for in terms of Clause 54 of the Listing Agreement is provided on 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 the members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report and is displayed on the Company's website.

As the Companies Act, 2013 and the Rules thereunder facilitate the service of documents to members through electronic means the Company has accordingly emailed to all those members whose e-mail IDs are available with the Company's Registrar and Transfer Agent, the soft copy of the Annual Report including the unabridged Financial Statements for the year ended March 31, 2014.

e. 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

f. Designated email-id: The Company has designated email-Id: rinfra.investor@relianceada.com exclusively for investor servicing.

g. National Electronic Application Processing System (NEAPS): The NEAPS is a web-based system designed by NSE for corporates. The shareholding pattern, financial results and corporate governance report are also filed electronically on NEAPS.

h. SEBI Complaint Redressal System (SCORES):

The investor complaints filed with SEBI are being processed through the centralised web based complaint redressal system titled "SCORES". The salient features of SCORES are availability of centralised database of the complaints and online uploading of action taken reports by the Company. Through SCORES, the investors can view online, the actions taken and current status of their complaints.

XII. Compliance with other mandatory requirements

1. Management Discussion and Analysis Report

A 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. Subsidiaries

The Company does not have any material non-listed Indian subsidiary company and hence, it is not required to appoint 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 the unlisted subsidiary companies are reviewed by the Audit Committee of the Company.

b. Minutes of the meetings of the Board of Directors of all subsidiary companies are placed to the Board of Directors of the Company regularly.

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

3. 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.

b. **Related Party Transactions**

During the year 2013-14, no transactions of material nature have been entered into by the Company that may have a potential conflict with the interests of the Company. The related party transactions are disclosed in the Notes to Accounts.

c. **Accounting Treatment**

In the preparation of financial statements, the Company has followed the Accounting Standards 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. However in the following matters, the Company has followed accounting treatments different from that prescribed in the Accounting Standards and management believes such alternative treatments are more representative of the true and fair view of the underlying business transactions.

Scheme of Amalgamation of Reliance Infraprojects Limited (RInfl) with the Parent Company:

The Hon'ble High Court of Judicature of Bombay had sanctioned the Scheme of Amalgamation of Reliance Infraprojects Limited (RInfl) with RInfra on March 30, 2011 with the appointed date being April 1, 2010. As per clause 2.3.7 of the Scheme, Rinfra is permitted to adjust foreign exchange and derivative losses/gains debited / credited in the statement of profit and loss by a corresponding withdrawal from or credit to general reserve. The details pertaining to this change in Accounting treatment is provided under Note No. 34 of the Notes to Financial Statements. The treatment prescribed under the Scheme override the relevant provisions of accounting standard 5 (AS-5) "Net Profit or loss for the period, Prior Period Items and changes in accounting policies".

EPC Business:

The Hon'ble Bombay High Court via scheme of amalgamation between Reliance Bhavnagar Power Private Limited, Reliance Jamnagar Power Private Limited and Reliance Infrastructure Engineers Private Limited with RInfra on February 22, 2013 had permitted RInfra to account for EPC (Engineering, Procurement and Construction) business activity without making any distinction whether the principal (for whom RInfra is the contractor) is associate, subsidiary of associate or any third party, the direction being contained in the Scheme. RInfra considers that the permitted accounting treatment leads to a more accurate reflection of the results of the working of

RInfra. The details pertaining to this change in Accounting treatment is provided under Note No. 32 of the Notes to Consolidated Financial Statements. This Accounting treatment, as permitted by the Scheme, overrides the relevant provisions of Accounting Standard 23 (AS-23) "Accounting for Investments in Associates in Consolidated Financial Statements".

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.

The Risk Management Committee (RMC) consists of senior executives of the Company. The Committee 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 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 has been circulated to all the members of the Board and senior management and the same has been posted 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 Manager of the Company appointed in terms of the Companies Act, 1956 (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 affirmation that they have complied with the Code of Conduct for Directors and Senior Management of the Company for the year 2013-14."

Ramesh Shenoy
Manager

f. CEO and CFO certification

Shri Ramesh Shenoy, Manager being the CEO and Shri Madhukar Moolwaney, CFO of the Company have provided certification 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, 2014 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 and their Specified Directors under Section 11, 11 (4) and 11B of SEBI Act, 1992. The Consent Order, inter alia, required payment of settlement charge of Rs. 25 crore jointly and severally by RInfra and its Specified Directors, which has been paid to SEBI by one of the Specified Directors.

XIII. 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 and Manager 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 of Conduct, 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 Code is available on the Company's website.

XIV. Compliance of Clause 5A of Listing Agreement

The details of shareholders and the outstanding shares lying in the "Reliance Infrastructure Limited - Unclaimed Suspense Account" as per Clause 5A (II) of the Listing Agreement as on March 31, 2014 were as under:

Particulars		No. of shareholders	No. of shares
(i)	Aggregate number of shareholders and the outstanding shares lying in the suspense account as on April 1, 2013	77,465	3,00,275
(ii)	Number of shareholders who approached issuer for transfer of shares from suspense account during the year	395	3,757
(iii)	Number of shareholders to whom shares were transferred from suspense account during the year	395	3,757
(iv)	Aggregate number of shareholders and the outstanding shares lying in the suspense account as on March 31, 2014	77,070	2,96,518

The voting rights on the shares in the "Reliance Infrastructure Limited – Unclaimed Suspense Account" as on March 31, 2014, shall remain frozen till the rightful owners of such shares claim the shares.

Wherever the shareholders have claimed the shares, after proper verification, the share certificates were dispatched to them or credited the shares to the respective beneficiary account.

XV. 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 the period as per the provisions of the Companies Act, 2013 and Listing Agreement entered into with the Stock Exchanges and the Company's Board charter as amended from time to time.

2. **Nomination and Remuneration Committee**

   The Board has set up a Nomination and Remuneration Committee details whereof are furnished at Serial Number III of this report.

3. **Disclosures**

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

4. **Audit qualifications**

   There is no audit qualification on the financial statements of the Company for the year 2013-14.

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 / Vigil Mechanism policy**

   Section 177 of the Companies Act, 2013 provides, inter alia, that every listed company shall establish a vigil mechanism for directors and employees to report genuine concerns in the manner prescribed. As the Company already has in place a whistle blower policy, the said policy is now known as vigil mechanism and the Company has already taken necessary steps in this direction.

   The Company has formulated a policy to prohibit managerial personnel from taking adverse action against employees who are disclosing 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 complaints received by the Company. Employees aware of any alleged wrongful conduct are encouraged to make a disclosure 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 has been denied access to the Grievance Redressal mechanism of the Company.

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 with 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.

Important Points

Hold securities in dematerialised form

Investors should hold their securities in dematerialised form as the same is beneficial due to following:-

- A safe and convenient way to hold securities;
- Elimination of risks associated with physical certificates such as bad delivery, fake securities, delays, thefts etc.
- Immediate transfer of securities;
- No stamp duty on electronic transfer of securities;
- Reduction in transaction cost;
- Reduction in paperwork involved in transfer of securities;
- No odd lot problem, even one share can be traded;
- Availability of nomination facility;
- Ease in effecting change of address as change with Depository Participants gets registered with all companies in which investor holds securities electronically;
- Easier transmission of securities as the same done by Depository Participants for all securities in demat account;
- Automatic credit into demat account of shares, arising out of bonus/split/consolidation/merger, etc.

Hold securities in consolidated form

Investors holding shares in multiple folios are requested to consolidate their holdings in single folio. Holding of securities in one folio enables shareholders to monitor the same with ease.

Furnish bank details and get dividend directly credited in bank account

Investors should avail the Electronic Clearing Services for payment of dividend as the same reduces risk attached to physical dividend warrants. Some of the advantages of payment through electronic credit services are as under:

- Avoidance of frequent visits to banks for depositing the physical instruments.
- Prompt credit to the bank account of the investor through electronic clearing.
- Fraudulent encashment of warrants is avoided.
- Exposure to delays / loss in postal service avoided.
- As there can be no loss in transit of warrants, issue of duplicate warrants is avoided.

Printing of bank account numbers, names and addresses of bank branches on dividend warrants provide protection against fraudulent encashment of dividend warrants. Members are requested to provide, the same to the Company's RTA for incorporation on their dividend warrants.

Register for SMS alert facility

Investor should register with Depository Participants for the SMS alert facility. Both National Securities Depository Limited and Central Depository Services (India) Limited alert investors through SMS of the debits and credits in their demat account.

Submit nomination form and avoid transmission hassle

Nomination helps nominees to get the shares transmitted in their favour without any hassles. Investors should get the nomination registered with the Company in case of physical holding and with their Depository Participants in case of shares held in dematerialised form.

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, nomination has to be registered with the concerned Depository Participants directly, as per the form prescribed by the Depository Participants.

Deal only with SEBI registered intermediaries

Investors should deal with SEBI registered intermediaries so that in case of deficiency of services, investor may take up the matter with SEBI.

Corporate benefits in electronic form

Investor holding shares in physical form should opt for corporate benefits like split/ bonus etc. in electronic form by providing their demat account details to Company's RTA.

Register e-mail address

Investors should register their email address with the Company / DPs. This will help them in receiving all communication from the Company electronically at their email address. This also avoids delay in receiving communications from the Company.

Prescribed form for registration may please be downloaded from the Company's website.

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, 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 on the records of the Company, 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.

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

SEBI has stated that for securities market transactions and off-market transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company's RTA for registration of such transfer of shares.

Facility for a Basic Services Demat Account (BSDA)

SEBI has stated that all the depository participants shall make available a BSDA for the shareholders who have only one demat account with (a) No Annual Maintenance charges if the value of holding is upto ₹ 50,000 and (b) Annual Maintenance charges not exceeding ₹ 100 for value of holding from ₹ 50,001 to ₹ 2,00,000. (Refer Circular CIR/MRD/DP/22/2012 dated 22nd August, 2012).

Annual General Meeting

The 85th Annual General Meeting (AGM) of the Company will be held on Tuesday, September 30, 2014 at 2.00 P.M. or soon after the conclusion of the Annual General Meeting of Reliance Communications Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020.

Investor Information

E-voting

The Members can cast their vote online from 10.00 A.M. on September 24, 2014 to 6.00 P.M. on September 26, 2014.

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 www.rinfra.com contains a dedicated section called "Investor Relations". It contains comprehensive data base of information of interest to our investors including the financial results, annual reports, dividend declared, any price sensitive information disclosed to the regulatory authorities from time to time, business activities and the services rendered / facilities extended to our investors.

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)

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

Shareholders / Investors are requested to forward share transfer documents, dematerialisation requests through their Depository Participant (DP) and other related correspondence directly to the Company's RTA at the above address for speedy response.

Dividend announcements

The Board of Directors of the Company has recommended a Dividend of ₹ 7.50 [75 per cent] per equity share of the Company for the financial year ended March 31, 2014, subject to declaration by shareholders at the ensuing Annual General Meeting (AGM). The dividend, if declared, will be paid after the Meeting.

Book closure dates for the purpose of dividend and AGM

Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 20, 2014 to Tuesday, September 30, 2014 (both days inclusive) for the purpose of AGM as well as to determine the entitlement of shareholders to receive the Dividend, if declared, for the year ended March 31, 2014.

Dividend remittance

Dividend on Equity Shares as recommended by the Directors for the financial year ended March 31, 2014, when declared at the AGM will be paid to:

i. all those equity shareholders, whose names appear in the Register of Members as on September 19, 2014, and

ii. those whose names appear as beneficial owners as on September 19, 2014, 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:

- Credit to the Bank account via Electronic Clearing Service
  - ECS (Electronic Clearing Service)
  - NECS (National Electronic Clearing Services)
  - NEFT (National Electronic Funds Transfer)
  - RTGS (Real Time Gross Settlement)
  - Direct Credit
- Dispatch of physical dividend warrant

  Shareholders are requested to avail the Electronic Clearing Service for payment of dividend as the same is immensely beneficial to them and considerably reduces risk attached to physical dividend 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 2005-06 (final) 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 it first become due for payment.

iii. Dividend to be transferred to the Investor Education and Protection Fund (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 IEPF and the various dates for transfer of such amounts are as under:

Financial year	Dividend per share (₹)	Date of declaration	Due for transfer on
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
2010-11	7.20	September 27, 2011	November 03, 2018
2011-12	7.30	September 4, 2012	October 12,2019
2012-13	7.40	August 27, 2013	October 3, 2020

Investor Information

Members who have so far not encashed dividend warrants for the aforesaid years are requested to approach the Company's Registrar and Transfer Agent, Karvy Computershare Private Limited, immediately.

The Company has uploaded the details of unpaid and unalaimed dividend on the website of the Company in terms of the requirements of the Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with the companies) Rules, 2012. 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 they first became due for payment and no payment shall be made in respect of any such claim.

Share transfer system

Shareholders / investors are requested to send share certificate(s) along with the share transfer deed in the prescribed Form 7B, duly filled in, executed and affixed with the share transfer stamp(s), 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.

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.

Shareholding Pattern

	Category of Shareholders	As on 31.03.2014		As on 31.03.2013	
		No. of Shares	%	No. of Shares	%
(A)	Shareholding of Promoter and Promoter Group				
	(i) Indian	12,76,27,036	48.53	12,76,26,990	48.53
	(ii) Foreign	0	0.00	0	0.00
	Sub Total (A)	**12,76,27,036**	**48.53**	**12,76,26,990**	**48.53**
(B)	Public shareholding				
	(i) Institutions	9,80,68,387	37.29	9,26,45,666	35.23
	(ii) Non-institutions	3,34,69,860	12.73	4,12,38,198	15.68
	Sub Total (B)	**13,15,38,247**	**50.02**	**13,38,83,864**	**50.91**
(C)	Shares held by Custodian and against which Depositary Receipts have been issued	38,24,717	1.45	14,79,146	0.56
	Sub Total (C)	**38,24,717**	**1.45**	**14,79,146**	**0.56**
	Grand Total (A) + (B) + (C)	**26,29,90,000**	**100.00**	**26,29,90,000**	**100.00**

Distribution of shareholding

Number of shares	**Number of Shareholders as on 31.03.2014**		**Total shares as on 31.03.2014**		**Number of Shareholders as on 31.03.2013**		**Total shares as on 31.03.2013**	
	Number	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**
Upto 500	12,22,834	99.48	2,22,15,827	8.45	12,89,970	99.45	2,40,71,404	9.15
501 to 5,000	5,785	0.47	69,64,999	2.65	6,375	0.49	76,85,757	2.92
5,001 to 1,00,000	486	0.04	1,04,75,557	3.98	601	0.05	1,31,54,580	5.00
1,00,001 and above	122	0.01	22,33,33,617	84.92	130	0.01	21,80,78,259	82.92
Total	**12,29,227**	**100.00**	**26,29,90,000**	**100.00**	**12,97,076**	**100.00**	**26,29,90,000**	**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 also the first to 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, 2014, 98.13 per cent of the Company's shares were held in dematerialised form.

Investor Information

Investor grievances attended

Received From	Received during		Redressed during		Pending as on	
	2013-14	2012-13	2013-14	2012-13	31.3.2014	31.3.2013
SEBI	34	45	34	45	Nil	Nil
Stock Exchanges	12	17	12	17	Nil	Nil
NSDL/CDSL	2	1	2	1	Nil	Nil
Direct from investors	2	33	2	33	Nil	Nil
Total	**50**	**96**	**50**	**96**	**Nil**	**Nil**

Analysis of grievances

Particulars	Number		Percentage	
	2013-14	2012-13	2013-14	2012-13
Non-receipt of dividend warrants	41	69	82.00	71.88
Non-receipt of share certificates	1	13	2.00	13.54
Others	8	14	16.00	14.58
Total	**50**	**96**	**100.00**	**100.00**

There was no complaint pending as on March 31, 2014.

Notes :

1. The Shareholder base was 12,29,227 as of March 31, 2014 and 12,97,076 as of March 31, 2013.
2. Investor queries / grievances are normally attended to 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.

Legal proceedings

There are certain pending cases relating to disputes over title to shares, in which the Company has been made a party. These cases are however, not material in nature.

Equity History

Sr. No.	Dates	Particulars	Price per Equity Share	No. of shares	Cumulative Total
1	01.04.2004	Outstanding Equity Shares			17,51,54,713
2	02.04.2004	Allotment of shares on a preferential basis	640.00	+ 91,95,622	18,43,50,335
3	30.04.2004	Allotment of equity shares on conversion of 0.5% FCCBs[1]	245.00	+ 9,99,009	18,53,49,344
4	29.07.2004	Allotment of equity shares on conversion of 0.5% FCCBs[1]	245.00	+ 1,97,346	18,55,46,690
5	13.12.2004	Annulment and re-issue of forfeited shares	N.A	+ 25,909	18,55,72,599
6	13.12.2004	Allotment of equity shares from 15% FCDs which was kept under abeyance[2]	N.A	+ 200	18,55,72,799
7	02.05.2005	Allotment of equity shares on conversion of warrants	640.00	+ 97,50,000	19,53,22,799
8	21.07.2005	Allotment of shares on a preferential basis	573.00	+ 41,84,000	19,95,06,799
9	05.08.2005	Allotment of equity shares against conversion of warrants	640.00	+ 1,11,228	19,96,18,027
10	19.08.2005	Allotment of equity shares on conversion of 0.5% FCCBs[1]	245.00	+ 22,86,224	20,19,04,251
11	31.03.2006	Allotment of equity shares on conversion of warrants	573.00	+ 1,04,16,000	21,23,20,251
12	07.08.2006	Allotment of shares to shareholders of Reliance Energy Ventures Limited (REVL) pursuant to the scheme of amalgamation between RInfra and REVL[3]	Pl see Note	+ 9,17,34,781	30,40,55,032
13	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	N.A	- 9,09,24,724	21,31,30,308
14	30.01.2007	Allotment of shares on conversion of warrants	573.00	+ 1,54,00,000	22,85,30,308
15	15.10.2007	Allotment of shares on conversion of FCCBs [4]	1006.92	+ 79,99,954	23,65,30,262
16	01.04.2008	Extinguishment of shares consequent to Buy-back [5 and 6]	N.A	- 1,12,60,000	22,52,70,262
17	31.03.2010	Allotment of shares on conversion of warrants [7]	928.89	+1,96,00,000	24,48,70,262
18	07.01.2011	Allotment of shares on conversion of warrants [7]	928.89	+ 2,25,50,000	26,74,20,262
19	21.04.2011 to 13.02.2012	Extinguishment of shares consequent to Buy-Back[8]	N.A	- 44,30,262	26,29,90,000

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.

2. Allotment of these shares was made out of the shares kept in abeyance to meet contingencies related to 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.
3. Reliance Energy Ventures Limited (REVL) demerged from Reliance Industries Limited held 9,09,24,724 equity shares and was merged with the Company on July 17, 2006. In lieu of these shares, the shareholders of REVL were allotted shares of the Company in the ratio of 7.5 shares for every 100 shares held as per the scheme of amalgamation which resulted in allotment of additional 8,10,057 shares to these shareholders.
4. 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.
5. Pursuant to the approval of the Board of Directors, 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.
6. Pursuant to the approval accorded by the shareholders, 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.
7. 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. 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 were no warrants remaining outstanding.
8. Pursuant to the resolution passed by the Board of Directors on February 14, 2011, the Company announced buy-back of its shares from April 11, 2011 and bought-back 44,30,262 equity shares up to February 13, 2012.

Stock Price and Volume

2013-2014	BSE Limited			National Stock Exchange of India Limited			GDRs	
	High ₹	Low ₹	Volume Nos.	High ₹	Low ₹	Volume Nos.	High US $	Low US $
April, 2013	388.50	321.80	1,72,71,201	388.65	321.25	6,88,52,190	21.17	18.00
May, 2013	437.10	359.15	1,74,68,191	437.05	359.10	7,69,46,645	23.32	19.19
June, 2013	389.70	318.00	1,24,76,603	389.70	318.05	5,91,39,680	20.16	16.12
July, 2013	401.00	327.40	1,58,08,349	401.30	327.05	8,01,84,060	19.90	16.76
August, 2013	366.00	308.00	1,25,54,627	365.00	308.20	6,36,75,416	17.82	14.75
September, 2013	421.90	324.50	1,08,16,546	423.00	325.65	6,38,60,410	19.74	14.53
October, 2013	440.00	363.20	96,42,562	439.95	363.20	5,41,84,397	21.25	18.06
November, 2013	463.10	398.00	75,63,701	463.90	398.00	44,73,644	22.25	19.13
December, 2013	452.00	408.65	57,00,765	452.00	408.50	3,48,76,344	21.99	19.95
January, 2014	438.50	358.15	53,31,652	438.90	358.15	3,08,03,346	20.11	17.41
February, 2014	375.00	350.85	35,47,662	372.70	350.30	2,24,96,185	17.87	17.10
March, 2014	445.90	351.65	86,15,363	445.70	351.25	5,01,20,664	21.86	17.15

GDRs were issued on March 8, 1996 and each GDR represents 3 equity shares. Issue price per GDR US$14.40.
1US$ = ₹ 59.915 as on March 31, 2014

Stock Exchange listings

The Company's equity shares are actively traded on BSE and NSE, the Indian Stock Exchanges.

Listings on Stock Exchanges

Equity Shares

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400001
Website : www.bseindia.com

National Stock Exchange of India Limited
Exchange Plaza
Plot No C /1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai 400 051
Website : www.nseindia.com

Investor Information

Stock Codes

BSE Limited	500390
National Stock Exchange of India Limited	RELINFRA
ISIN for equity shares	INE036A01016

An Index Scrip:

Equity Shares of the Company are included in the indices viz. BSE-100, BSE-200, BSE-500, BSE-Power, S&P BSE GREENEX, BSE Dollex, CNX Infrastructure, CNX Service Sector, Nifty Midcap 50

Global Depositary Receipts (GDRs)

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

1. **Depositary**
   The Bank of New York Mellon Corporation
   101 Barclay Street, 22nd Floor
   New York NY 10286 USA

2. **Domestic Custodian**
   ICICI Bank Limited, Securities Market Services
   Empire Complex, F7/E7 1st Floor
   414 Senapati Bapat Marg
   Lower Parel, Mumbai 400 013

Security Codes of GDRs

	Master Rule 144A GDRs	Master Regulation S GDRs
CUSIP	75945E109	Y09789119
ISIN	US75945E1091	USY097891193
Common Code	6099853	6099853

Note:

The 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 the U.S.A. and also over the counter at London, New York and Hong Kong.

Outstanding GDRs of the Company, conversion date and likely impact on equity

Outstanding GDRs as on March 31, 2014 represent 38,24,717 equity shares constituting 1.45% of the paid-up equity share capital of the Company.

Debt Securities

The Debt Securities of the Company are listed on the Wholesale Debt Market (WDM) Segment of BSE and NSE.

Debenture Trustees

Axis Trustee Services Limited
Axis House C-2, Wadia International Centre
Pandurang Budhkar Marg, Worli
Mumbai 400 025

IDBI Trusteeship Services Limited
Asian Building, Ground Floor 17
R Kamani Marg Ballard Estate
Mumbai 400 001

Payment of Listing Fees and Depository Fees

Annual Listing fees for the year 2014-15 have been paid by the Company to the stock exchanges.

Annual Custody/Issuer fees for the year 2014-15 have been paid by the Company to NSDL and CDSL.

Share Price Performance in comparison with broad based indices – BSE Sensex and NSE Nifty

	RInfra (per cent)	Sensex BSE (per cent)	Nifty NSE (per cent)
2013-14	33.66	18.85	17.98
2 years	-26.16	28.63	26.60
3 years	-36.95	15.12	14.92

Key Financial Reporting Dates for the Financial Year 2014-15

Unaudited results for the first quarter ending June 30, 2014	:	On or before August 14, 2014
Unaudited results for the second quarter/half year ending September 30, 2014	:	On or before November 14, 2014
Unaudited results for the third quarter/nine months ending December 31, 2014	:	On or before February 14, 2015
Audited results for the financial year 2014-15	:	On or before May 30, 2015

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, A Wing, 4th and 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai 400 013,

Investor Information

website: www.nsdl.co.in or Central Depository Services (India) Limited, Phiroze Jeejeebhoy Towers, 16th Floor, Dalal Street, Mumbai 400 001 website: www.cdslindia.com

Communication to members

The quarterly financial results of the Company were announced within 45 days of the end of the respective quarter during the year under review. The Company's media releases and details of significant developments are made available on the Company's website: www.rinfra.com. These are also published in leading newspapers.

Reconciliation of share capital audit

The Securities and Exchange Board of India has directed that all issuer companies shall submit a certificate reconciling the total shares held in both the depositories viz. NSDL and CDSL and in physical form with the total issued / paid up capital. The said certificate, duly certified by a qualified Chartered Accountant 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.

Investor correspondence may be addressed to the Registrar and Transfer Agent of the Company

Shareholders/Investors are requested to forward documents related to share transfer, dematerialisation requests (through their respective Depository Participant) and other related correspondences 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, India

Shareholders/Investors may send the above correspondence at the following address:

Queries relating to financial statements of the Company may be addressed to:

The Chief Financial Officer
Reliance Infrastructure Limited
H Block, 1st Floor, Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710
Telephone : +91 22 3009 8531
Fax : +91 22 3009 8528
Email : rinfra.investor@relianceada.com

Correspondence on investor services may be addressed to:

The Company Secretary
Reliance Infrastructure Limited
H Block, 1st Floor, Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710
Telephone : +91 22 3009 8181
Fax : +91 22 3009 8128
Email : rinfra.investor@relianceada.com

Plant Locations

Dahanu Power Plant	**Samalkot Power Plant**	**Goa Power Plant**	**Wind Farm**
BSES Nagar Dahanu Road 401 602 Thane District Maharashtra	Industrial Devp. Area Pedapuram Samalkot 533 440 Semandhara	Opp. Sancoale Industrial Estate Zuarinagar 403 726 Sancoale Mormugao, Goa	Near Aimangala 577 558 Chitradurga District Karnataka

Report of the Independent Auditor on the abridged financial statements

To,

The Members of Reliance Infrastructure Limited

1. The accompanying abridged financial statements, which comprise the abridged Balance Sheet as at March 31, 2014, the abridged Statement of Profit and Loss, and abridged Cash Flow Statement for the year then ended, and related notes, are derived from the audited financial statements of **Reliance Infrastructure Limited** ("the Company") for the year ended March 31, 2014. We expressed an unmodified audit opinion on those financial statements in our report dated May 19, 2014.

2. The abridged financial statements do not contain all the disclosures required by the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. [applied in the preparation of the audited financial statements of the Company]. Reading the abridged financial statements, therefore, is not a substitute for reading the audited financial statements of the Company.

Management's Responsibility for the Abridged Financial Statements

3. Management is responsible for the preparation of the abridged financial statements prepared pursuant to Rule 7A of the Companies (Central Government's) General Rules and Forms, 1956 read with Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2012 from the audited financial statements of the Company prepared in accordance with [Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and accounting principles generally accepted in India].

Auditors' Responsibility

4. Our responsibility is to express an opinion on the abridged financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

5. In our opinion, the abridged financial statements prepared pursuant to Rule 7A of the Companies (Central Government's) General Rules and Forms 1956 read with Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2012 is derived from the audited financial statements of the Company for the year ended March 31, 2014 and are a fair summary of those financial statements in accordance with [Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and accounting principles generally accepted in India]; as referred to in paragraph 6 (b) below, the Company has exercised the option available as per court orders which overrides the relevant provisions of Accounting Standard 5 (AS- 5).

Emphasis of Matter paragraph in the Auditors' Report on the Audited Financial Statements

6. The auditors' report on the audited financial statements contains Emphasis of Matter paragraphs, which are applicable for abridged financial statements as well. The basis of Emphasis of Matter paragraphs given in the auditors' report on the financial statements of the Company are as under :

   a. We draw attention to Note no. 9 of the abridged financial statements regarding termination of Concession Agreement by Delhi Airport Metro Express Private Limited (DAMEPL), a SPV of the Company with Delhi Metro Rail Corporation (DMRC) for reasons stated therein. As the matter is sub-judice, the ultimate recovery of the investment of the Company of ₹ 1,450.20 Crore in DAMEPL is dependent upon the outcome of the arbitration proceedings. Our opinion is not qualified in respect of this matter.

   b. We draw attention to Note no. 10 of the abridged financial statements regarding the Scheme of amalgamation between Reliance Infraprojects Limited (wholly owned subsidiary of the Company) and the Company, sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated March 30, 2011, wherein the Company, as determined by its Board of Directors, is permitted to adjust foreign exchange and derivative losses / gains debited / credited in the Statement of Profit and Loss by a corresponding withdrawal from or credit to General Reserve, which override the relevant provisions of Accounting Standard 5 (AS-5) 'Net Profit or loss for the Period, Prior Period Items and Changes in Accounting Policies'. Pursuant to the option exercised under the above scheme, the net foreign exchange gain of ₹ 101.46 Crore for the year ended March 31, 2014 has been credited to Statement of Profit and Loss and an equivalent amount has been transferred to General Reserve. Similarly, foreign exchange loss of ₹ 361.32 Crore attributable to finance cost and net loss on account of derivative instruments of ₹ 52.30 Crore have been debited to Statement of Profit and Loss and an equivalent amount has been withdrawn from General Reserve. Had the Scheme not prescribed the above treatment, profit before tax would have been lower by ₹ 312.16 Crore and General Reserve would have been higher by an equivalent amount. Our opinion is not qualified in respect of this matter.

For Haribhakti & Co.	**For Pathak H. D. & Associates**
Chartered Accountants	Chartered Accountants
Firm Regn. No: 103523W	Firm Regn. No: 107783W
Rakesh Rathi	**Vishal D. Shah**
Partner	Partner
Membership No.45228	Membership No. 119303
Date: May 19, 2014	Date: May 19, 2014
Place: Mumbai	Place: Mumbai

Report of the Independent Auditor on the audited financial statements

To the Members of Reliance Infrastructure Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Reliance Infrastructure Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

   We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the financial statements 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:

   (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

   (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

   (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

5. We draw attention to Note no. 33 of the financial statements regarding termination of Concession Agreement by Delhi Airport Metro Express Private Limited (DAMEPL), a SPV of the Company with Delhi Metro Rail Corporation (DMRC) for reasons stated therein. As the matter is sub-judice, the ultimate recovery of the investment of the Company of ₹ 1,450.20 Crore in DAMEPL is dependent upon the outcome of the arbitration proceedings. Our opinion is not qualified in respect of this matter.

6. We draw attention to Note no. 34 of the financial statements regarding the Scheme of amalgamation between Reliance Infraprojects Limited (wholly owned subsidiary of the Company) and the Company, sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated March 30, 2011, wherein the Company, as determined by its Board of Directors, is permitted to adjust foreign exchange and derivative losses / gains debited / credited in the Statement of Profit and Loss by a corresponding withdrawal from or credit to General Reserve, which override the relevant provisions of Accounting Standard 5 (AS-5) 'Net Profit or loss for the Period, Prior Period Items and Changes in Accounting Policies'. Pursuant to the option exercised under the above scheme, the net foreign exchange gain of ₹ 101.46 Crore for the year ended March 31, 2014 has been credited to Statement of Profit and Loss and an equivalent amount has been transferred to General Reserve. Similarly, foreign exchange loss of ₹ 361.32 Crore attributable to finance cost and net loss on account of derivative instruments of ₹ 52.30 Crore have been debited to Statement of Profit and Loss and an equivalent amount has been withdrawn from General Reserve. Had the Scheme not prescribed the above treatment, profit before tax would have been lower by ₹ 312.16 Crore and General Reserve would have been higher by an equivalent amount. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

8. As required by section 227(3) of the Act, 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 purpose 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013; as referred to in paragraph 6 above, the Company has exercised the option available as per court orders which overrides the relevant provisions of Accounting Standard 5 (AS-5).

   e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Haribhakti & Co.	For Pathak H. D. & Associates
Chartered Accountants	Chartered Accountants
Firm Regn. No: 103523W	Firm Regn. No: 107783W
Rakesh Rathi	**Vishal D. Shah**
Partner	Partner
Membership No.45228	Membership No. 119303
Date: May 19, 2014	Date: May 19, 2014
Place: Mumbai	Place: Mumbai

Annexure to Auditors' Report Referred to in our Auditors' Report of even date to the members of Reliance Infrastructure Limited on the financial statements for the year ended March 31, 2014

(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 three 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.

(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 any 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 that need 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.

(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, 2014 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
Delhi Sales Tax Act, 1975	Sales Tax	129.96[1*]	2004-2005	Sales tax tribunal, New Delhi & Divisional Bench of Delhi High Court
Delhi Sales Tax on Works Contract Act, 1999	Works Contract Tax	0.05[2]	2004-2005	Deputy Commissioner (Appeal), Dept of Trade and Tax, New Delhi
Orissa Sales Tax Act,1947	Sales Tax	3.46 [3]	2001-2002	Orissa Sales Tax Tribunal, Cuttack
West Bengal Value Added Tax Act, 2003	VAT	177.53[4]	2009-2010	Calcutta High Court
West Bengal Value Added Tax Act, 2003	VAT	56.62[5]	2010-2011	Appellate Additional Commissioner, Kolkata

Annexure to Auditors' Report Referred to in our Auditors' Report of even date to the members of Reliance Infrastructure Limited on the financial statements for the year ended March 31, 2014

Name of the statute	Nature of dues	Amount (₹ Crore)	Period to which the amount relates	Forum where the dispute is pending
West Bengal Value Added Tax Act, 2003	VAT	4.67[6]	2008-2009	West Bengal Commercial Tax Appellate & Revisional Board, Kolkata
Madhya Pradesh Value Added Tax Act, 2002	VAT	3.12[7]	2009-2010	Madhya Pradesh Commercial Tax Appellate Board, Bhopal
Central Sales Tax Act, 1956 - Madhya Pradesh	Central Sales Tax	0.19[8]	2009-2010	Madhya Pradesh Commercial Tax Appellate Board, Bhopal
Madhya Pradesh Entry Tax Act, 1976	Entry Tax	0.48[9]	2009-2010	Madhya Pradesh Commercial Tax Appellate Board, Bhopal
Central Sales Tax Act, 1956 - Rajasthan	Central Sales Tax	0.51[10]	2005-06 & 2006 -2007	Assistant Commissioner, Works contract and Leasing Tax, Kota
Maharashtra Value Added Tax Act, 2002	Sales Tax	0.07[11]	2008-2009	Joint Commissioner (Appeals) of Sales tax, Mumbai
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	5.00[12]	2005-2006, 2006-2007 & 2007-2008	Additional Commissioner Grade II, Appeals II, Noida
Central Sales Tax Act, 1956 – Uttar Pradesh	Central Sales Tax	3.18[13]	2006-2007, 2007-2008 & 2009-2010	Additional Commissioner Grade II, Appeals II, Noida
Uttar Pradesh VAT Act, 2008	VAT	0.47	2007-2008 & 2008-2009	Additional Commissioner Grade II, Appeals II, Noida
Uttar Pradesh Entry Tax Act, 2007	Entry Tax	0.04[14]	2007-2008 & 2008-2009	Additional Commissioner Grade II, Appeals II, Noida
Finance Act, 1994	Service Tax	2.53	2004-2006	Customs, Excise and Service Tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Income Tax	405.37 (for which the tax authorities are the appellant)	A.Y. 1978-1979, 1998-1999, 1999-2000, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006 & 2007-2008	Bombay High Court
Income Tax Act, 1961	Income Tax	306.44 (for which the tax authorities are the appellant)	A.Y. 2009-2010	Income Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Income Tax	256.96	A.Y. 2010-2011	CIT (Appeals), Mumbai
Income Tax Act, 1961	TDS	6.03	A.Y. 2008-2009 & 2011-2012	CIT (Appeals), Mumbai
The Water (Prevention and Control Pollution) Cess Act, 1977	Water Cess	0.73	1998-1999	Bombay High Court

Includes [1] ₹ 7.63 Crore, [2] ₹ 5,000, [3] ₹ 1.36 Crore, [4] ₹ 0.40 Crore, [5] ₹ 0.20 Crore, [6] ₹ 0.40 Crore, [7] ₹ 1.56 Crore, [8] ₹ 0.04 Crore, [9] ₹ 0.13 Crore, [10] ₹ 0.20 Crore, [11] ₹ 35,000, [12] ₹ 0.12 Crore, [13] ₹ 0.80 Crore, [14] ₹ 0.01 Crore, paid under protest.

*As per the terms of the contract the amount is recoverable from the customers.

(x) The Company has no accumulated losses as at March 31, 2014 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.

(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.

Annexure to Auditors' Report Referred to in our Auditors' Report of even date to the members of Reliance Infrastructure Limited on the financial statements for the year ended March 31, 2014

(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 except for term loans of ₹ 600 Crore which have been utilized towards repayment of cash credit facility obtained by the Company.

(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.

(xviii)During the year, the Company has not made any preferential allotment of shares to companies covered in the register maintained under Section 301 of the Act.

(xix) The Company has created security or charge in respect of all the debentures outstanding at the year end except for one series of Non Convertible Debentures of ₹ 700 Crore issued during the year, wherein the charge or security is yet to be created.

(xx) The Company has not raised any money by public issue 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 of which, as informed to us, is not material.

For Haribhakti & Co.
Chartered Accountants
Firm Regn. No: 103523W

Rakesh Rathi
Partner
Membership No.45228
Date: May 19, 2014
Place: Mumbai

For Pathak H. D. & Associates
Chartered Accountants
Firm Regn. No: 107783W

Vishal D. Shah
Partner
Membership No. 119303
Date: May 19, 2014
Place: Mumbai

Abridged Balance Sheet as at March 31, 2014

(Statement containing salient features of Balance Sheet as per Section 219(1)(b)(iv) of the Companies Act, 1956)

	As at March 31, 2014 ₹ Crore	As at March 31, 2013 ₹ Crore
EQUITY AND LIABILITIES		
Shareholders' Funds		
Paid-up Share Capital – Equity (Refer Note 15)	**262.58**	263.03
Reserves and Surplus		
Capital Reserves	**3,458.92**	3,446.24
Revaluation Reserve (Refer Note 12)	**885.20**	939.62
Statutory Reserves	**452.19**	438.35
Debenture Redemption Reserve	**257.51**	337.02
Foreign Currency Monetary Item Translation Difference Account (Refer Note 11)	**238.48**	156.22
Securities Premium Account (Refer Note 15)	**8,788.69**	8,825.09
Revenue Reserve	**6,259.46**	5,168.87
Surplus in the Statement of Profit and Loss	**689.34**	661.21
	21,292.37	20,235.65
Non Current Liabilities		
Long Term Borrowings	**6,712.38**	3,881.04
Deferred Tax Liabilities (Net)	**482.52**	554.52
Other Long Term Liabilities	**2,667.05**	2,997.60
Long Term Provisions	**380.00**	380.00
	10,241.95	7,813.16
Current Liabilities		
Short Term Borrowings	**7,346.10**	6,407.29
Trade Payables	**3,856.35**	3,783.96
Other Current Liabilities	**5,954.79**	5,657.17
Short Term Provisions	**434.77**	312.25
	17,592.01	16,160.67
	49,126.33	44,209.48
ASSETS		
Non Current Assets		
Fixed assets		
Tangible assets (Original cost less depreciation) (Refer Note 12)	**5,394.16**	5,441.96
Intangible assets (Original cost less depreciation/amortisation)	**587.13**	1,434.77
Capital work-in-progress	**527.78**	472.75
Non Current Investments		
Quoted [Market Value ₹ 8,441.17 Crore (₹ 6,305.22 Crore)]	**2,787.63**	1,640.52
Unquoted	**10,662.20**	8,856.05
Long Term Loans and Advances	**2,250.96**	572.65
Other Non Current Assets	**3,857.54**	4,048.13
	26,067.40	22,466.83
Current Assets		
Current Investments		
Quoted [Market Value ₹ 2.05 Crore (₹ 308.56 Crore)]	**2.05**	304.86
Unquoted	**4,100.00**	2,500.00
Inventories	**360.60**	367.28
Trade Receivables	**4,722.34**	3,249.25
Cash and Bank Balances	**201.97**	118.65
Short Term Loans and Advances	**10,090.19**	13,056.69
Other Current Assets	**3,581.78**	2,145.92
	23,058.93	21,742.65
	49,126.33	44,209.48

Refer Notes forming part of the Abridged Financial Statements

Note : Complete Balance Sheet, Statement of Profit and Loss, Other Statements and notes thereto prepared as per the requirements of Schedule VI to the Companies Act, 1956 are available at the Company's website at www.rinfra.com

Compiled from the Audited Financial Statements of the Company referred to in our Report dated May 19, 2014

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228

Date : May 19, 2014
Place : Mumbai

For Pathak H. D. & Associates
Chartered Accountants
Firm Registration No. 107783W

Vishal D. Shah
Partner
Membership No. 119303

Date : May 19, 2014
Place : Mumbai

For and on behalf of the Board

Anil D Ambani	Chairman
S Seth	Vice Chairman
R R Rai	Directors
S S Kohli	
Dr V K Chaturvedi	
K Ravikumar	
Ramesh Shenoy	Company Secretary and Manager

Date : May 19, 2014
Place : Mumbai

Abridged Statement of Profit and Loss for the year ended March 31, 2014
(Statement containing salient features of Profit and Loss Account as per Section 219(1)(b)(iv) of the Companies Act, 956)

	Year ended March 31, 2014 ₹ Crore	Year ended March 31, 2013 ₹ Crore
Income		
Revenue from Operations		
Revenue from Electricity Business	**6,595.23**	6,272.07
Revenue from EPC & Contracts Business	**4,597.01**	7,924.25
Other Operational Revenue	**164.69**	125.71
	11,356.93	14,322.03
Other Income		
Dividend	**50.72**	107.51
Interest	**750.58**	862.58
Miscellaneous Income	**524.68**	112.73
	1,325.98	1,082.82
Less : Transfer to General Reserve (Refer Note 10)	**101.46**	-
	1,224.52	1,082.82
Total Income	**12,581.45**	15,404.85
Expenditure		
Cost of Electrical Energy Purchased	**2,485.19**	2,468.25
Cost of Fuel Consumed	**1,488.90**	1,578.61
Construction Material Consumed and Sub-Contracting Charges	**3,885.95**	6,679.26
Employee benefits expense	**823.11**	856.13
Finance costs	**1,357.53**	879.38
Less : Transfer from General Reserve (Refer Note 10)	**361.32**	-
	996.21	879.38
Depreciation and Amortisation Expense	**407.32**	453.87
Less: Transfer from Revaluation Reserve	**54.23**	51.79
Less: Transfer from Service Line Contribution	**11.02**	10.03
	342.07	392.05
Other expenses	**815.38**	1,973.60
Less : Transfer from General Reserve (Refer Note 10)	**52.30**	1,147.32
	763.08	826.28
Total Expenditure	**10,784.51**	13,679.96
Profit before Tax and Exceptional Items	**1,796.94**	1,724.89
Exceptional Items – Income / (Expenses)		
Income	**-**	418.34
Expenses	**-**	(692.53)
Transfer from Provision for Extra-ordinary and exceptional items	**-**	692.53
	-	418.34
Profit before tax	**1,796.94**	2,143.23
Tax Expense:		
Current tax	**281.00**	40.00
Deferred tax (net)	**12.37**	367.04
Less : Net tax to be Recovered in Future Tariff Determination (Refer Note 8(b))	**84.37**	262.04
Income Tax for Earlier years (net)	**-**	(1.29)
Profit for the year	**1,587.94**	1,999.52
Earning per equity share:(Face Value of ₹ 10 per Share)		
Basic	**60.38**	76.03
Diluted	**60.38**	76.03

Refer Notes forming part of the Abridged Financial Statements

Compiled from the Audited Financial Statements of the Company
referred to in our Report dated May 19, 2014

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228

Date : May 19, 2014
Place : Mumbai

For Pathak H. D. & Associates
Chartered Accountants
Firm Registration No. 107783W

Vishal D. Shah
Partner
Membership No. 119303

Date : May 19, 2014
Place : Mumbai

For and on behalf of the Board

Anil D Ambani Chairman
S Seth Vice Chairman
R R Rai
S S Kohli
Dr V K Chaturvedi
K Ravikumar } Directors
Ramesh Shenoy Company Secretary and Manager

Date : May 19, 2014
Place : Mumbai

Abridged Cash Flow Statement for the year ended March 31, 2014

	Year ended March 31, 2014 ₹ Crore	Year ended March 31, 2013 ₹ Crore
Cash Flows from Operating Activities	**2,334.50**	2,571.49
Cash Flows from Investment Activities	**(3,772.43)**	(4,266.30)
Cash Flows from Financing Activities	**1,524.04**	1,129.56
Effect of Exchange Differences on Translation of Foreign Currency Cash and Cash Equivalents	**1.37**	(8.67)
Net Increase / (Decrease) in cash and cash equivalents	**87.48**	(573.92)
Cash and Cash Equivalents as at the beginning of the Year	**113.49**	686.07
Cash and Cash Equivalents received on Scheme of Arrangement	**-**	1.34
Cash and Cash Equivalents as at the end of the year*	**200.97**	113.49
Net Increase / (Decrease) as disclosed above	**87.48**	(573.92)

Note : Figures in brackets indicate cash outflows.

* Including balances in unpaid dividend accounts ₹ 11.90 Crore (₹ 8.23 Crore).

Previous year figures have been regrouped / reclassified / rearranged wherever necessary to make them comparable to those for the current year.

Compiled from the Audited Financial Statements of the Company referred to in our Report dated May 19, 2014

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228

Date : May 19, 2014
Place : Mumbai

For Pathak H. D. & Associates
Chartered Accountants
Firm Registration No. 107783W

Vishal D. Shah
Partner
Membership No. 119303

Date : May 19, 2014
Place : Mumbai

For and on behalf of the Board

Anil D Ambani	Chairman
S Seth	Vice Chairman
R R Rai	Directors
S S Kohli	
Dr V K Chaturvedi	
K Ravikumar	
Ramesh Shenoy	Company Secretary and Manager

Date : May 19, 2014
Place : Mumbai

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 (Indian GAAP), the relevant provisions of the Companies Act, 1956 upon their notification (including any statutory modification(s) or re-enactments thereof for the time being in force) (the Act) and comply in material aspects with the Accounting Standards notified under Section 211 (3C) of the Act, which continues to be applicable under Section 133 of the Companies Act, 2013 in terms of general circular 15/2013 dated September 13, 2013 of Ministry of Corporate Affairs (MCA), read with Companies (Accounting Standards) Rules, 2006 (as amended). In view of General Circular 08/2014 dated April 04,2014 of MCA, the provisions of the Companies Act, 1956 shall apply in relation to maintenance of books of account and preparation of financial statements for the year ended March 31, 2014. Assets and Liabilities created under applicable electricity laws continue to be depicted under appropriate heads.

(b) Financial Statements: Presentation and Disclosures:

Financial Statements have been prepared in accordance with the requirements of the information and disclosures mandated by Revised Schedule VI, applicable Accounting Standards, other applicable pronouncements and regulations.

(c) 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. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods. Difference between the actual results and estimates is recognised in the period in which the results are known / materialized.

(d) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Further, specific criteria for revenue recognition followed for different businesses are as under –

(i) Electricity Business:

Revenue from sale of electrical energy is accounted for on the basis of billing to consumers based on billing cycles followed by the Company which is inclusive of fuel adjustment charges (FAC) and includes unbilled revenue accrued upto end of accounting year. 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.

Revenue from Transmission Charges are accounted on the basis of periodic billing to consumers / state transmission utility.

The Company determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps 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/ accruals representing revenue gaps are carried forward as Regulatory Assets / Regulatory Liabilities and are classified as Current / Non Current Assets / Liabilities, as the case may be, which would be recovered / refunded through future billing based on 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 as a 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.

Revenue from Construction Contract is recognised by adding the aggregate cost incurred on the contract till reporting period and the proportionate profit using the Percentage Completion Method. Profit proportionate to the value of work done upto reporting date is determined as a percentage of the Profit estimated to arise on completion of the entire contract, after deduction of Contingency.

Profit is recognised only when the outcome of the contract can be estimated reliably. When the construction contract is expected to result in a loss on completion of the entire contract, the entire loss is recognized as an expense immediately in the same reporting period.

Contract in progress is valued at cost plus recognised profit (less recognised losses) upto the reporting date. In respect of operation and maintenance contracts, revenue proportionate to value of work done or the period elapsed as the case may be, is recognised.

In respect of Operation & Maintenance contracts in toll business, revenue is recognised based on the terms of the contracts entered with the party.

(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. Interest income is recognised on a time proportion basis after taking into account the principal amount outstanding and the rate applicable. Dividend on investment is recognized when the right to receive the payment is established.

(e) Foreign Currency Transactions:

(i) Transactions denominated in foreign currencies are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Foreign currency monetary items (assets and liabilities) are restated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in foreign currency, are reported using the exchange rate at the date of the transaction. Gains and losses, if any, at the year-end in respect of monetary assets and monetary liabilities are recognised in the Statement of Profit and Loss except in case of gains or losses arising on long term foreign currency monetary items, the accounting treatment for which is as under:

In accordance with Govt. of India, Ministry of Corporate affairs notification (GSR No.914(E) dated December 29, 2011) in respect of accounting year commencing on or after April 1, 2011, the Company has exercised the option whereby the foreign exchange gains / losses on long term foreign currency monetary items relating to the acquisition of depreciable assets are added to or deducted from the cost of such assets and in other cases, such gains or losses are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" to be amortised over the remaining life of the concerned monetary item.

(iii) 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.

(iv) In respect of derivative transactions, gains / losses are recognised in the Statement of Profit and Loss 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 Statement of Profit and Loss. Net gain, if any, is ignored.

(f) Fixed Assets:

Tangible Assets

(i) Cost comprises cost of acquisition or construction of assets (excluding revalued assets) including borrowing costs attributable to bringing the assets to 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

Intangible Assets are stated at cost of acquisition net of tax/duty/credits availed, if any, less accumulated amortisation / depletion. Acquisition cost of residual interest in the monthly cash flow of the toll road businesses have been accounted as intangible assets.

(g) Depreciation / Amortisation:

(i) Electricity Business:

Fixed assets are depreciated under the straight line method as per the rates and in the manner prescribed as per the Electricity Regulations 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 as per the Electricity regulations.

(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 to the Act.

(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 to the Act.

(iv) Intangible Assets:

(i) Softwares pertaining to the electricity business are amortized as per the rate and in the manner prescribed in the electricity regulations. Other softwares are amortised over a period of 3 years.

(ii) Intangible Assets representing acquisition of Residual Interest in Toll Businesses are amortised over a contract period of 14 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. The same is in line with the Ministry of Corporate Affairs notification no. GSR (E) dated April 17, 2012.

(iii) The container trains license fee is amortised over 20 years being the life of the license 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.

(h) Investments:

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are recognised at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

(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.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(j) 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.

(k) Employee Benefits:

Contributions to defined contribution schemes such as provident fund, superannuation funds etc. are charged to Statement of Profit and Loss / Capital Work-in-Progress, as applicable. The Company also provides for retirement benefits in the form of gratuity and leave encashment. The liability in respect of these defined benefit plans is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Such defined benefits are charged to Statement of Profit and Loss / Capital Work-in-Progress, as applicable, based on actuarial valuations, as at the balance sheet date, made by independent actuaries. Actuarial gain and loss is recognised in the Statement of Profit and Loss / Capital Work-in-Progress, as may be applicable.

(l) Borrowing Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(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.

(n) 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.

(o) Contingent Liabilities and Contingent Assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is probable that an outflow of resources will not be required to settle the obligation . However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

(p) 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.

(q) Cash and cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash on hand and demand deposits with bank.

(r) 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.

(s) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Act.

2. Earnings Per Equity Share:
(Note No.25 of Notes to Financial Statements)

Particulars	**Year ended March 31, 2014**	Year ended March 31, 2013
(i) Profit for Basic and Diluted Earnings per Share (a) (₹ Crore)	**1,587.94**	1,999.52
(ii) Weighted average number of Equity Shares		
For Basic Earnings per share (b)	**26,29,90,000**	26,29,90,000
For Diluted Earnings per share(c)	**26,29,90,000**	26,29,90,000
(iii) Earnings per share (Face Value of ₹ 10 per share)	**Rupees**	Rupees
Basic (a/b)	**60.38**	76.03
Diluted (a/c)	**60.38**	76.03

3. Deferred Tax Liabilities (Net):
(Note No.5 of Notes to Financial Statements)

₹ Crore

Particulars	As at March 31,2014	As at March 31,2013
Deferred Tax Liability on account of:		
Depreciation difference	**900.52**	948.21
Regulatory Income	**318.47**	271.89
	1,218.99	1,220.10
Deferred Tax Assets on account of:		
Provisions	**124.64**	142.20
Disallowance under section 40(a) of the Income Tax Act, 1961	**4.76**	0.68
	129.40	142.88
	1,089.59	1,077.22
Less : Net tax to be recoved from future tariff determination (Refer Note 8(b))	**607.07**	522.70
	482.52	554.52

4. (Note No.26 of Notes to Financial Statements)

(a) Contingent Liabilities:

(i) Counter guarantees given to banks against guarantees issued by the banks on behalf of the jointly controlled operations aggregate to ₹ 0.79 Crore (₹ 0.55 Crore) and for subsidiaries and associates ₹ 368.91 Crore (₹ 368.91 Crore).

(ii) Corporate Guarantees given to banks and other parties aggregating ₹ 1,950.28 Crore (₹ 2,207.26 Crore) in respect of subsidiaries /associates/ other body corporates.

(iii) Claims against the Company not acknowledged as debts and under litigation aggregate to ₹ 1,109.45 Crore (₹ 1,519.65 Crore). These include claim from suppliers aggregating to ₹ 273.63 Crore (₹ 248.58 Crore), income tax claims ₹ 428.90 Crore (₹ 847.68 Crore), claims from sales tax authorities aggregating to ₹ 373.73 Crore (₹ 395.68 Crore) out of which claims of ₹ 122.33 Crore (₹ 122.33 Crore), if materialised, will be recovered from the customers and other claims ₹ 33.19 Crore (₹ 27.71 Crore).

(iv) 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. Subsequent to the withdrawal of the compounding application, the matter has been referred to the Enforcement Directorate where the same is still pending.

(b) Capital and Other Commitments:

(i) Estimated amount of contracts remaining unexecuted on capital account and not provided for ₹ 231.05 Crore (₹ 237.56 Crore).

(ii) Uncalled liability on partly paid shares ₹ 10.70 Crore (₹ 10.70 Crore).

(iii) The Company has given equity / fund support for setting up of projects / cost overrun in respect of various infrastructure and power projects being set up by Company's subsidiaries and associates; the amounts of which currently are not ascertainable.

5. Related Party Disclosure:
(Note No.29 of Notes to Financial Statements)

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)
	(e)	North Karanpura Transmission Company Limited (NKTCL)
	(f)	BSES Kerala Power Limited (BKPL)
	(g)	Reliance Energy Trading Limited (RETL)
	(h)	Mumbai Metro One Private Limited (MMOPL)

	(i)	Parbati Koldam Transmission Company Limited (PKTCL)
	(j)	CBD Tower Private Limited (CBDTPL)
	(k)	Tulip Realtech Private Limited (TRPL)
	(l)	DS Toll Road Limited (DSTL)
	(m)	NK Toll Road Limited (NKTL)
	(n)	SU Toll Road Private Limited (SUTL) up to September 29, 2013
	(o)	TD Toll Road Private Limited (TDTL) up to September 29, 2013
	(p)	TK Toll Road Private Limited (TKTL) up to September 29, 2013
	(q)	GF Toll Road Private Limited (GFTL)
	(r)	KM Toll Road Private Limited (KMTL)
	(s)	PS Toll Road Private Limited (PSTL)
	(t)	HK Toll Road Private Limited (HKTL)
	(u)	DA Toll Road Private Limited (DATL)
	(v)	Reliance Cement Company Private Limited(RCPL)
	(w)	Reliance Cement and Infra Private Limited (RCIPL)
	(x)	Reliance Cement Corporation Private Limited (RCCPL)
	(y)	Reliance Cement Works Private Limited (RCWPL)*
	(z)	Utility Infrastructure & Works Private Limited (UIWPL)
	(aa)	Reliance Concrete Private Limited (RCoPL)
	(bb)	Reliance Airport Developers Private Limited (RADPL)
	(cc)	Latur Airport Private Limited (LAPL)
	(dd)	Baramati Airport Private Limited (BAPL)
	(ee)	Nanded Airport Private Limited (NAPL)
	(ff)	Yavatmal Airport Private Limited (YAPL)
	(gg)	Osmanabad Airport Private Limited (OAPL)
	(hh)	Reliance Sealink One Private Limited (RSOPL)

(b) Other related parties where transactions have taken place during the year:

(i)	Associates (including subsidiaries of associates)	(a)	Reliance Power Limited (RePL)
		(b)	Urthing Sobla Hydro Power Private Limited (USHPPL)
		(c)	Rosa Power Supply Company Limited (ROSA)
		(d)	Sasan Power Limited (SPL)
		(e)	Vidarbha Industries Power Limited (VIPL)
		(f)	Chitrangi Power Private Limited (CPPL)
		(g)	Coastal Andhra Power Limited (CAPL)
		(h)	Samalkot Power Limited (SaPoL)
		(i)	Rajasthan Sun Technique Energy Private Limited (RSTEPL)
		(j)	Dhursar Solar Power Private Limited (DSPPL) (earlier known as Dahanu Solar Power Private Limited)
		(k)	Reliance Clean Gen Limited (RCGL)
		(l)	JR Toll Road Private Limited (JRTL)
		(m)	Mumbai Metro Transport Private Limited (MMTPL)
		(n)	Metro One Operation Private Limited(MOOPL)
		(o)	Delhi Airport Metro Express Private Limited (DAMEPL)
		(p)	SU Toll Road Private Limited (SUTL) w.e.f. September 30, 2013
		(q)	TD Toll Road Private Limited (TDTL) w.e.f. September 30, 2013
		(r)	TK Toll Road Private Limited (TKTL) w.e.f. September 30, 2013
		(s)	Siyom Hydro Power Private Limited (SHPPL)
		(t)	Coastal Andhra Power Infrastructure Limited (CAPIPL)

(ii)	Joint Ventures	(a) (b) (c) (d)	BSES Rajdhani Power Limited (BRPL) BSES Yamuna Power Limited (BYPL) Tamilnadu Industries Captive Power Company Limited (TICAPCO) 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) (b)	Shri Lalit Jalan Shri Ramesh Shenoy
(vi)	Enterprises over which person described in (iv) has significant influence	(a) (b) (c) (d) (e) (f) (g) (h) (i) (j) (k) (l) (m) (n) (o) (p)	Reliance Innoventures Private Limited(REIL) Reliance Life Insurance Company Limited (RLICL) Reliance General Insurance Company Limited (RGI) Reliance Capital Limited (RCap) Reliance Tech Services Private Limited (RTSPL) Reliance Infocomm Infrastructure Private Limited (RIIPL) AAA Sons Private Limited (AAASPL) Reliance Securities Limited (RSL) Reliance Money Precious Metals Private Limited (RMPMPL) Reliance Capital Asset Management Company Limited (RAMCPL) Reliance Enterprise and Ventures Private Limited (REVPL) Reliance Infocomm Limited (RInfo) Reliance Infratel Limited (RITL) Reliance Big Private Limited (RBPL) Talenthouse Entertainment Private Limited (THEPL) Reliance Home finance Limited (RHL)
* Refer Note 17			

(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) Statement of Profit and Loss Heads:					
(I) Income:					
(i)	Gross Revenue from EPC and Contracts Business	61.24 *388.96*	2,505.20 *5,947.28*	– –	– –
(ii)	Dividend Received	47.27 *91.11*	2.18 *1.58*	– –	– –
(iii)	Interest earned	0.34 *4.75*	3.78 *6.19*	– –	– –
(iv)	Other Income	18.09 *12.62*	3.17 *7.31*	2.44 *0.55*	– –
(II) Expenses:					
(i) (a)	Purchase of Electricity (Including Open Access Charges – Net of Sales)	68.36 *76.65*	664.93 *706.07*	37.21 *28.96*	– –
(i) (b)	Purchase of Electricity –Compensation Bills / IEX (Net of Sales)	207.00 *99.43*	– –	– –	– –

₹ 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
(ii)	Purchase/Services of other items on revenue account	– –	0.31 *1.78*	0.15 *14.57*	– –
(iii)	Purchase of other items on Capital account	– –	0.53 *9.14*	– –	– –
(iv)	Receiving of Services	– *0.42*	11.65 *17.87*	15.89 *3.72*	– –
(v)	Rent paid	0.01 *0.01*	0.27 –	0.76 *2.89*	– –
(vi)	Dividend Paid	– –	78.55 *91.72*	15.07 *0.63*	0.09 *0.09*
(vii)	Interest Paid	1.13 *2.72*	– –	10.43 –	– –
(viii)	Salaries, Commission and Other benefits	– –	– –	– –	9.03 *8.40*
(b) Balance Sheet Heads (Closing Balances):					
(i)	Trade payables, Advances received and other liabilities for receiving of services on revenue and capital account	0.51 *0.55*	2,422.72 *2,206.01*	23.08 *27.59*	– –
(ii)	Investment in Securities	2,461.67 *2,884.05*	4,499.84 *2,417.78*	– –	– –
(iii)	Inter Corporate Deposit (ICD) Placed	639.38 *771.51*	55.15 *16.11*	– –	– –
(iv)	Subordinate Debts	1,539.13 *1,030.76*	1,716.27 *1,105.38*	– –	– –
(v)	Advance against Securities	538.80 –	6.39 *1,263.98*	– –	– –
(vi)	Trade Receivables, Advance given and other receivables for rendering services	1,048.59 *324.15*	3,590.56 *2,846.73*	2.28 *0.09*	– –
(vii)	Intangible Assets	568.14 *1,415.71*	– –	– –	– –
(viii)	Inter Corporate Deposit (ICD) Taken	– *47.00*	– –	175.00 –	– –
(ix)	Interest receivable on Investments and Deposits	– –	2.44 –	– –	– –
(c) Contingent Liabilities (Closing balances):					
(i) Guarantees and Collaterals		1,186.80 *1,429.57*	703.05 *717.26*	– –	– –
(d) Transactions During the Year:					
(i)	Guarantees and Collaterals provided	1.10 *963.09*	40.78 –	– –	– –
(ii)	Guarantees and Collaterals provided earlier – expired / encashed	287.42 –	55.00 –	– –	– –
(iii)	ICD Given to	13.85 *1,428.20*	25.95 *16.11*	– –	– –
(iv)	ICD Returned by	8.60 *432.48*	– –	– –	– –

Notes to Abridged 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
(v)	Recoverable Expenses:-				
	(a) incurred for related parties	3.28 *5.56*	25.60 *25.24*	0.20 *0.43*	- -
	(b) incurred by related parties on our behalf	- *0.05*	1.85 *6.71*	- 0.27	- -
(vi)	Investment in Securities	43.68 *1,341.49*	- -	- -	- -
(vii)	Subordinate Debts given	457.87 *219.30*	448.03 *231.00*	- -	- -
(viii)	Subordinate Debts received back	- *246.20*	- -	- -	- -
(ix)	Advance against Securities given during the year	570.30 -	- *1,200.00*	- -	- -
(x)	Advance against Securities received back	- -	100.00 -	- -	- -
(xi)	Reduction / Cancellation of Investments	- *1,147.32*	- -	- -	- -
(xii)	Sale of Investment in Equity Shares	9.32 *0.01*	- -	- -	- -
(xiii)	EPC Advance received	- *0.98*	- *40.77*	- -	- -
(xiv)	Advance returned	- *0.14*	8.00 *1,228.37*	- -	- -
(xv)	Purchase of Fixed Assets	- -	- *9.14*	- -	- -
(xvi)	ICD / Advance against Securities converted into Subordinate Debts	50.52 *320.23*	162.86 -	- -	- -
(xvii)	ICD Taken	- *47.00*	- -	175.00 -	- -
(xviii)	ICD Repaid	47.00 -	- -	- -	- -
(xix)	Sale of Fixed Assets	0.69 -	- -	- -	- -
(xx)	Purchase of Equity Shares	0.16 -	- -	1,076.34 -	- -
(xxi)	Consideration on Revocation of Toll Collecting Rights	850.00 -	- -	- -	- -

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 Party

(i) Transactions during the year (Balance Sheet heads)

Guarantees and Collaterals provided to JRTL ₹ 40.78 Crore. Guarantees and Collaterals provided earlier- expired / encashed for DAMEPL ₹ 55 Crore, MMOPL ₹ 186.63 Crore, HKTL ₹ 52.60 Crore and KMTL ₹ 47.69 Crore. ICD given to TKTL ₹ 21.70 Crore and ₹ GFTL ₹ 12.25 Crore. ICD returned by NKTL ₹ 8.60 Crore. Recoverable Expenses incurred for SPL ₹ 11.20 Crore, RSTEPL ₹ 13.57 Crore and DATL ₹ 0.73 Crore. Recoverable Expenses incurred by SPL ₹ 0.93 Crore, VIPL ₹ 0.52 Crore and BYPL ₹ 0.28 Crore. Investment in Securities of PKTCL ₹ 43.40 Crore. Subordinate debt given to DAMEPL ₹ 402.48 Crore, RPTL ₹ 94.10 Crore, HKTL ₹ 103.33 Crore and MMOPL ₹ 114.97 Crore. Advance against Securities given to MMOPL ₹ 150 Crore and RCPL ₹ 373.85 Crore. Advance against Securities received back from RePL ₹ 100 Crore. Sale of Investments in Equity shares in RCCPL ₹ 9.32 Crore. Advance returned to SPL ₹ 8.00 Crore. ICD/ Advance against Securities converted into sub-debts for JRTL ₹ 63.34 Crore and TKTL ₹ 90.77 Crore. ICD received from RAMCPL ₹ 175 Crore.ICD repaid to BKPL ₹ 47 Crore. Sale of Fixed Assets to WRTM ₹ 0.69 Crore. Purchase of Equity Shares from REVPL ₹ 1,076.34 Crore. Consideration on Revocation of Toll Collecting Rights of PSTL ₹ 850 Crore.

(Previous Year: Guarantees and Collaterals provided to RCPL ₹ 435.25 Crore, NKTL ₹ 156.00 Crore and PSTL ₹ 298.90 Crore. ICD given to RPTL ₹ 426.70 Crore, MMOPL ₹ 277.70 Crore and RCIPL ₹ 600.00 Crore. ICD returned by RPTL ₹ 426.70 Crore. Recoverable Expenses incurred for SaPoL ₹ 5.52 Crore and RSTEPL ₹ 15.71 Crore. Recoverable Expenses incurred by SaPoL ₹ 6.64 Crore Investment in Equity Shares of RIEPL ₹ 1,147.25 Crore. Subordinate debt given to DAMEPL ₹ 227.77 Crore, RPTL ₹ 55.20 Crore and RCPL ₹ 62.00 Crore. Subordinate debt returned by PSTL ₹ 246.20 Crore . Advance against Investments paid to RePL ₹ 1,200 Crore. EPC Advance received from DSPPL ₹ 40.77 Crore. Advances returned to SPL ₹ 200 Crore, VIPL ₹ 140.37 Crore and CAPL ₹ 888.00 Crore. Purchase of Fixed assets from SPL ₹ 8.77 Crore. Reduction / cancellation of Investments RIEPL ₹ 1,147.30 Crore. ICD to MMOPL ₹ 320.23 Crore Converted to Sub Debts. ICD received from BKPL ₹ 47.00 Crore. Sale of Investments to TRPL ₹ 0.01 Crore).

(ii) Balance sheet heads (Closing balance)

Trade payables, Advances received and other liabilities for receiving of services on revenue and capital account CPPL ₹ 1,214.14 Crore and SPL ₹ 913.90 Crore. ICD taken from RAMCPL ₹ 175.00 Crore. Investment in Securities RePL ₹ 3,810.94 Crore and RPTL ₹ 622.39 Crore. ICDs placed RCIPL ₹ 600.00 Crore. Subordinate debt given to DAMEPL ₹ 1,450.20 Crore and MMOPL ₹ 527.40 Crore. Advance against Securities MMOPL ₹ 150.00 Crore and RCPL ₹ 373.85 Crore. Interest receivable on Investments and Deposits from RePL ₹ 1.14 Crore and CPPL ₹ 1.30 Crore. Trade Receivables, Advances given and other receivables for rendering services SPL ₹ 902.00 Crore, SaPoL ₹ 2,216.72 Crore and PSTL ₹ 853.84 Crore. Intangible Assets from DSTL ₹ 312.55 Crore, NKTL ₹ 255.58 Crore.

(Previous Year: Trade payables, Advances received and other liabilities for receiving of services on revenue and capital account CPPL ₹ 1214.82 Crore and SPL ₹ 670.55 Crore. ICD taken from BKPL ₹ 47.00 Crore. Investment in Equity RPTL ₹ 622.39 Crore and RePL ₹ 1635.31 Crore. ICDs placed RCIPL ₹ 600.00 Crore. Subordinate debt given to DAMEPL ₹ 1,047.72 Crore and MMOPL ₹ 412.43 Crore. Advance against Investments RePL ₹ 1,200.00 Crore. Interest receivable on Investments and Deposits from RePL ₹ 6.12 Crore Trade Receivables, Advances given and other receivables for rendering services SaPoL ₹ 1,601.76 Crore and SPL ₹ 892.68 Crore. Intangible Assets from DSTL ₹ 313.02 Crore, NKTL ₹ 255.79 Crore and PSTL ₹ 846.90 Crore).

(iii) Contingent Liabilities (Closing Balance)

Guarantees and Collaterals provided to RePL ₹ 300.00 Crore, JRTL ₹ 387.05 Crore, RCPL ₹ 478.80 Crore and PSTL ₹ 300.00 Crore.

(*Previous Year: Guarantees and Collaterals provided to RePL ₹ 300.00 Crore, JRTL ₹ 346.27 Crore, MMOPL ₹ 235.63 Crore, RCPL ₹ 435.25 Crore and PSTL ₹ 298.90 Crore*.)

(iv) Income heads

Gross Revenue of EPC and Contracts Division from SPL ₹ 1,152.73 Crore, SaPoL ₹ 444.33 Crore and RSTEPL ₹ 690.70 Crore. Dividend received from BKPL ₹ 47.27 Crore. Interest earned from RePL ₹ 2.40 Crore and CPPL ₹ 1.38 Crore. Other Income PSTL ₹ 7.31 Crore, HKTL ₹ 3.04 Crore and DATL ₹ 3.13 Crore.

(Previous Year: Gross Revenue of EPC and Contracts Division from SPL ₹ 3,665.72 Crore, SaPoL ₹ 690.61 Crore and RSTEPL ₹ 801.77 Crore. Dividend received from BKPL ₹ 76.65 Crore and RETL ₹ 14.45 Crore. Interest earned from RePL ₹ 6.12 Crore and WRTM ₹ 4.56 Crore. Other Income PSTL ₹ 3.95 Crore, HKTL ₹ 3.26 Crore and VIPL ₹ 4.70 Crore).

(v) Expenses heads

Purchase of electricity (including Open access charges – Net of Sales) from DSPPL ₹ 124.65 Crore and VIPL ₹ 501.41 Crore. Purchase of Electricity- Compensation Bills / IEX (Net of Sales) from RETL ₹ 207.00 Crore. Purchase / Services on Revenue account from RITL ₹ 0.15 Crore and RePL ₹ 0.31 Crore. Receiving of Services from RGI ₹ 12.27 Crore, SPL ₹ 8.63 Crore. Purchase of other items on Capital account from SaPoL ₹ 0.53 Crore. Interest Paid to RAMCPL ₹ 10.44 Crore. Rent paid to RIIPL ₹ 0.76 Crore and UPL ₹ 0.26 Crore. Dividend paid AAAPVPL ₹ 78.55 Crore and RBPL ₹ 14.43 Crore.

(Previous Year: Purchase of electricity (including Open access charges - Net of Sales) from RETL ₹ 76.65 Crore, DSPPL ₹ 107.62 Crore and VIPL ₹ 597.10 Crore. Purchase of Electricity- Compensation Bills / IEX (Net of Sales) from RETL ₹ 99.43 Crore. Purchase / Services on Revenue account from RGI ₹ 10.89 Crore, RLICL ₹ 1.96 Crore and RePL ₹ 1.78

Crore. Purchase of other items on Capital account from SPL ₹ 8.78 Crore. Receiving of Services from RBPO ₹ 3.70 Crore SPL ₹ 6.90 Crore, SaPoL ₹ 5.47 Crore, CAPL ₹ 2.63 Crore and UPL ₹ 2.86 Crore. Interest Paid to BKPL ₹ 2.72 Crore. Rent paid to RIIPL ₹ 2.88 Crore. Dividend paid AAAPVPL ₹ 91.72 Crore).

(vi) Salaries, Commission and Other Benefits paid / payable to Shri Anil D Ambani ₹ 5.59 Crore (₹ 5.51 Crore), Shri S.C. Gupta ₹ Nil (₹ 0.57 Crore), Shri Lalit Jalan ₹ 2.91 Crore (₹ 1.45 Crore) and Shri Ramesh Shenoy ₹ 0.62 Crore (₹ 0.87 Crore).

6. Segment Reporting
(Note No.30 of Notes to Financial Statements)

Basis of Preparation: The Company operates in two Business Segments: Electrical Energy and Engineering, Procurement, Construction (EPC) and Contracts. 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.

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. The Company also transmits electricity through its transmission network in the State of Maharashtra. EPC and Contracts 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	**March 31, 2014**			March 31,2013		
	Electrical Energy	**EPC & Contracts**	**Total**	Electrical Energy	EPC & Contracts	Total
Revenue						
External Sales	**6,669.49**	**4,687.44**	**11,356.93**	6,342.56	7,979.47	14,322.03
Inter-segment sales	**-**	**-**	**-**	-	-	-
Total Revenue	**6,669.49**	**4,687.44**	**11,356.93**	6,342.56	7,979.47	14,322.03
Result						
Segment Result	**1,238.00**	**521.48**	**1,759.48**	825.15	889.27	1,714.42
Unallocated Income net of unallocable expenses			**283.09**			445.61
Interest Income [net of Interest Expense]			**(245.63)**			(16.80)
Profit before taxation			**1,796.94**			2,143.23
Taxes			**209.00**			143.71
Profit after Tax			**1,587.94**			1,999.52
Other Information						
Segment Assets	**10,211.67**	**10,392.97**	**20,604.64**	9,977.18	11,024.89	21,002.07
Unallocated Assets			**28,521.69**			23,207.41
Total Assets			**49,126.33**			44,209.48
Segment Liabilities	**2,125.61**	**9,117.19**	**11,242.80**	1,845.91	9,446.12	11,292.03
Unallocated Liabilities			**16,591.16**			12,681.80
Total Liabilities			**27,833.96**			23,973.83
Capital Expenditure *	**316.98**	**14.27**		345.21	98.57	
Depreciation *	**290.58**	**46.82**		269.36	115.72	
Non Cash expenses other than depreciation *	**14.42**			12.13	-	

(* Only pertaining to the segment)

7. (Note No.31 of Notes to Financial Statements)

(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, which the Company has fully accounted for, 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

(a) 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

(b) 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) was 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 4(a)(iii) above.

8. Revenue from Sale of Electrical Energy and Regulatory Matters:
(Note No.32 of Notes to Financial Statements)

a. Regulatory Assets

In accordance with accounting policy (Refer Note 1 (d) (i)) the Company has accrued ₹ 283.64 Crore (₹ 545.79 Crore) during the year as revenue gap under 'Income from Sale of Electricity'. The Company has recovered ₹ 406.60 Crore (₹ Nil) of the regulatory assets during the year ended March 31, 2014 (including ₹ 146.61 Crore out of the revenue gap accrued in the current year). Cumulative revenue gap as on March 31, 2014 of ₹ 2,739.04 Crore (₹ 2,862.00 Crore) has been shown as Regulatory Assets in the balance sheet. Based on management estimate, an amount of ₹ 410.53 Crore (₹ 401.71 Crore) being recoverable in the subsequent year has been included in Other Current Assets and the balance amount of ₹ 2,328.51 Crore (₹ 2,460.29 Crore) has been included in Other Non Current Assets.

On August 22, 2013 the Company received a Tariff Order in respect of Mumbai Distribution business from MERC approving the revenue gap of ₹ 2,463.18 Crore for the period upto March 31, 2012. The MERC also approved carrying cost of ₹ 1,403.65 Crore for the period upto March 31, 2013 on the above revenue gap. Such carrying cost will be accounted for by the Company on the basis of actual recovery of the above amount of ₹ 3,866.83 Crore through the Tariff approved by MERC w.e.f. September 1, 2013 along with further carrying cost till the date of full recovery. During the year ended March 31, 2014, the Company has recovered ₹ 497.72 Crore as per the said Tariff Order out of which ₹ 276.78 Crore has been apportioned against Carrying Cost as income and ₹ 220.94 Crore has been apportioned against the past regulatory assets.

b. In accordance with the MERC tariff regulation for determination of tariff, the income-tax paid is considered for tariff determination (truing up). Accordingly, the Company has considered ₹ 37.79 Crore (₹ 72.62 Crore) of deferred tax liability for the year arising out of differences in rates of depreciation between MERC and income-tax as "Net tax to be recovered in future tariff determination". Similarly, the deferred tax liability of ₹ 46.58 Crore (₹189.42 Crore) on account of timing difference on taxability of regulatory income accounted in the books is treated as "Net tax to be recovered in future tariff determination".

9. Investment in Delhi Airport Metro Express Private Limited:
(Note No.33 of Notes to Financial Statements)

Delhi Airport Metro Express Private Limited (DAMEPL), SPV of the Company, terminated the Concession Agreement with Delhi Metro Rail Corporation (DMRC) for the Delhi Airport Metro Line, on account of Material Breach and Event of Default under the provisions of the Concession Agreement by DMRC. The operations were taken over by DMRC with effect from July 1, 2013.

As per the terms of the Concession Agreement, DMRC is now liable to pay DAMEPL a Termination Payment, which is estimated at ₹ 2,823 Crore, as the termination has arisen owing to DMRC's Event of Default. The matter has been referred to arbitration and the process for the same has already begun. Pending final outcome of the arbitration, the Company continues to fund the statutory and other obligations of DAMEPL post take over by DMRC and accordingly has funded ₹ 275.50 Crore upto March 31, 2014. As legally advised, the claims for the Termination Payment are considered fully enforceable and the Company is confident of recovering its entire investment of ₹ 1,450.20 Crore in DAMEPL as at March 31, 2014.

10. Scheme of Amalgamation of Reliance Infraprojects Limited (RInfl) with the Company: (Note No.34 of Notes to Financial Statements)

The Hon'ble High Court of Judicature of Bombay had sanctioned the Scheme of Amalgamation of Reliance Infraprojects Limited (RInfl) with the Company on March 30, 2011 with the appointed date being April 1, 2010. As per the clause 2.3.7 of the Scheme, the Company, as determined by its Board of Directors, is permitted to adjust foreign exchange and derivative losses / gains debited / credited in the Statement of Profit and Loss by a corresponding withdrawal from or credit to General Reserve.

Pursuant to the option exercised under the above Scheme, net foreign exchange gain of ₹ 101.46 Crore for the year ended March 31, 2014 has been credited to Statement of Profit and Loss and an equivalent amount has been transferred to General Reserve. Similarly, foreign exchange loss of ₹ 361.32 Crore attributable to finance cost and net loss on account of derivative instruments of ₹ 52.30 Crore have been debited to Statement of Profit and Loss and an equivalent amount has been withdrawn from General Reserve. The Company has been legally advised that crediting of the said amount in Statement of Profit and Loss is in accordance with Revised Schedule VI to the Act. Had the Scheme not prescribed this treatment, the profit before tax for the year ended March 31, 2014 would have been lower by ₹ 312.16 Crore and the General Reserve would have been higher by an equivalent amount. The treatment prescribed under the Scheme override the relevant provision of Accounting Standard 5 (AS-5) 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies'.

11. (Note No.35 of Notes to Financial Statements)

In line with the notification dated December 29, 2011 issued by the Ministry of Corporate Affairs, the Company has exercised the option given in the Paragraph 46A of the Accounting Standard-11 "The Effect of Change in Foreign Exchange Rates" of capitalising the foreign exchange loss/gain arising on long term foreign currency monetary items relating to acquisition of depreciable capital assets and depreciating the same over the balance life of such assets and in other cases amortising the foreign exchange loss/gain over the balance period of such long term foreign currency monetary items. Accordingly, the Company has carried forward the unamortised portion of net gain of ₹ 238.48 Crore (₹ 156.22 Crore) in "Foreign Currency Monetary Item Translation Difference Account" and the same is grouped under 'Reserves and Surplus".

12. (Note No.36 of Notes to Financial Statements)

During the year 2012-13,the Company had, based on valuation made by approved valuer, revalued its freehold land, building and plant and machinery located at Goa, Samalkot and Chitradurg w.e.f. April 01. 2012 as per the replacement cost method and incremental value on revaluation amounting to ₹ 495.69 Crore had been added to Gross Block of Fixed assets and credited to Revaluation Reserve. Consequent to revaluation, there is an additional charge of depreciation of ₹ 28.55 Crore (₹26.05 Crore) and equivalent amount has been withdrawn from the Revaluation Reserve, which has no impact on the profit for the year.

13. (Note No.37 of Notes to Financial Statements)

Towards the end of September, 2013, the Company had diluted its equity holding in SU Toll Road Private Limited (SUTL), TD Toll Road Private Limited (TDTL) and TK Toll Road Private Limited (TKTL) each from 100% to 49% at book value for a consideration of ₹ 108.26 Crore, ₹ 54.80 Crore and ₹ 74.70 Crore respectively. As a result of these transfers SUTL, TDTL and TKTL ceased to be subsidiaries and became associates of the Company. Pursuant to this dilution, 2% of the shares in each of these Companies have been transferred to Reliance Toll Road Trust for the benefit of the Company. However, as required under the concession and other applicable agreements, the Company continues to provide financial support to these Companies. The validity of the transfers and the consequential reclassification of these Companies as Associates is confirmed by legal advice obtained by the Company.

Further, the Company's equity holding in the two joint ventures, BSES Rajdhani Power Limited (BRPL) and BSES Yamuna Power Limited (BYPL) was diluted towards the end of September, 2013 from 49% to 28.82% at book value for a consideration of ₹ 209.84 Crore and ₹ 112.18 Crore respectively.

Certain requisite approvals from concerned authorities in respect of transfer of equity shareholding in SUTL, TDTL, TKTL, BRPL & BYPL are still awaited and management expects to receive them in due course.

14. (Note No.38 of Notes to Financial Statements)

Towards the end of September, 2013, the Company had diluted its equity holding in Reliance Cement Company Private Limited (RCCPL) from 100% to 19% for a consideration of ₹ 436.48 Crore. The said dilution was subject to requisite approvals. As the requisite approvals could not be obtained, the said holding was again restored on March 31, 2014 by agreeing to repay to the transferee Companies the same amount at which the holding was diluted. The above amount of ₹ 436.48 Crore has been included in Other Liabilities and accordingly, RCCPL has been considered as wholly owned subsidiary for the entire year as if no dilution had ever happened.

Notes to Abridged Financial Statements

15. (Note No.39 of Notes to Financial Statements)

The financial statements of R Infra ESOS Trust as at March 31, 2014 has been consolidated with Standalone Financial Statements of the Company in terms of SEBI (ESOS and ESPS) Guidelines, 1999 and recent opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (the ICAI). Consequently, the paid up share capital and securities premium of the Company as at March 31, 2014 are disclosed net of ₹ 0.45 Crore and ₹ 36.40 Crore respectively, being the value of 4,50,000 equity shares held by the trust.

16. (Note No.40 of Notes to Financial Statements)

The Board of Directors in their meeting held on November 11, 2013, approved the Scheme of Amalgamation of two wholly owned subsidiaries of the Company viz. Western Region Transmission (Gujarat) Private Limited and Western Region Transmission (Maharashtra) Private Limited with the Company. Since, the Scheme has not yet been sanctioned by the Hon'ble High Court; these subsidiaries have not been merged with the Company.

17. Scheme of Amalgamation between WRTM and RCWPL
(Note No. 41 of Notes to Financial Statements)

The Scheme of Amalgamation between two wholly owned subsidiaries of the Company, M/s Reliance Cement Works Private Limited (RCWPL) with M/s Western Region Transmission (Maharashtra) Private Limited (WRTMPL) has been sanctioned by the Hon'ble High Court of Bombay on April 25, 2014, with the appointed date April 1, 2013. The Scheme shall become effective upon WRTMPL filing the Order with the Registrar of Companies, as required under section 394(3) of the Companies Act, 1956. As per the Scheme the Company would get 8% Non Cumulative Non Convertible Redeemable Preference Shares of ₹ 0.02 Crore of WRTMPL in lieu of the equity investment of ₹ 0.02 Crore in RCWPL held and disclosed under Non Current Investments as at March 31, 2014.

18. (Note No.42 of Notes to Financial Statements)

The Company had entered into Operation and Maintenance arrangement with PS Toll Road Private Limited (PSTR) vide agreement dated March 28, 2011.In view of the difficulties being faced by both the parties in execution of the contract in present form, both the parties have mutually agreed to revoke the arrangement for entitlement of the Company in the residual cash flow of the toll collection vide arrangement dated March 29, 2014 in return for PSTR agreeing to pay ₹ 850 Crore to the Company which has since been received after the end of the financial year 2013-14.

19. Disclosure under Accounting Standard 15 (revised 2005) "Employee Benefits":
(Note No.43 of Notes to Financial Statements)

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 Statement of Profit and Loss for the year:

Sr. No.	Particulars	₹ Crore	
		2013-14	2012-13
(i)	Contribution to Provident Fund	**32.68**	34.65
(ii)	Contribution to Employee's Superannuation Fund	**6.49**	6.23
(iii)	Contribution to Employee's Pension Scheme 1995	**4.25**	4.52
(iv)	Contribution to Employees' State Insurance	**1.56**	1.49

(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 of Provident Fund Trust maintained by the Company, the shortfall arising in meeting the stipulated interest payment liability, if any, gets duly provided for. 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	
		2013-14	2012-13	**2013-14**	2012-13
(i)	Discount Rate (Per annum)	**9.35%**	8.00%	**9.35%**	8.00%
(ii)	Rate of increase in Compensation levels	**9.75%**	7.50%	**9.75%**	7.50%
(iii)	Rate of Return on Plan Assets	**9.35%**	8.70%	**9.35%**	8.70%
(iv)	Expected Avg. remaining working lives of employees in no. of Years	**13**	13	**13**	13

₹ Crore

Sr. No.	Particulars	Gratuity		Leave Encashment	
		2013-14	2012-13	**2013-14**	2012-13
(i)	**Changes in present value of obligation**				
	Opening Balance of Present Value of Obligation	**263.14**	178.26	**177.95**	141.54
	Liability on transfer in / (out) of Employees (Net)	**-**	(0.06)	**-**	(0.08)
		263.14	178.20	**177.95**	141.46
	Interest Cost	**21.05**	15.15	**14.24**	12.03
	Current Service Cost	**13.11**	9.96	**5.63**	4.83
	Benefits Paid	**(12.03)**	(15.33)	**(15.64)**	(15.03)
	Actuarial (Gain) / Loss	**36.92**	75.16	**44.78**	34.66
	Closing Balance of Present Value of Obligation	**322.19**	263.14	**226.96**	177.95
(ii)	**Changes in Fair Value of plan assets**				
	Opening Balance of Present Value of Plan Assets	**217.35**	178.97	**154.27**	137.39
	Expected return on Plan assets	**18.93**	15.21	**13.43**	11.68
	Contributions	**53.00**	34.74	**22.00**	17.03
	Benefits Paid	**(0.83)**	(15.33)	**-**	(15.03)
	Actuarial Gain / (Loss) on Plan assets	**2.11**	3.82	**(1.63)**	3.28
	Closing Balance of Fair Value of Plan Assets	**290.56**	217.41	**188.07**	154.35
	Plan assets transfer / pending transfer	**-**	(0.06)	**-**	(0.08)
	Closing Balance of Fair Value of Plan Assets net of pending transfer	**290.56**	217.35	**188.07**	154.27
(iii)	**Percentage of each category of Plan assets to total fair value of Plan assets as at March 31, 2014**				
	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	**322.19**	263.14	**226.96**	177.95
	Closing Balance of Fair Value of Plan Assets net of pending transfers	**290.56**	217.35	**188.07**	154.27
	(Asset) / Liability recognised in the Balance Sheet	**31.63**	45.79	**38.89**	23.67

₹ Crore

Sr. No.	Particulars	Gratuity		Leave Encashment	
		2013-14	2012-13	**2013-14**	2012-13
(v)	**Amounts recognised in the Balance Sheet**				
	Closing Balance of Present Value of Obligation	**322.19**	263.14	**226.96**	177.95
	Closing Balance of Fair Value of Plan Assets net of pending transfers	**290.56**	217.35	**188.07**	154.27
	Funded (Asset)/ Liability recognised in the Balance Sheet	**31.63**	45.79	**38.89**	23.67
(vi)	**Expenses recognised in the Statement of Profit and Loss**				
	Current Service Cost	**13.11**	9.96	**5.63**	4.83
	Interest Cost	**21.05**	15.15	**14.24**	12.03
	Expected Return on Plan Assets	**(18.93)**	(15.21)	**(13.43)**	(11.68)
	Net Actuarial (Gain) / Loss	**34.81**	71.34	**46.41**	31.38
	Expenses recognised in the Statement of Profit and Loss	**50.04**	81.24	**52.85**	36.56
(vii)	**Expected Employer's Contribution for the next year**	**25.90**	13.03	**26.86**	15.00

Disclosure as required under para 120(n):

₹ Crore

Sr. No.	Particulars	Gratuity					Leave Encashment				
		2013-14	2012-13	2011-12	2010-11	2009-10	**2013-14**	2012-13	2011-12	2010-11	2009-10
(i)	Present Value of the Defined Benefit Obligation	**322.19**	263.14	178.26	165.75	146.43	**226.96**	177.95	141.54	136.51	107.76
(ii)	Fair Value of the Plan Assets	**290.56**	217.35	178.97	166.98	137.28	**188.07**	154.27	137.39	111.02	95.59
(iii)	Surplus/ (Deficit) in the Plan	**(31.63)**	(45.79)	0.71	1.23	(9.15)	**(38.89)**	(23.67)	(4.15)	(25.49)	(12.17)
(iv)	Experience adjustments on Plan Liabilities (Gain) / Loss	**6.63**	62.90	1.70	7.75	(1.43)	**20.91**	30.91	5.78	26.82	3.15
(v)	Experience adjustments on Plan Assets (Gain) / Loss	**(2.11)**	(3.82)	3.18	2.73	(4.02)	**1.63**	(3.28)	0.79	0.95	(2.22)

20. (Note No.44 of Notes to Financial Statements)

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 Act, is not applicable to the Company.

21. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act): (Note No.45 of Notes to Financial Statements)

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 and relied upon by the auditors.

₹ Crore

Particulars	As at March 31, 2014	As at March 31, 2013
Principal amount due to suppliers under MSMED Act,2006	**0.03**	-
Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	**-**	-
Payment made to suppliers(other than interest) beyond the appointed day/due date during the year	**0.57**	0.07
Interest paid to suppliers under MSMED Act(other than Section 16)	**-**	-
Interest paid to suppliers under MSMED Act(Section 16)	**-**	-
Interest due and payable towards suppliers under MSMED Act for payments already made	**0.02**	0.01
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	**0.02**	0.01
Amount of further interest remaining due and payable in succeeding years	**-**	-

22. Provision for Disputed Matters:
(Note No.46 of Notes to Financial Statements)

₹ Crore

Particulars	As at March 31, 2014	As at March 31, 2013
Opening Balance	**380.00**	380.00
Less: Provision reversed	**-**	-
Closing Balance*	**380.00**	380.00

*Represents provision made for disputes 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.

23. Disclosure of Loans and Advances in the nature of loans to Subsidiaries, Associates and Others (Pursuant to Clause 32 of the Listing Agreement):
(Note No.47 of Notes to Financial Statements)

₹ Crore

Sr. No.	Name	Amount Outstanding as at		Maximum amount Outstanding during the year	
		March 31, 2014	March 31, 2013	**March 31, 2014**	March 31, 2013
	Subsidiaries:				
1.	Reliance Power Transmission Limited	**-**	-	**-**	426.70
2.	Reliance Cement Corporation Private Limited	**-**	-	**0.05**	-
3.	Mumbai Metro One Private Limited	**150.00**	-	**159.16**	320.33
4.	Reliance Cement and Infra Private Limited	**600.00**	600.00	**600.03**	600.00
5.	Reliance Sealink One Private Limited	**39.38**	39.05	**39.38**	39.06
6.	CBD Tower Private Limited	**-**	-	**0.18**	-
7.	NK Toll Road Limited	**-**	7.35	**8.60**	7.35
8.	GF Toll Road Private Limited	**-**	6.75	**19.00**	6.75
9.	HK Toll Road Private Limited	**-**	-	**17.50**	-
10.	KM Toll Road Private Limited	**-**	-	**14.00**	-
11.	Nanded Airport Private Limited	**-**	-	**-**	0.12
12.	Baramati Airport Private Limited	**-**	-	**-**	0.05
13.	Osmanabad Airport Private Limited	**-**	-	**0.02**	-
14.	Parbati Koldam Transmission Company Limited	**14.95**	-	**23.31**	-
15.	Reliance Cement Company Private Limited	**373.85**	-	**373.85**	-
16.	Tulip Realtech Private Limited	**-**	-	**0.04**	-
	Associates including Subsidiaries of Associates:				
17.	JR Toll Road Private Limited	**6.39**	66.23	**69.73**	66.23
18.	Chitrangi Power Private Limited #	**13.85**	13.85	**13.85**	13.85
19.	SU Toll Road Private Limited *	**41.30**	41.30	**41.30**	41.30
20.	TD Toll Road Private Limited *	**-**	8.00	**8.75**	8.00
21.	TK Toll Road Private Limited *	**-**	69.07	**90.77**	69.07
	Others:				
22.	Space Trade Enterprises Private Limited	**20.40**	20.40	**20.90**	20.40
23.	Skyline Global Trade Private Limited	**-**	0.02	**0.02**	0.02

Except for these companies, all loans and advances stated above are interest free.
* Subsidiary relationship upto September 29, 2013 and thereafter associate relationship.

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.

24. Disclosures pursuant to Accounting Standard (AS) 7 (Revised) "Construction Contracts": (Note No.48 of Notes to Financial Statements)

₹ Crore

Sr. No.	Particulars	2013-14	2012-13
1	Contract Revenue Recognised for the financial year	**4,578.59**	7,781.43
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 ₹ 547.76 Crore(Previous Year : ₹ 356.45 Crore))	**36,935.97**	32,364.71
3	Amount of customer advances outstanding for contracts in progress as at end of the financial year	**2,031.66**	2,480.62
4	Retention amount due from customers for contracts in progress as at end of the financial year	**2,510.40**	2,448.85
5	Gross amount due from customers for contract works as an asset	**547.76**	356.45

25. (Note No.49 of Notes to Financial Statements)

(a) Interest in Joint Ventures (other than Joint Ventures which are subsidiaries):

Company	Proportion of ownership interest as on	
	March 31, 2014	March 31,2013
Utility Powertech Limited	**19.80 %**	19.80 %
BSES Rajdhani Power Limited *	**28.82 %**	49.00 %
BSES Yamuna Power Limited *	**28.82 %**	49.00 %
Tamilnadu Industries Captive Power Company Limited	**33.70 %**	33.70 %
* (Refer Note 13)		

(b) The above joint venture companies are incorporated in India. The Company's share of the assets and liabilities as on March 31, 2014 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

	Particulars	March 31, 2014	March 31, 2013
A	**Assets**		
	Fixed Assets	**1,444.41**	2,352.20
	Non Current Investments	**5.26**	9.19
	Deferred Tax Asset (Net)	**0.60**	0.45
	Long Term Loans and Advances	**7.62**	14.63
	Other Non Current Assets	**3,779.77**	5,473.40
	Current Assets	**680.19**	1,188.31
	Total	**5,917.85**	9,038.18
B	**Liabilities**		
	Long Term Borrowings	**1,374.87**	1,896.85
	Long Term Provisions	**8.30**	12.38
	Other Long Term Liabilities	**368.53**	563.54
	Trade Payable	**2,440.65**	2,999.62
	Short Term Borrowings	**201.81**	1,167.75
	Other Current Liabilities	**708.74**	1,069.30
	Short Term Provisions	**38.50**	55.83
	Total	**5,141.40**	7,765.27
C	**Contingent Liabilities**	**435.74**	204.43
D	**Capital Commitments**	**61.32**	101.31
E	**Income**	**5,649.40**	6,811.09
F	**Expenses**	**5,625.43**	6,773.96

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.

26. Derivative Instruments:
(Note No.50 of Notes to Financial Statements)

(a) The Company has not entered into any contracts for derivative instruments during the year ended March 31, 2014 and there are no outstanding derivative instruments as of March 31, 2014.

(b) Details of the outstanding derivative instruments as at March 31, 2013 were as follows:

Sr. No.	Particulars	No. of instruments	Value (As at March 31, 2013)	
			US $ million	₹ Crore
1.	Currency Swap	15	101.31	550.00
2.	Forward Contracts	6	25.80	140.05

(c) 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, 2014 provided unrealised loss of ₹ Nil (₹ 39.12 Crore) on account of revaluation of foreign exchange derivative instruments at fair values as at the reporting year end.

The provision for mark to market losses towards the same as on March 31, 2014 amounts to ₹ Nil (Previous Year ₹ 108.86 Crore). (Refer Note No.10).

(d) Net Foreign Currency exposures that are not covered by derivative instruments or otherwise are ₹ 2,667.23 Crore (Previous Year ₹ 923.22 Crore).

27. Interest in Jointly Controlled Operations:
(Note No.51 of Notes to Financial Statements)

The Company along with M/s. Geopetrol International Inc. and Reliance Natural Resources Limited *(the consortium) was 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 had entered into a production sharing agreement with Government of India for exploration and production of these four CBM blocks. The Company as part of the consortium has 45% share in each of the four blocks. M/s Geopetrol International Inc is the operator on behalf of the consortium for all the four CBM blocks.

Also, the Company along with M/s. Geopetrol International Inc, Naftogaz India Private Limited and Reliance Natural Resources Limited *(the consortium) was allotted oil block from 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 had signed an agreement with the Government of India for exploration and production of an Oil and Gas block. The Company as part of the consortium has 70% share in the block. M/s Naftogaz India Private Limited is the operator on behalf of the consortium for 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, 2014**
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 % ****

**Keeping in view various issues faced by the Consortium like inordinate delays in Government clearances, non receipt of Petroleum Exploration License (PEL) for more than 5 years, availability of scarce geologically effective fair way due to overlap with tribal land, reserve forest cover and Singarani Coal Mines, the Consortium has relinquished its rights in respect of the CBM Blocks KG (E) – CBM – 2005 / III at Kothgudem, Andhra Pradesh by passing a resolution in the 23rd Operating Committee meeting held on January 30, 2013. The decision has been conveyed to Government of India vide letter dated February 6, 2013 and the reply from the Government is awaited. Since the Petroleum Exploration Licence (PEL) has not been granted, there is no effective contract start date and the contract stands ineffective and null due to non-receipt of PEL. The Company hence does not envisage any payment liability related to unfinished work programme.

*** Keeping in view the issues faced by the Consortium like in-ordinate delays in Government clearances, delay in processing of Consortium request for extension of Phase -1 under excusable delays and non-receipt of clearances / permissions from the State Government of Rajasthan for more than 4 years, during the year the Consortium has decided to relinquish its rights with respect of CBM Blocks viz. BS(4) - CBM - 2005 / III and BS(5) - CBM - 2005 / III at Barmer, Rajasthan under force majure. Directorate General of Hydrocarbons (DGH) has conveyed the consortium stating that Minimum Work Programme (MWP) was payable towards the unfinished work which the Company has contested. Though any liability which may arise on this relinquishment is presently not ascertainable, the Company does not envisage any material claims in this regard.

**** The Company received a notice from the Mo PNG on October 11, 2012 for termination of the contract on the grounds of misrepresentation of facts by the Operator M/s Naftogaz India Private Limited. The Company also received a notice dated October18, 2012 from DGH for payment of unfulfilled work program penalty. The Company has contested the claims and has not received any communication from DGH till date. More-over the cost of unfinished work programme cannot be easily ascertained owing to lack of commensurate benchmarking in such inhospitable terrain. Though any liability which may arise on this termination is presently not ascertainable, the Company does not envisage any material claims in this regard.

The above joint ventures are unincorporated joint ventures carrying out jointly controlled operations. Based on the audited statement of accounts of the consortium forwarded by the Operator in respect of the CBM Blocks and Management certified accounts in respect of the Mizo Block, the Company's share in respect of assets and liabilities as at March 31, 2014 and expenditure for the year ended on that date has been accounted as under.

₹ Crore

Item	2013-14	2012-13
Expenses	**7.42**	4.45
Fixed Assets including Capital work-in-progress	**-**	-
Other Assets	**4.17**	5.10
Current Liabilities	**0.41**	1.03
Contingent Liability	**-**	-

(*Share of RNRL has since been demerged to 4 Subsidiary Companies of Reliance Power Limited).

28. Power Banking:
(Note No.52 of Notes to Financial Statements)

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 Short Term Loans and Advances at the value of purchase on the date of the transactions when the units are banked.

29. Disclosure as required under AS – 19 :
(Note No.53 of Notes to Financial Statements)

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 / non-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 Statement of Profit and Loss (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	**52.80**	**4.50**	**0.49**	-	Various

*The Lease terms are renewable on a mutual consent of Lessor and Lessee.

30. Cash and Bank Balances:
(Note No.17 of Notes to Financial Statements)

₹ Crore

Particulars	As at March 31,2014	As at March 31,2013
Cash and cash equivalents:		
Balances with banks in		
Current Account	**156.47**	70.41
Fixed Deposits	**28.94**	30.00
Unpaid Dividend Account	**11.90**	8.23
Cheques, drafts on hand	**0.74**	1.84
Cash on hand	**2.92**	3.01
	200.97	113.49
Other Bank balances:		
Margin Money	**-**	4.16
Fixed Deposit with Original Maturity with more than 3 months but less than 12 months	**1.00**	1.00
	201.97	118.65

Notes to Abridged Financial Statements

31. (Note No.54 of Notes to Financial Statements)

The Ministry of Corporate Affairs, Government of India, vide General Circular No.2 and 3 dated February 08, 2011 and February 21, 2011 respectively has granted a general exemption from compliance with section 212 of the Act, subject to conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

32. (Note No.55 of Notes to Financial Statements)

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 @.

Compiled from the Audited Financial Statements of the Company referred to in our Report dated May 19, 2014

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228

Date : May 19, 2014
Place : Mumbai

For Pathak H. D. & Associates
Chartered Accountants
Firm Registration No. 107783W

Vishal D. Shah
Partner
Membership No. 119303

Date : May 19, 2014
Place : Mumbai

For and on behalf of the Board

Anil D Ambani	Chairman
S Seth	Vice Chairman
R R Rai	Directors
S S Kohli	Directors
Dr V K Chaturvedi	Directors
K Ravikumar	Directors
Ramesh Shenoy	Company Secretary and Manager

Date : May 19, 2014
Place : Mumbai

Report of the Independent Auditor on the Abridged Consolidated Financial Statements

To,
The Board of Directors of Reliance Infrastructure Limited

1. The accompanying abridged consolidated financial statements, which comprise the abridged consolidated Balance Sheet as at March 31, 2014, the abridged consolidated Statement of Profit and Loss, and abridged consolidated Cash Flow Statement for the year then ended, and related notes, are derived from the audited consolidated financial statements of Reliance Infrastructure Limited ("the Company") and its subsidiaries, jointly controlled entities and associate companies (hereinafter referred to as "the Group"), for the year ended March 31, 2014. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated May 19, 2014.

2. The abridged consolidated financial statements do not contain all the disclosures required by the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. [applied in the preparation of the audited consolidated financial statements of Reliance Infrastructure Limited]. Reading the abridged consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of the Group.

Management's Responsibility for the Abridged Consolidated Financial Statements

3. Management is responsible for the preparation of the abridged consolidated financial statements prepared pursuant to Rule 7A of the of the Companies (Central Government) General Rules and Forms 1956 read with Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2012 from the audited consolidated financial statements of the Group prepared in accordance with the accounting principles generally accepted in India.

Auditors' Responsibility

4. Our responsibility is to express an opinion on the abridged consolidated financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

5. In our opinion, the abridged consolidated financial statements prepared pursuant to Rule 7A of the Companies (Central Government's) General Rules and Forms 1956 read with Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2012 are derived from the audited consolidated financial statements of the Group for the year ended March 31, 2014 and are a fair summary of those consolidated financial statements prepared in accordance with accounting principles generally accepted in India.

Emphasis of Matter paragraph in the Auditors' Report on the Audited Consolidated Financial Statements

6. The auditors' report on the audited consolidated financial statements contains Emphasis of Matter paragraphs, which are applicable for abridged consolidated financial statements as well. The basis of Emphasis of Matter paragraphs given in the auditors' report on the consolidated financial statements are as under:

   a. We draw attention to Note no. 14 of the abridged consolidated financial statements regarding termination of Concession Agreement by Delhi Airport Metro Express Private Limited (DAMEPL), a SPV of the Company with Delhi Metro Rail Corporation (DMRC) for reasons stated therein. As the matter is sub-judice, the ultimate recovery of the investment of the Company of ₹ 1,450.20 Crore in DAMEPL is dependent upon the outcome of the arbitration proceedings. Our opinion is not qualified in respect of this matter.

   b. We draw attention to Note no. 10 of the abridged consolidated financial statements regarding the Scheme of amalgamation between Reliance Infraprojects Limited (wholly owned subsidiary of the Company) and the Company, sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated March 30, 2011, wherein the Company, as determined by its Board of Directors, is permitted to adjust foreign exchange and derivative losses / gains debited / credited in the Statement of Profit and Loss by a corresponding withdrawal from or credit to General Reserve, which override the relevant provisions of Accounting Standard 5 (AS-5) 'Net Profit or loss for the Period, Prior Period Items and Changes in Accounting Policies'. Pursuant to the option exercised under the above Scheme, the net foreign exchange gain of ₹ 101.46 Crore for the year ended March 31, 2014 has been credited to Statement of Profit and Loss and an equivalent amount has been transferred to General Reserve. Similarly, foreign exchange loss of ₹ 361.32 Crore attributable to finance cost and net loss on account of derivative instruments of ₹ 52.30 Crore have been debited to Statement of Profit and Loss and an equivalent amount has been withdrawn from General Reserve. Had the Scheme not prescribed the above treatment, profit before tax would have been lower by ₹ 312.16 Crore and General Reserve would have been higher by an equivalent amount. Our opinion is not qualified in respect of this matter.

   c. We draw attention to Note no. 9 of the abridged consolidated financial statements detailing the accounting treatment given to the Scheme of amalgamation between Reliance Bhavnagar Power Private Limited and Reliance Infrastructure Engineers Private Limited and Reliance Jamnagar Power Private Limited (wholly owned subsidiaries of the Company) and the Company, sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated February 22, 2013, wherein as per the Scheme, the Company is permitted to account for its Engineering, Procurement, Construction (EPC) and Contract activity without making any distinction whether the Principal [for whom the Company is the contractor] is associate, subsidiary of associate or any third party. Accordingly, the Company has not eliminated any part of unrealised profits of ₹ 133.69 Crore on its EPC contracts with associates and subsidiaries of associates in its consolidated financial statements as permitted by the Scheme which overrides the relevant provisions of Accounting Standard 23 (AS-23) 'Accounting for Investments in Associates in Consolidated Financial Statements'. Had the Scheme not prescribed the above treatment, profit before tax and carrying cost of investment in associate for the year would have been lower by ₹ 133.69 Crore. Our opinion is not qualified in respect of this matter.

For Haribhakti & Co.	**For Pathak H. D. & Associates**
Chartered Accountants	Chartered Accountants
Firm Regn. No: 103523W	Firm Regn. No: 107783W
Rakesh Rathi	**Vishal D. Shah**
Partner	Partner
Membership No.45228	Membership No. 119303
Date: May 19, 2014	Date: May 19, 2014
Place: Mumbai	Place: Mumbai

Report of the Independent Auditor on the Consolidated Financial Statements

To,
The Board of Directors of Reliance Infrastructure Limited

1. We have audited the accompanying consolidated financial statements of Reliance Infrastructure Limited ("the Company") and its subsidiaries, jointly controlled entities and associate companies, hereinafter referred to as ("the Group"), which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

   We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

4. Based on our audit and on consideration of reports of other auditors on separate financial statements and on other financial information of the components of the Group as referred to in Other Matter below, and to the best of our information and according to the explanations given to us, in our opinion the 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, 2014;
   (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
   (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

5. We draw attention to Note no. 37 of the consolidated financial statements regarding termination of Concession Agreement by Delhi Airport Metro Express Private Limited (DAMEPL), a SPV of the Company with Delhi Metro Rail Corporation (DMRC) for reasons stated therein. As the matter is sub-judice, the ultimate recovery of the investment of the Company of ₹ 1,450.20 Crore in DAMEPL is dependent upon the outcome of the arbitration proceedings. Our opinion is not qualified in respect of this matter.
6. We draw attention to Note no. 33 of the consolidated financial statements regarding the Scheme of amalgamation between Reliance Infraprojects Limited (wholly owned subsidiary of the Company) and the Company, sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated March 30, 2011, wherein the Company, as determined by its Board of Directors, is permitted to adjust foreign exchange and derivative losses / gains debited / credited in the Statement of Profit and Loss by a corresponding withdrawal from or credit to General Reserve, which override the relevant provisions of Accounting Standard 5 (AS-5) 'Net Profit or loss for the Period, Prior Period Items and Changes in Accounting Policies'. Pursuant to the option exercised under the above Scheme, the net foreign exchange gain of ₹ 101.46 Crore for the year ended March 31, 2014 has been credited to Statement of Profit and Loss and an equivalent amount has been transferred to General Reserve. Similarly, foreign exchange loss of ₹ 361.32 Crore attributable to finance cost and net loss on account of derivative instruments of ₹ 52.30 Crore have been debited to Statement of Profit and Loss and an equivalent amount has been withdrawn from General Reserve. Had the Scheme not prescribed the above treatment, profit before tax would have been lower by ₹ 312.16 Crore and General Reserve would have been higher by an equivalent amount. Our opinion is not qualified in respect of this matter.
7. We draw attention to Note no. 32 of the consolidated financial statements detailing the accounting treatment given to the Scheme of amalgamation between Reliance Bhavnagar Power Private Limited and Reliance Infrastructure Engineers Private Limited and Reliance Jamnagar Power Private Limited (wholly owned subsidiaries of the Company) and the Company, sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated February 22, 2013, wherein as per the Scheme, the Company is permitted to account for its Engineering, Procurement, Construction (EPC) and Contract activity without making any distinction whether the Principal [for whom the Company is the contractor] is associate, subsidiary of associate or any third party. Accordingly, the Company has not eliminated any part of unrealised profits of ₹ 133.69 Crore on its EPC contracts with associates and subsidiaries of associates in its consolidated financial statements as permitted by the Scheme which overrides the relevant provisions of Accounting Standard 23 (AS-23) 'Accounting for Investments in Associates in Consolidated Financial Statements'. Had the Scheme not prescribed the above treatment, profit before tax and carrying cost of investment in associate for the year would have been lower by ₹ 133.69 Crore. Our opinion is not qualified in respect of this matter.

Other Matter

8. The consolidated financial statements include amounts in respect of 12 subsidiaries and one jointly controlled entity whose financial statements reflect total assets of ₹ 4,684.42 Crore as at March 31, 2014, total revenue of ₹ 1,616.06 Crore and net cash inflow amounting to ₹ 106.89 Crore for the year then ended and one Associate Company included in these consolidated financial statements which constitute Group's share of net profit of ₹ Nil for the year then ended, which have been audited by one of the joint auditors and reliance has been placed by other auditor for the purpose of this report.
9. We did not audit the financial statements and other financial information of 20 subsidiaries (including 3 subsidiaries which became associate w.e.f. September 30, 2013) and 3 jointly controlled entities included in these consolidated financial statements, whose financial statements together comprise total assets of ₹ 14,725.86 Crore as at March 31, 2014, total revenue of ₹ 6,235.74 Crore and net cash inflow amounting to ₹ 27.03 Crore for the year then ended and 8 Associate Companies (including 3 subsidiaries which became associate w.e.f. September 30, 2013) included in these consolidated financial statements which constitute Group's share of net profit of ₹ 353.11 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.
10. We have relied on the unaudited financial statements of subsidiary Mumbai Metro One Private Limited whose financial statements reflect total assets of ₹ 3,825.07 Crore as at March 31, 2014 and total revenue of ₹ Nil and net cash outflow amounting to ₹ 56.61 Crore for the year then ended, as considered in the consolidated financial statements. These unaudited financial statements as approved by its Board of Directors have been furnished to us by the Management of the Company and our report in so far as it relates to the amounts included in respect of the subsidiary is based solely on such approved unaudited financial statements.

For Haribhakti & Co.
Chartered Accountants
Firm Regn. No: 103523W

Rakesh Rathi
Partner
Membership No.45228

Date: May 19, 2014
Place: Mumbai

For Pathak H. D. & Associates
Chartered Accountants
Firm Regn. No: 107783W

Vishal D. Shah
Partner
Membership No. 119303

Date: May 19, 2014
Place: Mumbai

Abridged Consolidated Balance Sheet as at March 31, 2014

(Statement containing salient features of Balance Sheet as per Section 219(1)(b)(iv) of the Companies Act, 1956)

₹ Crore

	As at March 31, 2014		As at March 31, 2013	
	Share in Joint Ventures (included in Consolidated figures)	Consolidated	Share in Joint Ventures (included in Consolidated figures)	Consolidated
EQUITY AND LIABILITIES				
Shareholders' Funds				
Paid-up Share Capital - Equity (Refer Note 15)		**262.58**		263.03
Reserves and Surplus				
Capital Reserves	**343.61**	**8,151.66**	519.10	8,824.02
Revaluation Reserve (Refer Note 8)	**-**	**1,222.70**	-	939.62
Statutory Reserves	**1.67**	**453.86**	2.84	441.19
Debenture Redemption Reserve	**-**	**257.51**	-	337.02
Foreign Currency Monetary Item Translation Difference Account (Refer Note 11)	**-**	**238.48**	-	156.22
Securities Premium Account (Refer Note 15)	**-**	**8,788.69**	-	8,825.09
Revenue Reserve	**7.03**	**6,266.52**	6.64	5,175.54
Surplus as per Consolidated Statement of Profit and Loss	**145.75**	**1,501.44**	176.41	1,159.28
		26,880.86		25,857.98
Minority Interest		**252.43**		231.22
Non Current Liabilities				
Long Term Borrowings	**1,373.61**	**15,049.12**	1,895.76	12,635.71
Deferred Tax Liabilities (net)	**(0.61)**	**506.72**	(0.45)	565.23
Other Long Term Liabilities	**265.59**	**3,039.70**	406.43	3,552.51
Long Term Provisions	**9.56**	**396.01**	13.48	399.07
		18,991.55		17,152.52
Current Liabilities				
Short Term Borrowings	**210.44**	**8,188.83**	1,182.46	7,978.47
Trade Payables	**2,452.54**	**6,540.23**	2,984.61	6,921.05
Other Current Liabilities	**700.10**	**7,913.59**	1,054.62	7,721.61
Short Term Provisions	**38.51**	**482.99**	55.83	370.08
		23,125.64		22,991.21
		69,513.06		66,495.96
ASSETS				
Non Current Assets				
Fixed Assets				
Tangible Assets (Original cost less depreciation) (Refer Note 8)	**1,291.37**	**8,703.40**	2,100.34	8,415.08
Intangible Assets (Original cost less depreciation/amortisation)	**4.94**	**1,597.61**	9.62	2,901.30
Capital Work-in-Progress	**127.01**	**4,978.92**	206.07	4,522.84
Intangible Assets under Development	**-**	**6,327.06**	-	5,417.87
Non Current Investments				
Quoted [Market Value ₹ 8,446.64 Crore (₹ 6,314.64 Crore)]	**5.28**	**7,742.74**	9.20	6,238.65
Unquoted	**-**	**6,375.47**	-	3,795.30
Long Term Loans and Advances	**7.61**	**2,497.05**	12.67	2,347.78
Other Non Current Assets	**3,779.77**	**7,637.33**	5,473.40	9,521.68
		45,859.58		43,160.50
Current Assets				
Current Investments				
Quoted [Market Value ₹ 62.39 Crore (₹ 438.27 Crore)]	**0.08**	**62.22**	-	434.28
Unquoted	**-**	**4,100.00**	-	2,500.00
Inventories	**51.12**	**518.69**	60.76	470.72
Trade Receivables	**263.11**	**5,019.67**	527.50	3,757.88
Cash and Bank Balances	**89.32**	**652.35**	164.71	492.42
Short Term Loans and Advances	**75.46**	**10,471.40**	98.77	13,292.93
Other Current Assets	**195.05**	**2,829.15**	325.72	2,387.23
		23,653.48		23,335.46
		69,513.06		66,495.96

Refer Notes forming part of the Abridged Consolidated Financial Statements

Note : Complete Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Revised Schedule VI to the Companies Act, 1956 are available at the Company's website at www.rinfra.com

Compiled from the Audited Consolidated Financial Statements of the Company referred to in our Report dated May 19, 2014

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228

Date : May 19, 2014
Place : Mumbai

For Pathak H. D. & Associates
Chartered Accountants
Firm Registration No. 107783W

Vishal D. Shah
Partner
Membership No. 119303

Date : May 19, 2014
Place : Mumbai

For and on behalf of the Board

Anil D Ambani Chairman
S Seth Vice Chairman
R R Rai
S S Kohli
Dr V K Chaturvedi
K Ravikumar
} Directors
Ramesh Shenoy Company Secretary and Manager

Date : May 19, 2014
Place : Mumbai

Abridged Consolidated Statement of Profit and Loss for the year ended March 31, 2014

(Statement containing salient features of Statement of Profit and Loss as per Section 219(1)(b)(iv) of the Companies Act, 1956)

₹ Crore

	Year ended March 31, 2014		Year ended March 31, 2013	
	Share in Joint Ventures (included in Consolidated figures)	**Consolidated**	Share in Joint Ventures (included in Consolidated figures)	Consolidated
Income				
Revenue from Operations				
Revenue from Electricity Business	**5,457.01**	**13,547.14**	6,631.63	14,052.74
Revenue from EPC and Contracts Business	**97.70**	**4,619.94**	85.92	7,659.21
Revenue from Infrastructure Business	**-**	**679.39**	-	515.67
Less: Excise Duty	**-**	**10.22**	-	-
		669.17		515.67
Other Operational Revenue	**29.19**	**197.43**	17.91	146.90
		19,033.68		22,374.52
Other Income				
Dividend	**-**	**7.46**	-	20.96
Interest	**12.99**	**842.05**	7.73	928.38
Miscellaneous Income	**0.20**	**517.00**	0.31	109.12
		1,366.51		1,058.46
Less: Transfer to General Reserve (Refer Note 10)		**101.46**		-
		1,265.05		1,058.46
Total Income		**20,298.73**		23,432.98
Expenditure				
Cost of Electrical Energy Purchased	**4,539.96**	**7,889.52**	5,419.81	8,695.34
Cost of Fuel and Materials Consumed	**-**	**1,949.89**	-	1,725.35
Construction Material Consumed and Sub-Contracting Charges	**89.63**	**3,926.21**	78.80	6,533.31
Employee Benefit Expense	**216.86**	**1,067.44**	256.29	1,141.94
Finance Costs	**460.32**	**2,057.39**	577.05	1,687.43
Less: Transfer from General Reserve (Refer Note 10)		**361.32**		-
		1,696.07		1,687.43
Depreciation and Amortisation Expense	**100.62**	**645.69**	134.06	632.73
Less: Transfer from Revaluation Reserve / APDRP Grant	**0.50**	**84.79**	0.50	52.29
Less: Transfer from Service Line Contribution	**15.80**	**26.82**	19.31	29.34
		534.08		551.10
Other Expenses	**226.40**	**1,447.05**	258.51	1,319.97
Less: Transfer from General Reserve (Refer Note 10)		**52.30**		-
		1,394.75		1,319.97
Total Expenditure		**18,457.96**		21,654.44
Profit before Tax and Exceptional Items		**1,840.77**		1,778.54
Exceptional items - Income / (Expenses)				
Income		**-**		379.12
Expenses	**-**	**-**	-	(688.85)
Transfer from Provision for Extraordinary and Exceptional Items	**-**	**-**	-	692.53
		-		382.80
Profit before Tax		**1,840.77**		2,161.34
Tax Expense				
Current Tax	**8.05**	**334.27**	10.98	89.30
Deferred Tax (net)	**22.26**	**48.28**	13.21	389.47
Less : Net Tax to be recovered in Future Tariff Determination (Refer Note 6 (c))	**22.42**	**106.79**	13.29	275.33
Income Tax for earlier years (net)	**(1.29)**	**(1.43)**	0.49	(0.80)
Profit after Tax but before Share of Associates and Minority Interest		**1,566.44**		1,958.70
Share of Profit in Associates (net)		**353.11**		294.50
Minority Interest		**(5.88)**		(6.37)
Profit for the Year		**1,913.67**		2,246.83
Earning per Equity Share (Face Value of ₹ 10 per share)		**₹**		₹
Basic		**72.77**		85.42
Diluted		**72.77**		85.42

Refer Notes forming part of the Abridged Consolidated Financial Statements

Compiled from the Audited Consolidated Financial Statements of the Company referred to in our Report dated May 19, 2014

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228

Date : May 19, 2014
Place : Mumbai

For Pathak H. D. & Associates
Chartered Accountants
Firm Registration No. 107783W

Vishal D. Shah
Partner
Membership No. 119303

Date : May 19, 2014
Place : Mumbai

For and on behalf of the Board

Anil D Ambani Chairman
S Seth Vice Chairman
R R Rai
S S Kohli
Dr V K Chaturvedi
K Ravikumar
} Directors
Ramesh Shenoy Company Secretary and Manager

Date : May 19, 2014
Place : Mumbai

Abridged Consolidated Cash Flow Statement for the year ended March 31, 2014

		₹ Crore
	Year ended March 31, 2014	Year ended March 31, 2013
Cash Flows from Operating Activities	**4,411.55**	2,635.92
Cash Flows from Investment Activities	**(5,937.44)**	(7,687.11)
Cash Flows from Financing Activities	**1,721.05**	4,163.11
Effect of Exchange Differences on Translation of Foreign Currency Cash and Cash Equivalents	**1.37**	(8.67)
Net Increase / (Decrease) in Cash and Cash Equivalents	**196.53**	(896.75)
Cash and Cash Equivalents as at the Beginning of the Year	**398.34**	1,308.92
Adjustment on Dilution of Share Holding in Subsidiaries/Joint Ventures (net)	**(29.39)**	(13.83)
Cash and Cash Equivalents as at the End of the Year *	**565.48**	398.34
Net Increase / (Decrease) as disclosed above	**196.53**	(896.75)

Note: Figures in brackets indicate cash outflow

* Including balances in unpaid dividend accounts ₹ 11.90 Crore (₹ 8.23 Crore) and fixed deposits of ₹ 123.42 Crore (₹ 17.72 Crore) held as security deposits with banks / authorities as at March 31, 2014.

Compiled from the Audited Consolidated Financial Statements of the Company referred to in our Report dated May 19, 2014

As per our attached Report of even date

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Rakesh Rathi
Partner
Membership No. 45228
Date : May 19, 2014
Place : Mumbai

For Pathak H. D. & Associates
Chartered Accountants
Firm Registration No. 107783W

Vishal D. Shah
Partner
Membership No. 119303
Date : May 19, 2014
Place : Mumbai

For and on behalf of the Board

Anil D Ambani	Chairman
S Seth	Vice Chairman
R R Rai	Directors
S S Kohli	
Dr V K Chaturvedi	
K Ravikumar	
Ramesh Shenoy	Company Secretary and Manager

Date : May 19, 2014
Place : Mumbai

Notes to Abridged 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 (Indian GAAP), the relevant provisions of the Companies Act, 1956 upon their notification (including any statutory modification(s) or re-enactments thereof for the time being in force) (the Act) and comply in material aspects with the Accounting Standards notified under Section 211 (3C) of the Act, which continues to be applicable under Section 133 of the Companies Act, 2013 in terms of general circular 15/2013 dated September 13, 2013 of Ministry of Corporate Affairs (MCA), read with Companies (Accounting Standards) Rules, 2006 (as amended). Assets and liabilities created under applicable electricity laws continue to be depicted under appropriate heads. In view of General Circular 08/2014 dated April 04,2014 of MCA, the provisions of the Companies Act, 1956 shall apply in relation to maintenance of books of account and preparation of financial statements for the year ended March 31, 2014. 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) Financial Statements: Presentation and disclosures:

Financial Statements have been prepared in accordance with the requirements of the information and disclosures mandated by Revised Schedule VI, applicable Accounting Standards, other applicable pronouncements and regulations.

(c) 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. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods. Difference between the actual results and estimates is recognised in the period in which the results are known/ materialised.

(d) 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 Company 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 intra-group transactions and resulting unrealised profits or losses.

b) The consolidated financial statements include the interests of the Parent Company in joint ventures, which have been accounted for using the proportionate consolidation method of accounting and report the Parent Company's share of assets, liabilities, income and expenses of jointly controlled entities as a separate item after fully eliminating unrealised profits or losses on intra-group transactions.

c) In case of Toll Roads business the Build, Operate & Transfer (BOT) contracts are governed by service concession agreements with government authorities (grantor). Under these agreements, the group companies (operators) don't own the roads, but get "toll collection rights" against the construction services rendered. Since the construction cost incurred by the operators is considered as exchange with the grantor against "toll collection rights", profit from such contracts is considered as realized. Accordingly, BOT contracts awarded to operators, where work is subcontracted to Parent Company, the intra group transactions on BOT contracts and the profits arising thereon are considered as realised and hence 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. However, 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 changes 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 in the shareholding of the Parent Company are recorded as Capital Reserve / Goodwill. On occasion of sale of shares held in associates, proportionate Capital Reserve / Goodwill representing realised gains/losses are recognised in Consolidated Statement of Profit and Loss.

In case of Associates, Grants received are not considered as part of Equity while computing carrying cost of Investment in Associates.

f) The excess of cost to the Parent Company of its investment in the subsidiary / joint venture over the Parent Company's portion of equity of the subsidiary / joint venture 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, 2014.

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.

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' funds.

(ii) Subsidiary and Joint Venture companies considered in the consolidated financial statements:

Name of Company	**Proportion (%) of shareholding as on March 31, 2014**	Proportion (%) of shareholding as on March 31, 2013
Subsidiary Companies:		
BSES Kerala Power Limited (BKPL)	**100**	100
Reliance Power Transmission Limited (RPTL)	**100**	100
Mumbai Metro One Private Limited (MMOPL)	**69**	69
Reliance Energy Trading Limited (RETL)	**100**	100
Parbati Koldam Transmission Company Limited (PKTCL)	**74**	74
DS Toll Road Limited (DSTL)	**100**	100
NK Toll Road Limited (NKTL)	**100**	100
SU Toll Road Private Limited (SUTL) became associate w.e.f September 30, 2013#	**-**	100
TD Toll Road Private Limited (TDTL) became associate w.e.f September 30, 2013#	**-**	100
TK Toll Road Private Limited (TKTL) became associate w.e.f September 30, 2013#	**-**	100
GF Toll Road Private Limited (GFTL)	**100**	100
KM Toll Road Private Limited (KMTL)	**100**	100
PS Toll Road Private Limited (PSTL)	**74**	74
HK Toll Road Private Limited (HKTL)	**100**	100
DA Toll Road Private Limited (DATL)	**100**	100
CBD Tower Private Limited (CBDTPL)	**89**	89
Tulip Realtech Private Limited (TRPL)	**100**	100
Reliance Cement Company Private Limited (RCPL) (Refer Note 13)	**100**	100
Utility Infrastructure and Works Private Limited (UIWPL)	**100**	100
Reliance Sealink One Private Limited (RSOPL)	**90**	90
Reliance Airport Developers Private Limited (RADPL)	**100**	100
Reliance Cement Corporation Private Limited (RCCPL) (was step down subsidiary till September 27, 2013)	**100**	-
Reliance Cement Works Private Limited (RCWPL) (was step down subsidiary till July 23, 2013) *	**-**	-
Reliance Cement and Infra Private Limited (RCIPL)	**100**	100
Step-down Subsidiaries:		
Western Region Transmission (Maharashtra) Private Limited (WRTM)	**100**	100
Western Region Transmission (Gujarat) Private Limited (WRTG)	**100**	100
North Karanpura Transmission Company Limited (NKTCL)	**100**	100
Talcher II Transmission Company Limited (TTCL)	**100**	100
Latur Airport Private Limited (LAPL)	**100**	100

* Subsidiary has been merged with WRTM w.e.f. appointed date April 1, 2013 (Refer Note 17)
# Refer Note 12

Notes to Abridged Consolidated Financial Statements

Name of Company	**Proportion (%) of shareholding as on March 31, 2014**	Proportion (%) of shareholding as on March 31, 2013
Baramati Airport Private Limited (BAPL)	**100**	100
Nanded Airport Private Limited (NAPL)	**100**	100
Yavatmal Airport Private Limited (YAPL)	**100**	100
Osmanabad Airport Private Limited (OAPL)	**100**	100
Reliance Cement Corporation Private Limited (RCCPL) (became subsidiary w.e.f. September 28, 2013)	**-**	100
Reliance Cement Works Private Limited (RCWPL) (became subsidiary w.e.f. July 24, 2013)	**-**	100
Reliance Concrete Private Limited (RConPL)	**100**	100
Joint Venture Companies:		
BSES Rajdhani Power Limited (BRPL) #	**28.82**	49
BSES Yamuna Power Limited (BYPL) #	**28.82**	49
Tamil Nadu Industries Captive Power Company Limited (TICAPCO)	**33.70**	33.70
Utility Powertech Limited (UPL)	**19.80**	19.80

Note: All Companies are incorporated in India
Refer Note 12

(iii) Investments in Associates:

Name of Company	**Proportion (%) of shareholding as on March 31, 2014**	Proportion (%) of shareholding as on March 31, 2013
Reliance Power Limited (RePL)	**42.21**	36.52
Urthing Sobla Hydro Power Private Limited (USHPPL)	**20**	20
Delhi Airport Metro Express Private Limited (DAMEPL)	**30**	30
Mumbai Metro Transport Private Limited (MMTPL)	**48**	48
JR Toll Road Private Limited (JRTL)	**48**	48
Metro One Operation Private Limited (MOOPL)	**30**	30
SU Toll Road Private Limited (SUTL) was subsidiary till September 29, 2013	**49**	-
TD Toll Road Private Limited (TDTL) was subsidiary till September 29, 2013	**49**	-
TK Toll Road Private Limited (TKTL) was subsidiary till September 29, 2013	**49**	-

Note: All Companies are incorporated in India

(iv) Break-up of Investments in Associates:

₹ Crore

Particulars	RePL	SUTL	TDTL	TKTL	DAMEPL	MMTPL	USHPPL	JRTL	MOOPL
Number of Equity Shares	1,18,39,98,193	9,022,008	5,265,011	6,250,268	3,000	24,000	2,000	5,138	3,000
Percentage holding	42.21%	49%	49%	49%	30%	48%	20%	48%	30%
Cost of Investment	2,710.94	104.02	52.66	71.77	(i)	0.02	(v)	0.01	(vii)
Including Goodwill / (Capital Reserve)	0.04	-	-	-	-	-	-	-	-
Capital Reserve on dilution of stake/ adjustments on carrying cost of investments	3,703.72	-	-	-	-	-	-	-	-
Share in accumulated profits/ (losses) –									
As at April 1, 2013 (net of dividend received / eliminations)	864.81	-	-	-	(ii)	(iv)	(vi)	(0.01)	0.31
Adjustment on shares sold during the year	(0.38)	(0.80)	(0.84)	(0.51)	-	-	-	-	-
Share of profits/ (losses) for the year	381.68	0.42	0.23	(0.38)	(iii)	-	-	-	(0.16)
As at March 31, 2014	1,246.11	(0.38)	(0.61)	(0.89)	(ii)	(iv)	(vi)	(0.01)	0.15
Carrying Cost	7,660.77	103.64	52.05	70.88	-	0.02	-	-	0.15

(i) ₹ 30,000 ; (ii) ₹ (30,000) ; (iii) Refer Note 14 ; (iv) ₹ (12,698) ; (v) ₹ 20,000 ; (vi) ₹ (20,000) ; (vii) ₹ 30,000.

(v) Effect of Acquisition / Disposal of Subsidiaries during the year:

₹ Crore

Name of the Company	Acquired / Disposal	Goodwill / (Capital Reserve) on Consolidation	Effect on Group Profit after Minority Interest Increase / (Decrease)	Net Effect on Group Net Assets as at March 31, 2014 Increase / (Decrease)
SUTL (Refer Note 12)	Disposal	-	(0.44)	(108.49)
TKTL (Refer Note 12)	Disposal	-	0.39	(73.99)
TDTL (Refer Note 12)	Disposal	-	(0.24)	(53.89)

(e) Revenue Recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Further specific criteria for revenue recognition are followed for different businesses as under:

(i) Electricity Business:

Revenue from sale of electricity is accounted on the basis of billing to consumers based on billing cycles followed by the Group which is inclusive of fuel adjustment charges (FAC) and unbilled revenue accrued upto the end of accounting year. Generally all consumers are billed on the basis of recording of consumption of electricity 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 determine revenue gaps (i.e. surplus / shortfall in actual returns over returns entitled) in respect of their regulated operations based on the principles laid down under the relevant tariff regulations / tariff orders notified by the respective state electricity regulators and the actual or expected actions of the regulators under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the revenue of the respective years for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments / accruals representing revenue gaps are carried forward as regulatory assets / regulatory liabilities and are classified as Current/ Non Current Assets / Liabilities, as the case may be, which would be recovered / refunded through future billing based on future tariff determination by the regulators in accordance with the respective electricity regulations.

In case of BKPL, revenue from sale of electricity 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 electricity and margin on power banking transactions is accounted for based on rates agreed with the customers on delivery of power. Compensation for deviation of committed/contracted electricity is accounted as sales and purchase of electricity, as the case may be, on its occurrence. The margin earned on sale or purchase of electricity through energy exchange is recognised on the date of transaction with the exchange.

In case of Transmission business, revenue is accounted on the basis of periodic billing to consumers / state transmission utility.

(ii) EPC and Contracts Business:

In respect of construction contracts, revenue is recognised as per "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 as a proportion that the progress billings raised, 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 value of such contract.

Revenue from construction contracts is recognised by adding the aggregate costs incurred on the contract till reporting period and proportionate profit using "percentage of completion method". Profit proportionate to the value of work done upto reporting date is determined as a percentage of profit estimated to arise on completion of the entire contract, after deduction of contingency.

Profit is recognised only when the outcome of the contract can be estimated reliably. When the construction contract is expected to result in a loss on completion of the entire contract, the entire loss is recognized as an expense immediately in the same reporting period.

Contract in progress is valued at cost plus recognised profits (less recognised losses) upto the reporting date.

In respect of operation and maintenance contracts, revenue proportionate to the value of work done or the period elapsed as the case may be, is recognised.

(iii) Infrastructure Business:

In respect of Toll 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.

In case of Cement business, sales are net of sales tax, VAT, rebates and returns but include excise duty.

(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. Interest income is recognised on a time proportion basis after taking into account the principal amount outstanding and the rate applicable. Dividend on investment is recognized when the right to receive the payment is established.

(f) Foreign Currency Transactions:

(i) Transactions denominated in foreign currencies are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Foreign currency monetary items (assets and liabilities) are restated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in foreign currency, are reported using the exchange rate at the date of the transaction. Gains and losses, if any, at the end of the year in respect of monetary assets and monetary liabilities are recognised in the Consolidated Statement of Profit and Loss except in case of gains or losses arising on long term foreign currency monetary items, the accounting treatment is as under.

In accordance with the notification (GSR No.914(E) dated December 29, 2011) issued by the Ministry of Corporate Affairs, Government of India, in respect of accounting year commencing on or after April 1, 2011, the Group has exercised the option whereby the foreign exchange gains / losses on long term foreign currency monetary items relating to the acquisition of depreciable assets are added to or deducted from the cost of such assets and in other cases, such gains or losses are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" to be amortised over the remaining life of the concerned monetary item.

(iii) In respect of integral foreign operations of the Group, 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.

(iv) In respect of derivative transactions, gains / losses are recognised in the Consolidated Statement of Profit and Loss 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 Consolidated Statement of Profit and Loss. Net gain, if any, is ignored.

(g) Fixed Assets:

1) Tangible Assets:

Cost comprises cost of acquisition or construction of assets (excluding revalued assets) including borrowing costs attributable to bringing the assets to their intended use.

2) Intangible Assets:

(i) 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 construction / reconstruction, strengthening, widening and rehabilitation of the toll roads on build operate and transfer basis (BOT) including project related expenditure as mentioned in Note (1)(g)(3) below and obligations towards negative grant payable to regulatory authorities, if any.

(ii) 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.

(iii) Metro Rail Concessionaire Rights, recognised as intangible assets, represent rights in relation to operation and maintenance of metro rail lines 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 lines including project related expenditure as mentioned in Note (1)(g)(3) below. Cost incurred on the project which is incomplete as on balance sheet date has been shown as Intangible Assets under Development.

(iv) Other Intangible Assets are stated at cost of acquisition net of tax/duty/credits availed, if any, less accumulated amortisation / depletion.

3) Capital Work-in progress (CWIP) and Intangible Assets under Development:

All project related expenditure viz. civil works, machinery under erection, construction and erection materials, pre-operative expenditure incidental / attributable to the construction of projects, borrowing cost incurred prior to the date of commercial operations and trial run expenditure are shown under CWIP and Intangible Assets under Development. These expenses are net of recoveries and income (net of tax) from surplus funds arising out of project specific borrowings.

(h) Depreciation / Amortisation:

(i) Tangible Assets:

Electricity Business –

Fixed assets relating to license business and other electricity business are depreciated under the straight line method as per the rates and in the manner prescribed as per the Electricity Regulations or as per the rates and in the manner specifically approved by Central Government. However, where management estimate of useful life of assets is shorter than those prescribed above, fixed assets are depreciated at the rates derived there from. The depreciation for the year has been disclosed 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 as per the Electricity Regulations.

EPC and Contracts Business –

Fixed assets of EPC and Contracts business have been depreciated under the reducing balance method at the rates and in the manner prescribed in Schedule XIV to the Act.

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 to the Act.

(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. The same is in line with the Ministry of Corporate Affairs notification no. GSR 298 (E) dated April 17, 2012.

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 license.

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.

The container trains license fee is amortised over 20 years being the life of the license.

Intangible assets representing toll collection rights, airport concessionaire rights, metro rail concessionaire rights and container trains license fee are amortised over the concession/license period ranging from 17-30 years, 95 years, 27 years and 20 years respectively, which are beyond the maximum period of 10 years as specified in the Accounting Standard 26 - (AS-26) "Intangible Assets", as the economic benefits from the underlying assets would be available to the Group over such period as per the respective concessionaire/license agreements.

Softwares pertaining to the electricity business are amortized as per the rates and in the manner prescribed as per the electricity regulations. Other softwares are amortised over a period of 3 years.

(i) Investments:

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. On initial recognition, all investments are recognised at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the consolidated financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Consolidated Statement of Profit and Loss.

(j) Inventories:

Inventories are stated at lower of cost and net realisable value. "Cost" of finished goods and work in progress includes material, cost of conversion and other costs. "Cost" is determined on FIFO basis in case of raw material and finished goods and weighted average basis in case of fuel, stores and spares. Unserviceable / damaged stores and spares are identified and written down based on technical evaluation.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(k) 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.

(l) Employee Benefits:

Contribution to defined contribution schemes such as provident fund, superannuation funds etc. are charged to the Consolidated Statement of Profit and Loss / Capital Work-in-Progress/ Intangible Assets under development, as applicable. The Group also provides for retirement benefits in the form of gratuity and leave encashment. The liability in respect of these defined benefit plans is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Such defined benefits are charged to the Consolidated Statement of Profit and Loss / Capital Work-in-Progress/ Intangible Assets under development, as applicable, based on actuarial valuations, as at the Balance Sheet date, made by independent actuaries. Actuarial Gain and loss is recognised in the Consolidated Statement of Profit and Loss / Capital Work-in-progress/ Intangible Assets under development, as may be applicable. However in case of employees of erstwhile Delhi Vidyut Board (DVB) (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 Consolidated Statement of Profit and Loss.

(m) Borrowing Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur.

(n) 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.

(o) 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.

(p) Contingent Liabilities and Contingent Assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in notes to the consolidated financial statements. Contingent assets are neither recognized nor disclosed in the consolidated financial statements.

(q) 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.

(r) Cash and Cash Equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise of cash on hand and demand deposits with banks.

(s) 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.

(t) Grants / Capital Contribution:

Grants / Capital contribution received from government authorities as promoter's contribution towards meeting the capital cost of the project are treated as capital reserve, in compliance with Accounting Standard -12 (AS-12) - "Accounting for Government Grants". Grant from government authorities which are not in the nature of promoters' contribution are credited to Reserves and Surplus and are gradually recognised in the Consolidated Statement of Profit and Loss in the same proportion as the depreciation written off on the assets purchased out of the grants. Grants / capital contributions are recognised in the consolidated financial statements when there is a reasonable assurance that the underlying conditions have been complied and grants will be received.

Grants towards operation and maintenance of toll roads, are treated as revenue grants and are recognized in the Consolidated Statement of Profit and Loss from the date the same are due on time proportion basis.

(u) All assets and liabilities have been classified as current or non-current as per respective company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Act.

2. Deferred Tax Liabilities (net):
(Note No. 5 of Notes to Consolidated Financial Statements)

₹ Crore

Particulars	**As at March 31, 2014**	As at March 31, 2013
Deferred tax liability on account of -		
Depreciation difference (including Share in Joint Ventures ₹ 144.10 Crore (₹ 211.75 Crore))	**1,117.79**	1,209.46
Regulatory Income	**318.47**	271.89
	1,436.26	1,481.35
Deferred tax assets on account of -		
Unabsorbed losses	**47.85**	37.92
Provisions (including Share in Joint Ventures ₹ 0.73 Crore (₹ 0.56 Crore))	**125.88**	143.18
Disallowances under section 40(a) of the Income Tax Act, 1961	**4.76**	0.68
	178.49	181.78
	1,257.77	1,299.57
Less: Net tax to be recovered from future tariff determination (including Share in Joint Ventures ₹ 143.98 Crore (₹ 211.64 Crore)) (Refer Note 6(c))	**751.05**	734.34
	506.72	565.23

Notes to Abridged Consolidated Financial Statements

3. Cash and Bank Balances:
(Note No. 19 of Notes to Consolidated Financial Statements)

₹ Crore

Particulars	As at March 31, 2014	As at March 31, 2013
(A) Cash and cash equivalents -		
Balances with banks in -		
Current Account	**306.57**	191.68
Fixed Deposit Account *	**205.96**	53.86
Unpaid Dividend Account	**11.90**	8.23
Cheques, drafts on hand	**0.76**	34.14
Cash on hand	**8.87**	7.99
	534.06	295.90
Share in Joint Ventures *	**31.42**	102.44
Sub-total (A)	**565.48**	398.34
(B) Other bank balances -		
Margin Money	**-**	4.16
Deposit with original maturity of more than 3 months but less than 12 months*	**28.96**	26.95
Deposit with original maturity of more than 12 months	**0.01**	0.70
	28.97	31.81
Share in Joint Ventures *	**57.90**	62.27
Sub-total (B)	**86.87**	94.08
Total (A + B)	**652.35**	492.42
* ₹ 167.54 Crore (₹ 75.80 Crore) is given as security to banks/authorities		

4. Earnings Per Equity Share:
(Note No. 27 of Notes to Consolidated Financial Statements)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Profit for Basic and Diluted Earnings per Share (a) ₹ Crore	**1,913.67**	2,246.83
Weighted average number of Equity Shares -		
For Basic Earnings per share (b)	**26,29,90,000**	26,29,90,000
For Diluted Earnings per share (c)	**26,29,90,000**	26,29,90,000
Earnings per share (face value of ₹ 10 per share) -	**₹**	₹
Basic (a/b)	**72.77**	85.42
Diluted (a/c)	**72.77**	85.42

5. Construction Contracts:
(Note No. 28 of Notes to Consolidated Financial Statements)

Disclosures pursuant to Accounting Standard (AS) 7 (Revised) "Construction Contracts" (as per separate financial statements of the Parent Company):

₹ Crore

Sr. No.	Particulars	2013-14	2012-13
1	Contract Revenue recognised for the financial year	**4,578.59**	7,781.43
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 ₹ 547.76 Crore (₹ 356.45 Crore)	**36,935.97**	32,364.71
3	Amount of customer advances outstanding for contracts in progress as at end of the financial year	**2,031.66**	2,480.62
4	Retention amount due from customers for contracts in progress as at end of the financial year	**2,510.40**	2,448.85
5	Gross amount due from customers for contract works as an asset	**547.76**	356.45

6. Revenue from Sale of Electrical Energy and Regulatory Matters:
(Note No. 29 of Notes to Consolidated Financial Statements)

(a) Regulatory Assets of Parent Company:

In accordance with accounting policy (refer note 1 (e) (i)) the Parent Company has accrued ₹ 283.64 Crore (₹ 545.79 Crore) during the year as revenue gap under 'Income from Sale of Electricity'. The Parent Company has recovered ₹ 406.60 Crore (₹ Nil) of the regulatory assets during the year ended March 31, 2014 (including ₹ 146.61 Crore out of the revenue gap accrued in the current year). Cumulative revenue gap as on March 31, 2014 of ₹ 2,739.04 Crore (₹ 2,862 Crore) has been shown as Regulatory Assets in the balance sheet. Based on management estimate, an amount of ₹ 410.53 Crore (₹ 401.71 Crore) being recoverable in the subsequent year has been included in Other Current Assets and the balance amount of ₹ 2,328.51 Crore (₹ 2,460.29 Crore) has been included in Other Non Current Assets.

On August 22, 2013 the Parent Company received a Tariff Order in respect of Mumbai Distribution business from MERC approving the revenue gap of ₹ 2,463.18 Crore for the period upto March 31, 2012. The MERC also approved carrying cost of ₹ 1,403.65 Crore for the period upto March 31, 2013 on the above revenue gap. Such carrying cost will be accounted for by the Parent Company on the basis of actual recovery of the above amount of ₹ 3,866.83 Crore through the Tariff approved by MERC w.e.f. September 1, 2013 along with further carrying cost till the date of full recovery. During the year ended March 31, 2014, the Parent Company has recovered ₹ 497.72 Crore as per the said Tariff Order out of which ₹ 276.78 Crore has been apportioned against Carrying Cost as income and ₹ 220.94 Crore has been apportioned against the past regulatory assets.

(b) Regulatory Assets of Delhi Discoms:

BRPL and BYPL have also accrued (net of recoveries) ₹ 200.81 Crore (₹ 571.60 Crore) and ₹ 436.91 Crore (₹ 636.61 Crore) respectively, during the year as revenue gap under 'Income from Sale of Electricity' and the cumulative revenue gap as on March 31, 2014 of ₹ 3,775.43 Crore (₹ 5,471.65 Crore) has been included in Other Non Current Assets in the Balance Sheet. The amount given above represents Parent Company's share in joint ventures after considering effect of reduction in Parent Company's shareholding during the year.

(c) Net tax to be recovered from future tariff determination:

In accordance with the MERC tariff regulation for determination of tariff, the income-tax paid is considered for tariff determination (truing up). Accordingly, the Parent Company has considered ₹ 37.79 Crore (₹ 72.62 Crore) of deferred tax liability for the year arising out of differences in rates of depreciation between MERC and income-tax as "Net tax to be recovered in future tariff determination". Similarly, the deferred tax liability of ₹ 46.58 Crore (₹189.42 Crore) for the year arising on account of timing difference on taxability of regulatory income accounted in the books is treated as "Net tax to be recovered in future tariff determination".

Similarly, BRPL & BYPL have considered ₹ 14.77 Crore (₹ 14.17 Crore) and ₹ 7.65 Crore (₹ (0.88) Crore) of deferred tax liability for the year, respectively, arising out of differences in rates of depreciation between Delhi Electricity Regulatory Commission (DERC) and income tax as "Net tax to be recovered from future tariff determination". The amount given above represents Parent Company's share in joint ventures after considering effect of reduction in Parent Company's shareholding during the year.

7. Derivative Instruments:
(Note No. 30 of Notes to Consolidated Financial Statements)

(a) The Group 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, 2014)**	
			US $ million	**₹ Crore**
1.	Currency Swap / Interest Rate Swap	10	43.20	258.83

Details of the contracts for derivative instruments of previous year were as under:

Sr. No.	Particulars	No. of instruments	Value (As at March 31, 2013)	
			US $ million	₹ Crore
1.	Currency Swap / Interest Rate Swap	25	148.91	808.40
2.	Forward Contracts	6	25.80	140.05

(b) Pursuant to the clarification issued by the Institute of Chartered Accountants of India on March 29, 2008 on accounting of derivatives, the Group has for the year ended March 31, 2014 provided / (reversed) unrealised loss of ₹ (6.55) Crore (previous year ₹ 45.68 Crore) on account of revaluation of foreign exchange derivative instruments at the fair values as at the end of the reporting year. The provision for mark to market losses towards the same as on March 31, 2014 amounts to ₹ Nil (previous year ₹ 115.42 Crore) (also Refer Note 10).

(c) Net Foreign Currency exposures of the Group that are not covered by derivative instruments or otherwise are ₹ 3,897.66 Crore (₹ 1,564.15 Crore).

Notes to Abridged Consolidated Financial Statements

8. Revaluation of Tangible Assets:
(Note No. 31 of Notes to Consolidated Financial Statements)

During the year 2012-13, the Group had, based on the valuation made by the approved valuer, revalued its freehold land, building and plant and machinery located at Goa, Samalkot and Chitradurg amounting to ₹ 495.69 Crore w.e.f. April 01, 2012 and during the current year, at Kochi amounting to ₹ 367.56 Crore w.e.f. April 01, 2013, as per the replacement cost method and incremental value on revaluation has been added to the gross block of fixed assets and credited to revaluation reserve. Consequent to revaluation, there is an additional charge of depreciation of ₹ 58.60 Crore (₹ 26.05 Crore) and an equivalent amount has been withdrawn from the revaluation reserve, which has no impact on the profit for the year.

9. EPC Business:
(Note No. 32 of Notes to Consolidated Financial Statements)

One of the principal businesses of the Parent Company is that of Engineering, Procurement and Construction (EPC) contractors. This activity is undertaken for both associates and subsidiaries of associates which develop infrastructure such as power plants, transmission lines, etc and for third parties engaged in similar development. The Hon'ble Bombay High Court via Scheme of Amalgamation between Reliance Bhavnagar Power Private Limited, Reliance Jamnagar Power Private Limited and Reliance Infrastructure Engineers Private Limited with the Parent Company on 22nd February 2013 had permitted the Parent Company to account for this business activity without making any distinction whether the Principal (for whom the Parent Company is the contractor) is associate, subsidiary of associate or any third party, the direction being contained in the Scheme. The Parent Company considers that the permitted accounting treatment leads to a more accurate reflection of the results of the working of the Parent Company. Accordingly, the Parent Company has not eliminated any part of the unrealized profits of ₹ 133.69 Crore on EPC contracts with associates and subsidiaries of associates in the Consolidated Financial Statements as permitted by the Scheme which overrides the relevant provisions of Accounting Standard 23 (AS-23) "Accounting for Investments in Associates in Consolidated Financial Statements". Had the Parent Company not adopted the above accounting treatment, the profit for the year and carrying cost of investment in associates would have been lower by ₹ 133.69 Crore.

10. Scheme of Amalgamation of Reliance Infraprojects Limited (RInfl) with the Parent Company:
(Note No. 33 of Notes to Consolidated Financial Statements)

The Hon'ble High Court of Judicature of Bombay had sanctioned the Scheme of Amalgamation of Reliance Infraprojects Limited (RInfl) with the Parent Company on March 30, 2011 with the appointed date being April 1, 2010. As per the clause 2.3.7 of the Scheme the Parent Company, as determined by its Board of Directors, is permitted to adjust foreign exchange and derivative losses / gains debited / credited in the Consolidated Statement of Profit and Loss by a corresponding withdrawal from or credit to General Reserve.

Pursuant to the option exercised under the above Scheme, net foreign exchange gain of ₹ 101.46 Crore pertaining to the Parent Company, for the year ended March 31, 2014, has been credited to Consolidated Statement of Profit and Loss and an equivalent amount has been transferred to General Reserve. Similarly, foreign exchange loss of ₹ 361.32 Crore attributable to finance cost and net loss on account of derivative instruments of ₹ 52.30 Crore pertaining to the Parent Company have been debited to Consolidated Statement of Profit and Loss and an equivalent amount has been withdrawn from General Reserve. The Parent Company has been legally advised that crediting of the said amount in Consolidated Statement of Profit and Loss is in accordance with Revised Schedule VI to the Act. Had the Scheme not prescribed this treatment, the profit before tax for the year ended March 31, 2014 would have been lower by ₹ 312.16 Crore and the General Reserve would have been higher by an equivalent amount. The treatment prescribed under the Scheme override the relevant provision of Accounting Standard 5 (AS-5) 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies'.

11. Effects of Changes in Foreign Exchange Rates (AS-11):
(Note No. 34 of Notes to Consolidated Financial Statements)

In line with the notification dated December 29, 2011 issued by the Ministry of Corporate Affairs, the Company has exercised the option given in the Paragraph 46A of the Accounting Standard-11 "The Effect of Change in Foreign Exchange Rates" of capitalising the foreign exchange loss/gain arising on long term foreign currency monetary items relating to acquisition of depreciable capital assets and depreciating the same over the balance life of such assets and in other cases amortising the foreign exchange loss/gain over the balance period of such long term foreign currency monetary items. Accordingly, the Group has capitalised foreign exchange loss arising on long term foreign currency monetary items relating to depreciable capital assets of ₹ 9.67 Crore (₹ 3.96 Crore) during the year. In other cases, the Group has carried forward the unamortised portion of net gain of ₹ 238.48 Crore (₹ 156.22 Crore) in "Foreign Currency Monetary Item Translation Difference Account" and the same is grouped under 'Reserves and Surplus".

12. Reduction in shareholding of certain subsidiaries and Joint ventures:
(Note No. 35 of Notes to Consolidated Financial Statements)

Towards the end of September, 2013, the Parent Comany had diluted its equity holding in SU Toll Road Private Limited (SUTL), TD Toll Road Private Limited (TDTL) and TK Toll Road Private Limited (TKTL) each from 100% to 49% for a consideration of ₹ 108.26 Crore, ₹ 54.80 Crore and ₹ 74.70 Crore respectively. As a result of these transfers SUTL, TDTL and TKTL ceased to be subsidiaries and became associates of the Parent Company. Pursuant to this dilution 2% of the shares in each of these Companies have been transferred to Reliance Toll Road Trust for the benefit of the Parent Company. However, as required under the concession and other applicable agreements, the Parent Company continues to provide financial support to these Companies. The validity of the transfers and the consequential reclassification of these Companies as Associates is confirmed by legal advice obtained by the Parent Company.

Further, the Parent Company's equity holding in the two joint ventures, BSES Rajdhani Power Limited (BRPL) and BSES Yamuna Power Limited (BYPL) was diluted towards the end of September, 2013 from 49% to 28.82% for a consideration of ₹ 209.84 Crore and ₹ 112.18 Crore respectively.

Certain requisite approvals from concerned authorities in respect of transfer of equity shareholding in SUTL, TDTL, TKTL, BRPL and BYPL are still awaited and management expects to receive them in due course.

In view of above dilution, the figures of the current year are not comparable with the figures for the previous year.

13. Investment in Reliance Cement Company Private Limited:
(Note No. 36 of Notes to Consolidated Financial Statements)

Towards the end of September, 2013, the Parent Company had diluted its equity holding in Reliance Cement Company Private Limited (RCCPL) from 100% to 19% for a consideration of ₹ 436.48 Crore. The said dilution was subject to requisite approvals. As the requisite approvals could not be obtained, the said holding was again restored on March 31, 2014 by agreeing to repay to the transferee Companies the same amount at which the holding was diluted. The above amount of ₹ 436.48 Crore has been included in Other Liabilities and accordingly, RCCPL has been considered as wholly owned subsidiary for the entire year as if no dilution had ever happened.

14. Investment in Delhi Airport Metro Express Private Limited:
(Note No. 37 of Notes to Consolidated Financial Statements)

Delhi Airport Metro Express Private Limited (DAMEPL), SPV of the Parent Company, terminated the Concession Agreement with Delhi Metro Rail Corporation (DMRC) for the Delhi Airport Metro Line, on account of Material Breach and Event of Default under the provisions of the Concession Agreement by DMRC. The operations were taken over by DMRC with effect from July 1, 2013.

As per the terms of the Concession Agreement, DMRC is now liable to pay DAMEPL a Termination Payment, which is estimated at ₹ 2,823 Crore, as the termination has arisen owing to DMRC's Event of Default. The matter has been referred to arbitration and the process for the same has already begun. Pending final outcome of the arbitration, the Parent Company continues to fund the statutory and other obligations of DAMEPL post take over by DMRC and accordingly has funded ₹ 275.50 Crore upto March 31, 2014. As legally advised, the claims for the Termination Payment are considered fully enforceable and the Parent Company is confident of recovering its entire investment of ₹ 1,450.20 Crore in DAMEPL as at March 31, 2014.

The share of loss of Parent Company in DAMEPL amounting to ₹ 395.08 Crore up to the year ended March 31, 2013 and ₹ 28.68 Crore for the year ended March 31, 2014, aggregating to ₹ 423.76 Crore, has been netted of against the Sub-ordinate Debts disclosed under Non-current investments.

15. Financial Statements of RInfra ESOS Trust:
(Note No. 38 of Notes to Consolidated Financial Statements)

The financial statements of RInfra ESOS Trust as at March 31, 2014 has been consolidated with Standalone Financial Statements of the Parent Company in terms of SEBI (ESOS and ESPS) Guidelines, 1999 and recent opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (the ICAI). Consequently, the paid up share capital and securities premium of the Parent Company as at March 31, 2014 are disclosed net of ₹ 0.45 Crore and ₹ 36.40 Crore respectively, being the value of 4,50,000 equity shares held by the trust.

16. Scheme of Amalgamation of WRTG and WRTM with the Parent Company:
(Note No. 39 of Notes to Consolidated Financial Statements)

The Board of Directors in their meeting held on November 11, 2013, approved the Scheme of Amalgamation of two wholly owned subsidiaries of the Parent Company viz. Western Region Transmission (Gujarat) Private Limited and Western Region Transmission (Maharashtra) Private Limited with the Parent Company. Since, the Scheme has not yet been sanctioned by the Hon'ble High Court, these subsidiaries have not been merged with the Parent Company.

17. Scheme of Amalgamation of RCWPL with WRTM:
(Note No. 40 of Notes to Consolidated Financial Statements)

The Scheme of Amalgamation between two wholly owned subsidiaries of the Parent Company, Reliance Cement Works Private Limited (RCWPL) with Western Region Transmission (Maharashtra) Private Limited (WRTM) has been sanctioned by the Hon'ble High Court of Bombay on April 25, 2014, with the appointed date April 1, 2013. The Scheme shall become effective upon WRTM filing the Order with the Registrar of Companies, as required under section 394(3) of the Companies Act, 1956. Pending such filing, the assets and liabilities of RCWPL has been incorporated in the accounts of WRTM as if the Scheme has become effective. As per the Scheme, the Parent Company would get 8% Non Cumulative Non Convertible Redeemable Preference Shares of ₹ 0.02 Crore of WRTM in lieu of the equity investment of ₹ 0.02 Crore in RCWPL. Since both the Companies are wholly owned subsidiaries of the Parent Company, there is no effect in the consolidated financial statements.

18. Disclosure under Accounting Standard 15 (revised 2005) "Employee Benefits":
(Note No. 41 of Notes to Consolidated Financial Statements)

The Group has classified various employee benefits as under:

(a) Defined contribution plans

(i) Provident fund

(ii) Superannuation fund

(iii) 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 consolidated financial statements for the year:

₹ Crore

Sr. No.	Particulars	2013-14	2012-13
(i)	Contribution to Provident Fund	**39.84**	39.45
(ii)	Contribution to Employees Superannuation Fund	**7.25**	7.12
(iii)	Contribution to Employees Pension Scheme, 1995	**11.27**	16.07
(iv)	Contribution to Employees State Insurance	**1.63**	1.51

(b) Defined Benefit Plans

(i) Provident Fund (Applicable to certain employees of the Parent Company)

(ii) Gratuity

(iii) 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 of Provident Fund Trust maintained by the Parent Company, the shortfall arising in meeting the stipulated interest payment liability, if any, gets duly provided for.

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	
		2013-2014	2012-2013	**2013-2014**	2012-2013
(i)	Discount Rate (Per annum)	**8% - 9.35%**	8% - 8.50%	**8% - 9.35%**	8% - 8.50%
(ii)	Rate of increase in Compensation levels	**5.50% - 9.75%**	5.50% - 7.50%	**5.50% - 9.75%**	5.50% - 7.50%
(iii)	Rate of Return on Plan Assets	**8% - 9.35%**	8% - 9.25%	**9.35%**	8.70%

₹ Crore

Sr. No.	Particulars	Gratuity		Leave Encashment	
		2013-2014	2012-2013	**2013-2014**	2012-2013
(i)	**Changes in present value of obligation**				
	Opening Balance of Present Value of Obligation	**272.54**	185.51	**198.14**	159.15
	On acquisition/disposal of subsidiary	**(1.76)**	(0.51)	**(5.69)**	(0.64)
	Liability on transfer in / (out) of Employees (net)	**-**	0.06	**-**	0.04
		270.78	185.06	**192.45**	158.55
	Interest Cost	**21.74**	15.78	**15.54**	13.58
	Current Service Cost	**14.99**	11.82	**8.90**	8.29
	Benefits Paid	**(12.30)**	(15.64)	**(17.08)**	(16.10)
	Actuarial (Gains) / Loss	**36.80**	75.52	**44.00**	33.82
	Closing Balance of Present Value of Obligation	**332.01**	272.54	**243.81**	198.14
(ii)	**Changes in Fair Value of plan assets**				
	Opening Balance of Present Value of Plan Assets	**226.07**	185.84	**154.28**	137.40
	On acquisition/disposal of subsidiary	**(1.51)**	(0.69)	**-**	-
	Planned Assets on transfer of employees (net)	**0.16**	0.03	**-**	-
		224.72	185.18	**154.28**	137.40
	Expected return on Plan assets	**19.54**	15.74	**13.42**	11.68
	Contributions	**54.59**	36.92	**22.87**	17.44
	Benefits Paid	**(1.08)**	(15.59)	**(0.87)**	(15.44)
	Actuarial Gain / (Loss) on Plan assets	**2.07**	3.88	**(1.63)**	3.28
	Closing Balance of Fair Value of Plan Assets	**299.84**	226.13	**188.07**	154.36
	Plan assets pending Transfer	**0.04**	(0.06)	**-**	(0.08)
	Closing Balance of Fair Value of Plan Assets net of pending transfer	**299.88**	226.07	**188.07**	154.28
(iii)	**Percentage of each category of Plan assets to total fair value of Plan assets as at the year end**				
	Administered by various insurance companies	**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	**332.01**	272.54	**243.81**	198.14
	Closing Balance of Fair Value of Plan Assets net of pending transfers	**299.88**	226.07	**188.07**	154.28
	Amount not recognised as an asset (limit in para 59(b))	**(0.03)**	(0.04)	**-**	-
	(Asset) / Liability recognised in the Consolidated Balance Sheet	**32.16**	46.51	**55.74**	43.86
(v)	**Amounts recognised in the Consolidated Balance Sheet**				
	Closing Balance of Present Value of Obligation	**332.01**	272.54	**243.81**	198.14
	Closing Balance of Fair Value of Plan Assets net of pending transfers	**299.88**	226.07	**188.07**	154.28
	Amount not recognised as an asset (limit in para 59(b))	**(0.03)**	(0.04)	**-**	-
	Funded (Asset)/Liability recognised in the Consolidated Balance Sheet	**31.22**	45.58	**38.89**	23.67
	Unfunded Liability recognised in the Consolidated Balance Sheet	**0.94**	0.93	**16.85**	20.19

₹ Crore

Sr. No.	Particulars	Gratuity		Leave Encashment	
		2013-2014	2012-2013	**2013-2014**	2012-2013
(vi)	**Expenses recognised in the Consolidated Statement of Profit and Loss / Capital work in progress / Intangible assets under development**				
	Current Service Cost	**14.99**	11.82	**8.90**	8.29
	Interest Cost	**21.74**	15.78	**15.54**	13.58
	Expected Return on Plan Assets	**(19.54)**	(15.74)	**(13.42)**	(11.68)
	Net Actuarial (Gain) / Loss	**34.73**	71.64	**45.63**	30.54
	Amount not recognised as an asset (limit in para 59(b))	**-**	0.02	**-**	-
	Total Expenses recognised in the Consolidated Statement of Profit and Loss / Capital work in progress / Intangible assets under development	**51.92**	83.52	**56.65**	40.73

Disclosure as required under para 120(n):

₹ Crore

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Gratuity					
Present Value of the Defined Benefit Obligation	**332.01**	272.54	185.51	170.87	149.87
Fair Value of the Plan Assets	**299.88**	226.07	185.84	171.89	140.97
Surplus/ (Deficit) in the Plan	**(32.13)**	(46.47)	0.33	1.02	(8.90)
Experience adjustments On Plan Liabilities (Gain) / Loss	**7.02**	63.13	2.00	8.01	(1.57)
Experience adjustments On Plan Assets (Gain) / Loss	**(2.06)**	(3.88)	3.21	2.77	(3.84)
Leave Encashment					
Present Value of the Defined Benefit Obligation	**243.81**	198.14	159.15	144.31	113.50
Fair Value of the Plan Assets	**188.07**	154.28	137.40	111.03	95.60
Surplus/ (Deficit) in the Plan	**(55.74)**	(43.86)	(21.75)	(33.28)	(17.90)
Experience adjustments On Plan Liabilities (Gain) / Loss	**20.58**	29.91	4.39	26.61	3.20
Experience adjustments On Plan Assets (Gain) / Loss	**1.63**	(3.28)	0.79	0.95	(2.23)

19. Segment Reporting:
(Note No. 42 of Notes to Consolidated Financial Statements)

Basis of Preparation: The Group has identified three business segments as reportable viz. 'Electrical Energy', 'Engineering, Procurement and Construction (EPC) and Contracts' and 'Infrastructure'. Business segments have been identified as reportable primary segments in accordance with Accounting Standard -17 (AS-17) - "Segment Reporting" 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.

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. The Group supplies power to residential, industrial, commercial and other consumers. BKPL operates a 165 MW combined cycle power plant at Kochi. The Group also transmits electricity through its transmission networks in the States of Maharashtra, Gujarat and Himachal Pradesh. The segment also includes operations from trading of electricity.

EPC and Contracts segment (of Parent company and UPL) renders comprehensive value added services in construction, erection, commissioning and contracting.

Infrastructure segment includes businesses with respect to development, operation and maintenance of toll roads, metro rail transit system and airports. This segment also includes construction of cement plant and development of real estate projects.

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	2013-14				2012-13			
	Electrical Energy	**EPC and Contracts**	**Infrastructure**	**Total**	Electrical Energy	EPC and Contracts	Infrastructure	Total
Revenue								
External Revenue	**13,652.55**	**4,710.46**	**670.67**	**19,033.68**	14,143.14	7,706.37	525.01	22,374.52
Inter-segment Revenue	**-**	**-**	**-**	**-**	-	-	-	-
Total Revenue	**13,652.55**	**4,710.46**	**670.67**	**19,033.68**	14,143.14	7,706.37	525.01	22,374.52
Result								
Segment Result	**1,760.52**	**504.06**	**232.37**	**2,496.95**	1,521.09	836.20	243.47	2,600.76
Unallocated Income net of unallocable expenses				**197.84**				319.63
Interest Income (net of Interest Expense)				**(854.02)**				(759.05)
Profit before taxation				**1,840.77**				2,161.34
Taxes				**274.33**				202.64
Profit after Tax				**1,566.44**				1,958.70
Share in Profit of Associates (net)				**353.11**				294.50
Minority Interest				**(5.88)**				(6.37)
Profit after tax, Share in Associates and Minority Interest				**1,913.67**				2,246.83
Other Information:								
Segment Assets	**19,138.35**	**8,856.73**	**13,314.43**	**41,309.51**	21,489.47	9,427.82	12,848.24	43,765.53
Unallocated Assets				**28,203.55**				22,730.43
Total Assets				**69,513.06**				66,495.96
Segment Liabilities	**5,274.62**	**7,750.82**	**2,499.51**	**15,524.95**	5,811.50	8,067.80	2,256.22	16,135.52
Unallocated Liabilities				**26,844.67**				24,239.43
Total Liabilities				**42,369.62**				40,374.95
Capital Expenditure *	**752.01**	**14.34**	**2,294.28**		972.41	245.97	3,190.92	
Depreciation *	**432.62**	**46.25**	**50.54**		537.65	48.63	39.48	
Non Cash expenses other than depreciation *	**42.72**	**-**	**-**		62.07	-	0.16	

* pertaining to the segment only.

20. Related Party Disclosures:
(Note No. 43 of Notes to Consolidated Financial Statements)

As per Accounting Standard -18 (AS-18) "Related Party Disclosures" as prescribed under the Companies (Accounting Standards) Rules, 2006, the Group's related parties and transactions are disclosed below:

(a) Parties where control exists: None

(b) Other related parties where transactions have taken place during the year:

(i)	Associates (including subsidiaries of associates)	(a)	Reliance Power Limited (RePL)
		(b)	Urthing Sobla Hydro Power Private Limited (USHPPL)
		(c)	Rosa Power Supply Company Limited (ROSA)
		(d)	Sasan Power Limited (SPL)
		(e)	Vidarbha Industries Power Limited (VIPL)
		(f)	Chitrangi Power Private Limited (CPPL)
		(g)	Coastal Andhra Power Limited (CAPL)
		(h)	Samalkot Power Limited (SaPoL)
		(i)	Rajasthan Sun Technique Energy Private Limited (RSTEPL)
		(j)	Dhursar Solar Power Private Limited (DSPPL) (earlier known as Dahanu Solar Power Private Limited)
		(k)	Reliance Clean Gen Limited (RCGL)
		(l)	JR Toll Road Private Limited (JRTL)

		(m)	Mumbai Metro Transport Private Limited (MMTPL)
		(n)	Metro One Operation Private Limited(MOOPL)
		(o)	Delhi Airport Metro Express Private Limited (DAMEPL)
		(p)	SU Toll Road Private Limited (SUTL) w.e.f. September 30, 2013
		(q)	TD Toll Road Private Limited (TDTL) w.e.f. September 30, 2013
		(r)	TK Toll Road Private Limited (TKTL) w.e.f. September 30, 2013
		(s)	Siyom Hydro Power Private Limited (SHPPL)
		(t)	Coastal Andhra Power Infrastructure Limited (CAPIPL)
(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 Lalit Jalan
		(b)	Shri Ramesh Shenoy
(vi)	Enterprises over which person described in (iv) has significant influence	(a)	Reliance Innoventures Private Limited (REIL)
		(b)	Reliance Life Insurance Company Limited (RLICL)
		(c)	Reliance General Insurance Company Limited (RGI)
		(d)	Reliance Capital Limited (RCap)
		(e)	Reliance Tech Services Private Limited (RTSPL)
		(f)	Reliance Infocomm Infrastructure Private Limited (RIIPL)
		(g)	AAA Sons Private Limited (AAASPL)
		(h)	Reliance Securities Limited (RSL)
		(i)	Reliance Money Precious Metals Private Limited (RMPMPL)
		(j)	Reliance Capital Asset Management Company Limited (RAMCPL)
		(k)	Reliance Enterprise and Ventures Private Limited (REVPL)
		(l)	Reliance Infocomm Limited (RInfo)
		(m)	Reliance Infratel Limited (RITL)
		(n)	Reliance Big Private Limited (RBPL)
		(o)	Talenthouse Entertainment Private Limited (THEPL)
		(p)	Reliance Home finance Limited (RHL)
		(q)	Reliance Communication Limited (RCom)
		(r)	Reliance BPO Private Limited (RBPO)
		(s)	AAA Business Machines Private Limited (AAABMPL)

(c) Details of transactions during the year and closing balances as at the end of the year:

₹ Crore

	Particulars	Investing party, Associates and Joint Ventures	Enterprises over which person described in (iv) above, has significant influence	Key Managerial Personnel/ Persons having control over investing party
(a)	**Consolidated Statement of Profit and Loss heads:**			
(I)	**Income:**			
	(i) Sale of electricity	216.53	-	-
		388.05	-	-

₹ Crore

	Particulars	Investing party, Associates and Joint Ventures	Enterprises over which person described in (iv) above, has significant influence	Key Managerial Personnel/ Persons having control over investing party
	(ii) Gross revenue from EPC and Contracts business	2,505.20	-	-
		5,947.28	-	-
	(iii) Dividend received	2.18	-	-
		1.58	-	-
	(iv) Interest earned	3.78	-	-
		6.19	-	-
	(v) Other Income	10.01	2.44	-
		18.72	*0.55*	-
(II)	**Expenses:**			
	(i) Purchase of Electricity (Including Open Access Charges- Net of Sales)	692.68	37.21	-
		773.60	*28.96*	-
	(ii) Purchase / Services on revenue account	0.31	0.15	-
		1.78	*14.57*	-
	(iii) Purchase of other items on capital account	30.96	-	-
		37.48	-	-
	(iv) Receiving of services	11.65	18.02	-
		17.87	*3.72*	-
	(v) Rent paid	0.27	2.45	-
		-	*2.89*	-
	(vi) Interest paid	-	10.43	-
		-	-	-
	(vii) Dividend paid	78.55	15.07	0.09
		91.72	*0.63*	*0.09*
	(viii) Salaries, commission and other benefits	-	-	9.03
		-	-	*8.40*
(b)	**Balance Sheet heads (Closing balances):**			
	(i) Trade payables, advances received and other liabilities for receiving of services on revenue and capital account	2,427.05	24.61	-
		1,483.82	*27.59*	-
	(ii) Inter Corporate Deposit (ICD) Taken	-	175.00	-
		-	-	-
	(iii) Investment in Securities	4,499.84	600.00	-
		2,417.78	-	-
	(iv) Inter Corporate Deposit (ICD) Placed	55.15	-	-
		16.11	*3.05*	-
	(v) Sub-ordinate debts	1,716.27	-	-
		1,105.38	-	-
	(vi) Advance against securities	6.39	-	-
		1,263.98	*600.00*	-
	(vii) Interest receivable on Investments and Deposits	2.44	-	-
		-	-	-
	(viii) Trade receivables, advances given and other receivables for rendering services	3,642.55	2.28	-
		2,143.49	*0.09*	-
	(ix) Intangible Assets	-	-	-
		-	*0.24*	-

₹ Crore

	Particulars	Investing party, Associates and Joint Ventures	Enterprises over which person described in (iv) above, has significant influence	Key Managerial Personnel/ Persons having control over investing party
(c)	**Contingent Liabilities (Closing balances):**			
	Guarantees and Collaterals	703.05	-	-
		717.26	-	-
(d)	**Transactions during the year:**			
	(i) Guarantees and collaterals provided	*40.78*	-	-
		-	-	-
	(ii) Guarantees and Collaterals provided earlier - expired / encashed	*55.00*	-	-
		-	-	-
	(iii) ICDs given to	*25.95*	-	-
		16.11	*0.02*	-
	(iv) Recoverable expenses:-			
	(a) incurred for related parties	25.85	0.20	-
		25.29	*0.43*	-
	(b) incurred by related parties on our behalf	1.85	-	-
		6.71	*0.27*	-
	(v) Sub-ordinate debts given	448.03	-	-
		231.00	-	-
	(vi) Advance against securities	-	-	-
		1,200.00	*600.00*	-
	(vii) Advance against securities received back/ Redemption of securities	100.00	600.00	-
		-	-	-
	(viii) ICDs / Advance against Securities converted into Sub-ordinate debt	162.86	-	-
		-	-	-
	(ix) Advances refunded	8.00	-	-
		1,228.37	-	-
	(x) ICDs taken	-	175.00	-
		-	-	-
	(xi) Purchase of fixed assets	-	0.32	-
		9.14	*0.24*	-
	(xii) Purchase of Equity Shares	-	1,076.34	-
		-	-	-
	(xiii) EPC Advance received	-	-	-
		40.77	-	-

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 ₹ 40.78 Crore. Guarantees and Collaterals provided earlier- expired / encashed for DAMEPL ₹ 55 Crore. ICD given to TKTL ₹ 21.70 Crore and JRTL ₹ 3.50 Crore. Recoverable Expenses incurred for SPL ₹ 11.20 Crore and RSTEPL ₹ 13.57 Crore. Recoverable Expenses incurred by SPL ₹ 0.93 Crore, VIPL ₹ 0.52 Crore and BYPL ₹ 0.28 Crore. Sub-ordinate debt given to DAMEPL ₹ 402.48 Crore. Advance against Securities received back / redemption of securities from RePL ₹ 100 Crore and REVPL ₹ 600 Crore. Advance returned to SPL ₹ 8.00 Crore. ICD/ Advance against Securities converted into sub-ordinate debts for JRTL ₹. 63.34 Crore and TKTL ₹ 90.77 Crore. ICD received from RAMCPL ₹ 175 Crore. Purchase of Fixed Assets from RCom ₹ 0.32 Crore. Purchase of Equity Shares from REVPL ₹ 1,076.34 Crore.

(Previous Year: Advance against securities to REVPL ₹ 600 Crore, RePL ₹ 1,200 Crore. Purchased fixed assets from SPL ₹ 8.78 Crore. Advance received from DSPPL ₹ 40.77 Crore. Advance refunded to SPL ₹ 200 Crore, CAPL ₹ 888 Crore and VIPL ₹ 140.37 Crore. Recoverable expenses incurred for SaPol ₹ 5.52 Crore, RSTEPL ₹ 15.71 Crore Recoverable expenses incurred by SaPol ₹ 6.64 Crore. ICDs given to CPPL ₹ 13.86 Crore and JRTL ₹ 2.25 Crore. Sub-ordinate debt given to DAMEPL ₹ 227.77 Crore).

(ii) Balance Sheet heads (Closing balance):

Trade payables, Advances received and other liabilities for receiving of services on revenue and capital account CPPL ₹ 1,214.14 Crore and SPL ₹ 913.90 Crore. ICD taken from RAMCPL ₹.175 Crore. Investment in Securities RePL ₹ 3,810.94 Crore and AAABMPL ₹ 600 Crore. ICD placed to CPPL ₹ 13.85 Crore and SUTL ₹ 41.30 Crore. Sub-ordinate debt given to DAMEPL ₹ 1,450.20 Crore. Advance against Securities to JRTL ₹ 6.39 Crore. Interest receivable on Investments and Deposits from RePL ₹ 1.14 Crore and CPPL ₹ 1.30 Crore. Trade Receivables, Advances given and other receivables for rendering services SPL ₹ 902 Crore, VIPL ₹ 390.61 Crore and SaPoL ₹ 2,216.72 Crore.

(Previous Year: Trade payables, advances received and other liabilities for receiving services on revenue and capital account, CPPL ₹ 1,214.82 Crore and SPL ₹ 670.55 Crore. Investment in Equity Shares of RePL ₹ 1,635.31 Crore, BRPL ₹ 509.60 Crore and BYPL ₹ 272.44 Crore. ICDs placed to AEVPL ₹ 3.05 Crore, CPPL ₹ 13.86 Crore and JRTL ₹ 2.25 Crore. Sub-ordinate debt given to DAMEPL ₹ 1,047.72 Crore. Advance against securities in REVPL ₹ 600 Crore and RePL ₹ 1,200 Crore. Trade receivables, advances given and other receivables for rendering services SPL ₹ 892.68 Crore, VIPL ₹ 220.17 Crore and SaPoL ₹ 1,603.23 Crore. Intangible assets from RComm ₹ 0.24 Crore).

(iii) Contingent Liabilities (Closing Balance):

Guarantees and Collaterals provided to RePL ₹ 300 Crore and JRTL ₹ 387.05 Crore.

(Previous Year: Guarantees and Collaterals provided to RePL ₹ 300 Crore and JRTL ₹ 346.27 Crore).

(iv) Income heads:

Sale of electricity to VIPL ₹ 216.53 Crore. Gross Revenue of EPC and Contracts Division from SPL ₹ 1,152.73 Crore, SaPoL ₹ 444.33 Crore and RSTEPL ₹ 690.70 Crore. Dividend received from UPL ₹ 2.18 Crore. Interest earned from RePL ₹ 2.40 Crore and CPPL ₹ 1.38 Crore. Other Income from RITL ₹ 2.16 Crore, VIPL ₹ 4.41 Crore, BRPL ₹ 2.27 Crore and BYPL ₹ 1.59 Crore.

(Previous Year: Sale of electricity to VIPL ₹ 388.05 Crore. Gross revenue from EPC and Contracts business from SPL ₹ 3,665.72 Crore, RSTEPL ₹ 801.77 Crore and SaPoL ₹ 690.61 Crore. Dividend received from UPL ₹ 1.58 Crore. Interest earned from RePL ₹ 6.12 Crore. Other Income from VIPL ₹ 8.35 Crore, BYPL ₹ 6.30 Crore and BRPL ₹ 2.25 Crore).

(v) Expense heads:

Purchase of electricity (including Open access charges – Net of Sales) from DSPPL ₹ 124.65 Crore and VIPL ₹ 529.16 Crore. Purchase / Services on Revenue account from RITL ₹ 0.15 Crore and RePL ₹ 0.31 Crore. Receiving of Services from RGI ₹ 14.41 Crore and SPL ₹ 8.63 Crore. Purchase of other items on Capital account from MOOPL ₹ 30.43 Crore. Interest Paid to RAMCPL ₹ 10.44 Crore. Rent paid to RIIPL ₹ 2.44 Crore. Dividend paid to AAAPVPL ₹ 78.55 Crore and RBPL ₹ 14.43 Crore.

(Previous Year: Purchase of electricity (including open access charges) from DSPPL ₹ 107.62 Crore and VIPL ₹ 597.10 Crore. Purchase / Services on revenue account from RGI ₹ 10.89 Crore, RLICL ₹ 1.96 Crore and RePL ₹ 1.78 Crore. Purchase of other items on capital account from MOOPL ₹ 28.34 Crore and SPL ₹ 8.78 Crore. Services received from RBPO ₹ 3.70 Crore, SPL ₹ 6.90 Crore, SaPoL ₹ 5.47 Crore, CAPL ₹ 2.63 Crore and UPL ₹ 2.86 Crore. Rent paid to RIIPL ₹ 2.88 Crore. Dividend paid to AAAPVPL ₹ 91.72 Crore)

(vi) Salaries, Commission and Other Benefits paid / payable to Shri Anil D Ambani ₹ 5.51 Crore (₹ 5.51 Crore), Shri S.C. Gupta ₹ Nil (₹ 0.57 Crore), Shri Lalit Jalan ₹ 2.91 Crore (₹ 1.45 Crore) and Shri Ramesh Shenoy ₹ 0.61 Crore (₹ 0.87 Crore).

21. Leases:
(Note No. 44 of Notes to Consolidated Financial Statements)

Disclosure as required under Accounting Standard - 19 (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 / non-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 Consolidated Statement of Profit and Loss / CWIP / Intangible assets under development (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	55.40	4.51	0.53	0.25	Various

* The Lease terms are renewable on a mutual consent of Lessor and Lessee.

22. Interest in Jointly Controlled Operations (Parent Company): (Note No. 45 of Notes to Consolidated Financial Statements)

The Parent Company along with M/s. Geopetrol International Inc. and Reliance Natural Resources Limited *(the consortium) was 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 had entered into a production sharing agreement with Government of India for exploration and production of these four CBM blocks. The Parent Company as part of the consortium has 45% share in each of the four blocks. M/s Geopetrol International Inc is the operator on behalf of the consortium for all the four CBM blocks.

Also the Parent Company along with M/s. Geopetrol International Inc, Naftogaz India Private Limited and Reliance Natural Resources Limited *(the consortium) was allotted oil block from 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 had signed an agreement with the Government of India for exploration and production of an Oil and Gas block. The Parent Company as part of the consortium has 70% share in the block. M/s Naftogaz India Private Limited is the operator on behalf of the consortium for 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, 2014
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 % ****

** Keeping in view various issues faced by the Consortium like inordinate delays in Government clearances, non receipt of Petroleum Exploration License (PEL) for more than 5 years, availability of scarce geologically effective fair way due to overlap with tribal land, reserve forest cover and Singarani Coal Mines, the Consortium has relinquished its rights in respect of the CBM Blocks KG (E) – CBM – 2005 / III at Kothgudem, Andhra Pradesh by passing a resolution in the 23rd Operating Committee meeting held on January 30, 2013. The decision has been conveyed to Government of India vide letter dated February 6, 2013 and the reply from the Government is awaited. Since the Petroleum Exploration Licence (PEL) has not been granted, there is no effective contract start date and the contract stands ineffective and null due to non-receipt of PEL. The Parent Company hence does not envisage any payment liability related to unfinished work programme.

*** Keeping in view the issues faced by the Consortium like in-ordinate delays in Government clearances, delay in processing of Consortium request for extension of Phase -1 under excusable delays and non-receipt of clearances / permissions from the State Government of Rajasthan for more than 4 years, during the year the Consortium has decided to relinquish its rights with respect of CBM Blocks viz. BS(4) - CBM - 2005 / III and BS(5) - CBM - 2005 / III at Barmer, Rajasthan under force majure. Directorate General of Hydrocarbons (DGH) has conveyed the consortium stating that Minimum Work Programme (MWP) was payable towards the unfinished work, which the Company has contested. Though any liability which may arise on this relinquishment is presently not ascertainable, the Parent Company does not envisage any material claims in this regard.

**** The Parent Company has received a notice from the MoPNG on October 11, 2012 for termination of the contract on the grounds of misrepresentation of facts by the operator M/s Naftogaz India Private Limited. The Parent Company has also received a notice dated October18, 2012 from DGH for payment of unfulfilled work program penalty. The Parent Company has contested the claims and has not received any communication from DGH till date. Moreover the cost of unfinished work programme cannot be easily ascertained owing to lack of commensurate benchmarking in such inhospitable terrain. Though any liability which may arise on this termination is presently not ascertainable, the Parent Company, does not envisage any material claims in this regard.

The above joint ventures are unincorporated joint ventures carrying out jointly controlled operations. Based on the audited statement of accounts of the consortium forwarded by the Operator in respect of the CBM Blocks and Management certified accounts in respect of the Mizo block, the Parent Company's share in respect of assets and liabilities as at March 31, 2014 and expenditure for the year ended on that date has been accounted as under:

₹ Crore

Item	2013-14	2012-13
Expenses	**7.42**	4.45
Fixed Assets including Capital work-in-progress	**-**	-
Other Assets	**4.17**	5.10
Current Liabilities	**0.41**	1.03
Contingent Liability	**-**	-

(* share of RNRL has since been demerged to 4 Subsidiary Companies of Reliance Power Limited).

23. Provision for Disputed matters:
(Note No. 46 of Notes to Consolidated Financial Statements)

₹ Crore

Particulars	Parent Company (Refer note (a) below)	Share of Joint Ventures (Refer note (b) below)	Total
Opening Balance	380.00	24.75	404.75
Less: On dilution of shareholding	-	10.19	10.19
Add: Provision made	-	6.25	6.25
Less: Provision reversed	-	0.54	0.54
Closing Balance	**380.00**	**20.27**	**400.27**

(a) represents provision made for disputes 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.

(b) represents provision made for legal claims lodged against BRPL of ₹ 0.61 Crore and against BYPL of ₹ 2.08 Crore, provision for retirement of fixed assets of ₹ 9.93 Crore in BRPL and ₹ 3.92 Crore in BYPL and provision for non-moving inventory of ₹ 3.73 Crore in BRPL.

24. (Note No. 47 of Notes to Consolidated Financial Statements)

(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, which the Parent Company has fully accounted for, 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 off-take 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 30(a)(iii).

25. (Note No. 48 of Notes to Consolidated Financial Statements)

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 Act is not applicable to the Parent Company.

26. Notes related to BRPL and BYPL (as per respective financial statements):
(Note No. 49 of Notes to Consolidated Financial Statements)

(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. Accordingly, in case of BRPL an amount of ₹ 1.75 Crore (₹ 33.74 Crore) and in case of BYPL ₹ 6.91 Crore (₹ 6.49 Crore) is lying under provision for 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 Crore in case of BRPL and ₹ 8 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 Crore in case of BRPL and ₹ 8 Crore in case of BYPL, as per the Transfer Scheme. Therefore the liability towards refund of consumer deposits in excess of ₹ 11 Crore in case of BRPL and ₹ 8 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 the differential amount of deposits to BRPL and BYPL. However GoNCTD did not abide by the advice and hence both the companies have filed writ petition and the case is pending before High Court of Delhi. In the last hearing during the year the matter was placed in the category of 'Rule' matters and the case shall get listed in due course.

(ii) As per notification dated April 18, 2007 issued by DERC, interest @ 6% per annum is payable on CSD received from all consumers. In view of the pending litigation, as explained above, BRPL and BYPL have provided for interest only to the extent of amount transferred as per the transfer scheme i.e. ₹ 11 Crore in case of BRPL and ₹ 8 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 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.

27. Project Restructuring in case of CBD Tower Private Limited (CBDTPL):
(Note No. 50 of Notes to Consolidated Financial Statements)

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, recession and uncertainty in real estate market, the Board of Directors of the Company approved and 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 up to March 31, 2012 and decrease in the rate of interest on debentures to 2% p.a. up to March 31, 2014. APIIC also recommended appointment of an independent third party consultant to comment on the approved restructuring proposal.

APIIC also approved certain consequential issues, like effective date being date of signing of amended agreement and mechanism for land transfer for constructing trade tower, permitting construction of business district prior to construction of trade tower and permitting consortium to dilute its equity from 51% to 26% three years after the financial closure of trade tower.

Further supplementary demands have been made to APIIC and requested for continuing the waivers / concessions until signing of amendment agreements and extension of timelines, corresponding to delay period, for all payment and project obligations. Independent consultant submitted it's report and recommended in favour of restructuring including supplementary demands. A sub-committee, appointed by APIIC, approved the Independent consultant's recommendations. APIIC has intimated that they have agreed with the findings of the sub-committee and Independent consultant's recommendations.

In view of the above favorable development the Company does not consider it necessary to make provision for (a) Development Premium of ₹ 58.58 Crore @ 12% p.a compounded annually on ₹ 230.27 Crore balance land cost payment of module-II and (b) Interest of ₹ 6.36 Crore on Debentures, both for the period from April 01, 2012 to March 31, 2014, as per the existing agreements.

As per the current applicable terms of development agreement, although certain part payments have been made, the title with respect to land, amounting to ₹ 555.01 Crore, would be transferred only on payment of full amount and on compliance of all terms of development agreement. Till then the land has been disclosed under Capital Work in Progress.

28. Power Banking:
(Note No. 51 of Notes to Consolidated Financial Statements)

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 end of the year, is carried forward under Short term loans and advances / Trade payables at the value of purchase / sale on the date of the transactions when the units are banked.

29. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:
(Note No. 52 of Notes to Consolidated Financial Statements)

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by the auditors.

₹ Crore

Particulars	**As at March 31, 2014**	As at March 31, 2013
Principal amount due to suppliers under MSMED Act	**3.00**	2.61
Interest accrued due to suppliers under MSMED Act on the above amount and unpaid	**-**	-
Payment made to suppliers(other than interest) beyond the appointed day/due date during the year	**0.57**	0.07
Interest paid to suppliers under MSMED Act (other than Section 16)	**-**	-
Interest paid to suppliers under MSMED Act (Section 16)	**-**	0.14
Interest due and payable towards suppliers under MSMED Act for payments already made	**0.02**	0.01
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	**0.02**	0.01
Amount of further interest remaining due and payable in succeeding years	**-**	-

30. (Note No. 54 of Notes to Consolidated Financial Statements)

(a) Contingent Liabilities:

₹ Crore

		As at March 31, 2014	As at March 31,2013
(i)	Counter guarantees given to banks against guarantees issued by the banks on behalf of the Group	**373.98**	373.74
(ii)	Corporate guarantees given to banks and other parties in respect of subsidiaries, associates and other body corporate	**980.48**	1,282.11
(iii)	Claims against the Group not acknowledged as debts and under litigation	**1,744.23**	1,777.53
	These include:-		
	a) Claims from suppliers	**442.73**	297.33
	b) Income tax claims	**626.98**	865.28
	c) Sales tax claims	**375.70**	395.77
	d) Claims from consumers	**26.52**	44.88
	e) Other claims	**272.30**	174.27
	Including Share in Joint Ventures	**363.14**	132.62

(iv) 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. Subsequent to the withdrawal of the compounding application, the matter has been referred to the Enforcement Directorate where the same is still pending.

(v) BRPL and BYPL had announced 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, which however was contended by DVB ETBF 2002. The Companies filed a writ petition in High Court of Delhi which provided two options. Both Companies had taken the option that DVB ETF 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 whereas the liability to pay residual pension i.e. monthly pension be borne by respective Companies. Pending computation of the additional contribution, if any, by the Arbitral Tribunal of Actuaries and the final decision in the matter by the Hon'ble High Court of Delhi, both companies have paid leave encashment, gratuity and commuted pension amounting to ₹ 64.71 Crore and ₹ 45.24 Crore, respectively. The interest amounting to ₹ 20.24 Crore and ₹ 14.33 Crore on the delayed payment has also been paid during the year 2008-09. The net recoverable amount has been shown under Long Term / Short Term Loans and Advances. DERC has approved the aforesaid retiral pension in its Annual Revenue Requirement (ARR) and the same has been charged to Statement of Profit and Loss. The final impact on the financial statements in addition to the aforesaid amounts will be determined when the final order is received.

(b) Capital and other Commitments:

₹ Crore

Particulars	As at March 31, 2014	As at March 31,2013
Estimated amount of contracts remaining unexecuted on capital account and not provided for	**3,935.99**	5,121.09
- including share in joint ventures	**61.32**	101.31
Uncalled liability on partly paid shares	**10.70**	10.70

The Parent Company has given equity / fund support for setting up of projects / cost overrun in respect of various infrastructure and power projects being set up by the Group, the amounts of which currently are not ascertainable.

(c) Proportionate share of claims not acknowledged as debt and other contingent liabilities in respect of associate companies amounts to ₹ 1,064.49 Crore (₹ 940.08 Crore) and share of capital and other commitments amounts to ₹ 20,319.79 Crore (₹ 17,879.92 Crore).

31. (Note No. 55 of Notes to Consolidated Financial Statements)

In terms of Section 212(8) of the Act 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 share capital, reserves and surplus, 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:

₹ Crore

Sr. No.	Name of the Subsidiary	Share Capital *	Reserves and Surplus	Total Assets **	Total Liabilities #	Investment $		Turnover ##	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend
						In Mutual Fund at cost (Quoted)	In Shares at cost (Unquoted) $					
1	BKPL	127.76	370.42	626.35	128.17	8.50	-	497.53	48.51	10.21	38.30	-
2	PKTCL	231.23	(1.62)	828.45	598.84	-	-	1.18	(0.15)	-	(0.15)	-
3	RETL	20.65	53.74	179.92	105.54	9.82	-	892.87	0.31	(0.19)	0.49	-
4	RPTL	6.27	606.16	765.63	153.20	0.30	-	0.09	(0.60)	(0.01)	(0.59)	-
5	MMOPL	662.00	549.49	3,824.80	2,613.31	26.69	-	-	-	-	-	-
6	CBDTPL	190.34	(3.88)	665.87	479.41	-	-	-	-	-	-	-
7	TRPL	0.05	(0.02)	0.04	0.01	-	-	-	@	-	@	-
8	DSTL	5.21	33.16	764.04	725.67	10.60	-	91.70	31.82	9.96	21.86	-
9	NKTL	4.48	1.10	586.93	581.35	4.17	-	54.93	11.63	2.42	9.21	-
10	GFTL	1.96	120.37	767.03	644.70	-	-	47.79	(40.05)	-	(40.05)	-
11	KMTL	3.41	37.01	716.51	676.09	-	-	-	-	-	-	-
12	PSTL	0.01	70.24	1,498.68	1,428.43	-	-	172.99	28.83	6.05	22.78	-
13	HKTL	3.71	71.81	765.75	690.24	-	-	96.50	15.85	3.28	12.56	-
14	DATL	9.02	189.38	521.31	322.91	-	-	146.36	65.47	13.56	51.90	-
15	RCPL	0.13	(9.41)	0.05	9.33	-	-	-	(9.33)	-	(9.33)	-
16	RCCPL	442.17	406.00	3,149.83	2,301.66	-	-	71.83	(9.85)	-	(9.85)	-
17	RCIPL	0.05	(0.02)	600.03	600.00	-	-	-	@	-	@	-
18	UIWPL	0.69	6.12	6.93	0.11	-	-	-	@	-	@	-
19	RSOPL	0.01	(0.04)	41.07	41.10	-	-	-	-	-	-	-
20	RADPL	7.14	63.91	74.03	2.98	-	-	-	(0.02)	-	(0.02)	-

Notes to Abridged Consolidated Financial Statements

₹ Crore

Sr. No.	Name of the Subsidiary	Share Capital *	Reserves and Surplus	Total Assets **	Total Liabilities #	Investment $		Turnover ##	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend
						In Mutual Fund at cost (Quoted)	In Shares at cost (Unquoted) $					
Step - down Subsidiairies												
21	LAPL	0.83	3.95	6.79	2.01	-	-	0.12	(0.26)	-	(0.26)	-
22	BAPL	2.13	16.82	26.74	7.79	-	-	0.26	(0.81)	-	(0.81)	-
23	NAPL	2.85	8.47	23.14	11.83	-	-	0.43	(3.78)	-	(3.78)	-
24	YAPL	0.34	2.17	3.57	1.06	-	-	0.04	(0.19)	-	(0.19)	-
25	OAPL	0.80	6.33	9.95	2.83	-	-	0.08	(0.18)	-	(0.18)	-
26	WRTM	18.03	164.87	1,126.95	944.06	-	-	91.36	(1.56)	(0.62)	(0.94)	-
27	WRTG	14.26	138.41	618.38	465.71	-	-	47.78	20.73	13.95	6.78	-
28	NKTCL	0.64	5.29	26.60	20.67	-	-	@	@	@	@	-
29	TTCL	0.74	6.18	26.82	19.90	-	-	0.01	0.01	@	0.01	-
30	RConPL	0.02	(0.01)	0.01	@	-	-	-	@	-	@	-

* including share application money ; ** Non Current Assets + Current Assets ; # Non Current Liabilities + Current Liabilities
$ Other than Investment in Subsidiary ; ## includes other income.

32. (Note No. 56 of Notes to Consolidated Financial Statements)

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
Date : May 19, 2014
Place : Mumbai

For Pathak H. D. & Associates
Chartered Accountants
Firm Registration No. 107783W

Vishal D. Shah
Partner
Membership No. 119303
Date : May 19, 2014
Place : Mumbai

For and on behalf of the Board

Anil D Ambani Chairman
S Seth Vice Chairman
R R Rai
S S Kohli
Dr V K Chaturvedi
K Ravikumar } Directors
Ramesh Shenoy Company Secretary and Manager

Date : May 19, 2014
Place : Mumbai

Reliance Infrastructure Limited

Registered Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710
Tel: +91 22 3009 8181 Fax: +91 22 3009 8128
Website: www.rinfra.com E-mail: rinfra@karvy.com
CIN:L99999MH1929PLC001530

ATTENDANCE SLIP
ANNUAL GENERAL MEETING

* DP Id. / Client Id.		Name & Address of the registered Shareholder
Regd. Folio No.		
No. of Share(s) held		

(*Applicable for Members holding Shares in electronic form)

I hereby record my presence at the **85th ANNUAL GENERAL MEETING** of the Members of Reliance Infrastructure Limited held on Tuesday, September 30, 2014 at 2.00 P.M. or soon after conclusion of the Annual General Meeting of Reliance Communications Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020,

Member's / Proxy's Signature

Note: Please complete this and hand it over at the entrance of the hall.

.... TEAR HERE ....

Reliance Infrastructure Limited

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Tel: +91 22 3009 8181 Fax: +91 22 3009 8128
Website: www.rinfra.com E-mail: rinfra@karvy.com
CIN:L99999MH1929PLC001530

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):	
Registered Address:	
E-mail Id:	
* DP Id. / Client Id.	
Regd. Folio No.	

(*Applicable for Members holding Shares in electronic form)

I/ We, being the member(s) of ______________________ shares of the above named company, hereby appoint:

(1) Name: ______________________ Address: ______________________
E-mail id: ______________________ Signature ______________________ or failing him;

(2) Name: ______________________ Address: ______________________
E-mail id: ______________________ Signature ______________________ or failing him;

(3) Name: ______________________ Address: ______________________
E-mail id: ______________________ Signature ______________________

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 85th Annual General Meeting of the Company, to be held on Tuesday, September 30, 2014 at 2.00 P.M. or soon after conclusion of the Annual General Meeting of Reliance Communications Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020 and at any adjournment thereof in respect of such resolution as is indicated below:

Resolution No.	Matter of Resolution	For	Against
1.	To consider and adopt: a) the audited financial statement of the Company for the financial year ended March 31, 2014 and the reports of the Board of Directors and Auditors thereon. b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2014 and the reports of the Auditors thereon.		
2.	To declare dividend on equity shares.		
3.	To appoint a Director in place of Dr. V. K. Chaturvedi (DIN: 01802454) who retires by rotation under the provisions of the Companies Act, 2013 and being eligible, offers himself for re-appointment.		
4.	To appoint Auditors and to fix their remuneration.		

Signed this .... day of .... 2014.

Affix Revenue Stamp

Signature of Shareholder(s) : ______________________

Signature of Proxy holder(s) : ______________________

Note:
This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

If undelivered please return to :

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. : + 91 40 4030 8000
Fax : + 91 40 2342 0859
Email : rinfra@karvy.com

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